



DRAFT GENERAL BUDGET of the European Union

for the financial year 2020

Working Document

Part I

Programme Statements
of operational expenditure

COM(2019) 400 – June 2019

Budget

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DRAFT GENERAL BUDGET
of the European Union
for the financial year 2020

Working Document
Part I

**Draft General Budget
of the European Union
for the Financial Year 2020**

**Working Document Part I
Programme Statements of operational expenditure**

The 2020 Draft Budget is accompanied by twelve ‘Working Documents’, as follows:

Part I: Programme Statements of operational expenditure

Working Document I contains Programme Statements, which constitute the main instrument for justifying the operational appropriations requested by the Commission in the Draft Budget, pursuant to Article 41(3)(h) of the Financial Regulation. These Statements are coherent with the corresponding legal bases and provide details on the resources which are dedicated to each spending Programme.

Part II: Human Resources of the EU institutions and executive agencies

Working Document II presents information on the human resources of the EU institutions and executive agencies, and in particular for the Commission, both for the establishment plans and for external personnel and across all headings of the multiannual financial framework. Moreover, pursuant to Article 41(3)(b) of the Financial Regulation, it provides a summary table for the period 2014 – 2019 which shows the number of full-time equivalents for each category of staff and the related appropriations for all institutions and bodies referred to in Article 70 of the Financial Regulation.

Part III: Bodies set up by the European Union having legal personality and Public-private partnership

Working Document III presents detailed information relating to all decentralised agencies, executive agencies and Public-Private Partnerships (joint undertakings and joint technology initiatives), with a transparent presentation of revenue, expenditure and staff levels of various Union bodies, pursuant to Article 41(3)(c) of the Financial Regulation.

Part IV: Pilot projects and preparatory actions

Working Document IV presents information on all pilot projects and preparatory actions which have budget appropriations (commitments and/or payments) in the 2020 Draft Budget, pursuant to Article 41(3)(f) of the Financial Regulation.

Part V: Budget implementation and assigned revenue

Working Document V presents the budget implementation forecast for 2020, information on assigned revenue (implementation in 2018 and estimation for 2020), and a progress report on outstanding commitments (RAL) and managing potentially abnormal RAL (PAR) for 2018, pursuant to Article 41(3)(d) of the Financial Regulation.

Part VI: Commission expenditure under the administrative heading of the multiannual financial framework

Working Document VI encompasses administrative expenditure to be implemented by the Commission under the administrative heading of the multiannual financial framework (heading 5) in accordance with Article 317 of the Treaty on the Functioning of the European Union, as well as the budgets of the Offices (OP, OLAF, EPSO, OIB, OIL and PMO), pursuant to Article 41(3)(e) of the Financial Regulation.

Part VII: Commission buildings

Working Document VII presents information on buildings under Section III - Commission, pursuant to Article 266(1) of the Financial Regulation.

Part VIII: Expenditure related to the external action of the European Union

Working Document VIII presents information on human resources and expenditure related to the external action of the European Union, pursuant to Article 41(10) and (11) of the Financial Regulation.

Part IX: Funding to international organisations

Working Document IX presents funding provided to international organisations, across all MFF headings, pursuant to Article 41(3)(g) of the Financial Regulation.

Part X: Financial Instruments

Working Document X presents the use made of financial instruments, pursuant to Article 41(4) of the Financial Regulation.

Part XI: EU Trust funds

Working Document XI presents the activities supported by EU Trust Funds, their implementation and performance, pursuant to Article 41(6) of the Financial Regulation.

Part XII: Payment schedules

Working Document XII presents summary statements of the schedule of payments due in subsequent years to meet budgetary commitments entered into in previous years, pursuant to Article 41(3)(i) of the Financial Regulation.

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I. INTRODUCTION TO WORKING DOCUMENT 1 Programme Statements of operational expenditures

The EU budget is key for implementing European policies and priorities. It leverages national budgets and other financial sources at European and national level to address the challenges, and opportunities, faced by the Union. Unlike national budgets, the EU budget is predominantly focused on investment. Its programmes are multiannual in nature, providing a stable and predictable framework which is ideally suited to supporting strategic investments over the medium to longer term.

Although the EU budget represents around 1% of EU Gross National Income (GNI) and just above 2% of all public spending in the EU, actions supported are important tools for the achievement of many of the EU strategic priorities. The Multiannual Financial Framework (MFF) translates the Union’s political priorities into financial terms for 7 years setting maximum annual amounts (ceilings) for EU expenditure (in payments appropriations) and for its main categories, known as headings (in commitment appropriations). The MFF thus supports other EU actions in, among others, the legislative, regulatory and fiscal domain to achieve the Union’s objectives as set out in the Treaties and long-term strategies. It runs over a period long enough to be effective and to provide a coherent long-term vision for its beneficiaries and co-financing national authorities.

In the shorter term, the European Commission as a political body operates based on policy priorities established by its President. For the current Commission in office, President Juncker has established 10 political priorities to respond to today's challenges encompassing budgetary and legislative means.

THE EU BUDGET 2014 - 2020

EU budget 2014-2020

In billion euro and in percentage, current prices

Economic, social and territorial cohesion EUR 371.4

- Research and Innovation
- Information and communications technology
- Small and medium-sized enterprises
- Low-carbon economy
- Climate change and risk
- Environment and resource efficiency
- Transport and energy
- Employment
- Social inclusion
- Vocational training

Sustainable growth: natural resources EUR 420

- Agriculture
- Rural development
- Fisheries
- Environment and others

Competitiveness for growth and jobs EUR 142.1

- Education
- Energy
- Industry and small and medium-sized enterprises
- Networks and technology
- Research and Innovation
- Transport

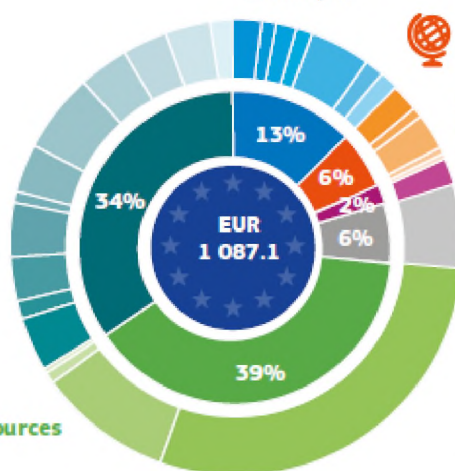
Global Europe EUR 66.3

- Development and international cooperation
- Humanitarian aid
- Neighbourhood and enlargement
- Foreign policy instruments

Security and citizenship EUR 17.7

- Migration and home affairs
- Health and food safety
- Culture
- Justice

Administration EUR 69.6



Note: Commitments, adjusted for 2018.

Source: European Commission, Reflection Paper on the future of EU finances, 2017.

The EU budget focuses on areas where pooling resources to tackle common challenges for all Europeans can deliver results that could not be achieved as effectively or efficiently by Member States acting alone. This applies in areas as diverse as cross-border infrastructure, external border management, large-scale space projects and pan-European research. In all these areas, the EU budget is uniquely placed to deliver ‘**European added value**’.

Strengthening performance is an overarching goal for the Commission, as clearly stated by President Juncker: *"Every action we take must deliver maximum performance and value added"*. In this sense, systematic efforts are undertaken to deliver the best possible results and to tackle unexpected crises with the EU budget as well. This requires not only that EU programmes are well managed, but also that they deliver results, which can be measured based on clear performance indicators.

The performance framework of EU spending programmes are defined in the relevant legislative acts and are coherent with the Europe 2020 strategy¹. They are also designed to provide the Budgetary Authority (the European Parliament and the Council) with adequate performance information on programmes and activities to support its decision-making on the allocation of resources during the budgetary procedure.² The implementation of the performance framework – consisting of objectives, indicators to measure progress and monitoring, reporting and evaluation arrangements – is reviewed once a year in the working document accompanying the draft budget, the Programme Statements (PS). The Annual Management and Performance Report (AMPR) for the EU Budget³ brings together information on both the performance and management of the EU budget and provides a complete view on how the EU budget is used to support the Union's political priorities.

In budgetary terms, 2018 was the fifth year of implementation of the current 2014-2020 MFF. Most spending programmes are now fully operational following some delays at the beginning of the implementation period and results are starting to show. The type of data reported depends on the level of maturity of the programmes, ranging from input data on spending to early results.

Programme Statements overview

Purpose and structure of the document

The Financial Regulation (Art. 41(3)(h)) requires the Commission to prepare PS to justify funding requested for each of the EU spending programmes. PS need to be coherent with the corresponding legal bases and provide details on the resources which are dedicated to each spending programme. This PS working document, attached to the DB, has the aim of supporting the Commission requests for the annual budget allocations for operational expenditure.

PS provide information for each of the spending programme on the:

- rationale and EU added value of each programme;
- implementation overview;
- programme performance and contribution to the main EU policies and objectives from the start of the MFF.

PS were first introduced to support the Draft Budget 2014 and are updated each year in the context of EU budget preparation procedure. They are discussed in annual budget hearings with the Commission services responsible for the spending programmes and revised based on the outcomes of these hearings.

This working document encompasses **60 programme statements** of all EU spending programmes as well as statements on financial intervention for activities that do not require a specific legal basis, but which have significant budgetary impact.

Each PS follows the same **structure** of 3 sections: i) a rapid information what the programme is about and highlight its European added value; ii) an update on the recent evolution in the implementation of the programmes; and iii) evidence on performance.

For the DB 2020 exercise, the structure of the PS remains stable compare to the preceding year, introducing only limited improvements aiming to make the texts more user-friendly, concise and simple.

This working document of PS is also a main source of information for the AMPR, which is part of the Integrated Financial Accountability Reporting Package, a central input for the annual 'discharge procedure', by which the European Parliament and the Member States in the Council hold the Commission to account for its use of taxpayers' money.

Link with budgetary nomenclature

The budget nomenclature provides the clarity and transparency necessary for the budgetary process, facilitating the identification of the main objectives, and discussion of possible choices on political priorities and enabling efficient and effective implementation. It is organised around the concept of policy areas (budget titles). Each budgetary title corresponds to one policy area and each chapter, as a rule, corresponds to a programme. There is a direct link established between the programme objective(s) and budget line (articles or items) with the amounts allocated to the objective(s). In the Programme

I. Programme overview - this section presents a short programme overview and highlights EU added value of the programme

II. Programme Update, based on the latest available performance data, provides an overview on:

- Implementation status (2016-2018)
- Key achievements
- Evaluations/studies conducted
- Forthcoming implementation (2019-2020)
- Outlook for 2021-2027

III. Programme key facts and performance framework - this section includes:

- Financial programming
- Implementation rates
- Performance information (general and specific objectives)
- Contribution to Europe 2020 Strategy and mainstreaming of policies (climate actions, biodiversity and gender)
- Programme contribution to the Sustainable Development Goals
- Information about financial instrument(s) and trust fund(s)

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:2020:FIN:EN:PDF>

² This framework has been described and has been communicated to the other EU institutions through SWD (2014)200

³ https://ec.europa.eu/info/publications/2015-annual-management-and-performance-report-eu-budget_en

Statements, the link with budgetary nomenclature is ensured by providing side by side the description and number of the outputs and the information on the budget line(s) which finance these outputs.

Highly specified nature of the framework

The EU budget is spent in a very complex environment. Over 30 policy areas are funded with multiple sources of funding, using different type of instruments, under different management modes and involving different actors. This requires strong accountability and optimal control mechanisms to ensure the budget is properly and effectively spent.

In the OECD composite index⁴ the EU performance budgeting system scores considerably higher than all countries. This is driven by a high score for the “frameworks” component of the index, reflecting the highly specified nature of the EU performance budgeting system. The processes for monitoring and reporting on results in the EU are more elaborate than those in OECD countries. In particular the EU performance budgeting system is characterised with general guidelines and definitions, standard templates for reporting performance information, a standard set of performance indicators and targets and a standard ICT tool for entering/reporting performance information.

The system of performance indicators for the EU Budget

The EU budget has an advanced framework for measuring and reporting on performance. The leading principles of this system are set out in the Financial Regulation, which requires the provision of information on the achievements of specific, measurable, achievable, relevant and timed objectives measured by indicators. The Better Regulation Guidelines provide instructions on setting indicators, their link with objectives and stage of implementation of a programme or policy area. These principles are implemented in a set of indicators set out in the legal basis of the respective spending programmes.

Indicators perform several functions: aggregating information; measuring progress toward EU objectives; providing early warning on programme implementation; and communicating about the EU budget.

Number of indicators and reporting frequency

The current performance framework of the spending programmes includes **more than 700 indicators** measuring the performance against **more than 60 general and 220 specific objectives**. Not all measure EU budget performance directly. Some provide either high level contextual information (e.g. "the Europe R&D target of 3% GDP" or "share of researchers in the EU active population") or process related information (e.g. "quality of project applications", "number of participants"). Additionally, not all indicators are available immediately after the start of the programme. The reporting varies from one programme and type of indicator to another and is influenced mainly by the following factors:

- **Type of performance indicators** chosen determines when first performance information is available. Input indicators, used rarely in the PS, are available much sooner than result or impact indicators which require an action – potentially large-scale investment – to be finalized.
- The **time lag** between the input and the outcomes generated (e.g. the grants allocated for students under Erasmus+ can be monitored on annual basis while the results for the infrastructure investment programmes like CEF will only be known when the projects financed by CEF programme will reach the necessary maturity).
- The **mode of implementation** (shared, direct, or indirect) influences the way performance information is collected, aggregated and transmitted to the decision makers. Around three-fourth of the EU budget is implemented by Member States (under shared management) and the rest by the Commission or the executive agencies (direct management); or via agreements with third parties such as the EIB or international financial institutions (indirect management).
- The **range of activities** covered by the programme. Cohesion policy has a solid performance framework in terms of objectives and indicators in relation with the operational programmes. However, these indicators are not easy to aggregate and report on policy achievements because of the diversity of the activities supported by each fund.
- The reporting frequency also depends whether the data could be **collected internally** (for example internal Commission' databases systems, such as Horizon 2020, Regional policy projects database or LIFE project database) or whether it is derived from external sources such as Member States (indicators used in the ESI funds) or international organisations (indicators measuring Sustainable Development Goals). In the latter case, the delivery of the information could be delayed as the reporting chain is much longer with a number of intermediaries.
- **Cost of collection**: some indicators for which the collection of data is expensive or complex can only be collected at a lower frequency (for example every 2 or 3 years). As a result, for some objectives the established indicators allow progress to be tracked on an annual basis while for some others only the mid-term interim evaluations will deliver tangible indications on performance.

⁴ OECD performance budgeting survey presented at 2016 meeting of the OECD Senior Budget Officials Performance and Results Network, OECD Headquarters, Paris, 24-25 November 2016

Indicators in the 2020 Programme Statements

The most recent data are available from the programmes **directly managed** by the Commission. In most of the cases, the reported achievements are values recorded by the end of **2018**. The programmes under **shared management** present values recorded and reported by the Member States as by the end of **2017**. The programmes under **indirect management** present a **mixed** picture; some have achievement reported up to 2018 while the others depend on the reports or surveys carried out by the international organisations.

Practical limits of indicators

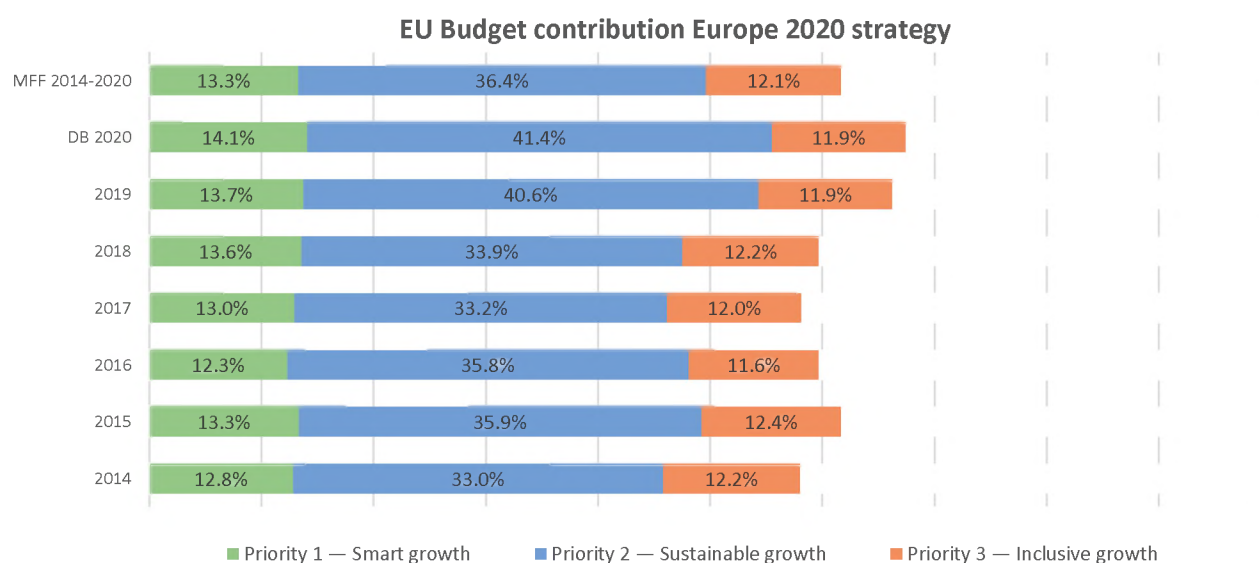
Indicators should, to the extent possible, provide the most direct evidence of the effects they are measuring. However, it is important to stress that the indicators are alone not sufficient to draw conclusions on whether a policy or programme is successful. The set of indicators presented in the PS as part of this working document does not represent any judgment. It is an objective and robust data source to help understand, monitor and inform of progress of spending programmes.

Moreover, while a clear match between targets and indicators exists, there is not a direct link between objectives and indicators; indeed the contribution to the objective(s) of each indicator can only be estimated.⁵

EU Budget contribution to Europe 2020

To achieve its objective of smart, sustainable and inclusive growth, the Europe 2020 strategy includes five headline targets on employment, research and development, climate and energy, education, and the fight against poverty and social exclusion. These headline targets are translated by each Member State into national targets. While Member States are primarily responsible for progress towards these targets at national level, the EU budget contributes to the achievement of the headline targets at EU level. The Commission monitors and reports on the contribution of the EU budget to the EU’s priorities set out in the Europe 2020 strategy and its headline targets.⁶

Chart 1 – Share of the EU budget allocated to the Europe 2020 strategy and the 3 key priorities



Source: European Commission

Main programmes contributing to Europe 2020

The contribution to Europe 2020 comes essentially from the entire EU budget. Indeed the multi-dimensional character of the initiatives implies a certain thematic overlap. Their realisation depends on multi-level governance based on the effective coordination and management of diverse stakeholders at different levels (EU, Member State, local and regional levels).

Since the adoption of Europe 2020 estimates, which may differ between years and programmes have been made to gauge the financial contribution of the EU spending programmes. These are introduced in the Programme Statements. The calculation of the contribution corresponds to the best ex-ante estimations based on commitments appropriations, as the precise tracking and calculation of actual spending on micro level⁷ would not be cost-effective in terms of sound

Contribution to the Europe 2020 strategy is estimated 67,4 % of the total Draft Budget 2020

⁵ Looking forward, the Commission proposed for the next MFF to link objectives and indicators more clearly in the frame of a new budget nomenclature.

⁶ The 2020 headline targets are monitored by Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators/europe-2020-strategy>):

⁷ i.e. at the level of individual commitments (procurements, grants...).

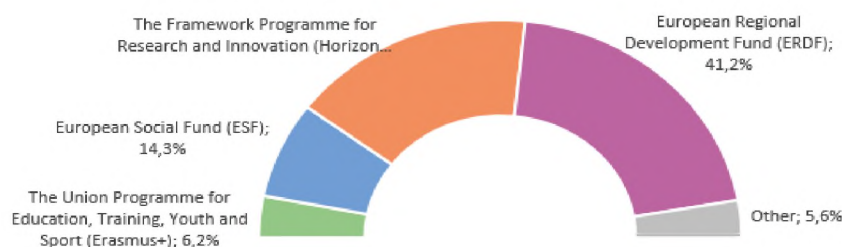
financial management. It is also important to note that EU funding for many projects (mainly under cohesion, regional, rural development policy, Connecting Europe Facility (CEF) and others) are topped up with co-financing by Member States, regions and/or private operators. This increases the amount supporting the 2020 objectives beyond the amounts included in the EU budget. This is also the case for financial instruments where the EU budget acts as a lever to increase investments.

Based on the Commission's Draft Budget for 2020 it is estimated that **EUR 110 279,9 million (67,4 %)** of commitment appropriations is linked to Europe 2020 strategy. This is comparable to the share in the previous budget year and it is in line with the overall evolution of the Draft Budget.

Education and training are at the core of Europe 2020 Strategy for smart, sustainable and inclusive growth, and of the integrated guidelines for the economic and employment policies of the Member States. Arguably none of the Europe 2020 priorities and headline targets will be reached without a strong investment in human capital: Youth on the Move, Agenda for New Skills and Jobs, as well as the Digital Agenda, Innovation Union and the Platform against Poverty. Besides these initiatives, the European Social Fund is an important tool for offering to unemployed persons a path back to work. It supports policies and priorities aiming to achieve progress towards full employment, enhance quality and productivity at work, increase the geographical and occupational mobility of workers within the Union, improve education and training systems, and promote social inclusion, thereby contributing to economic, social and territorial cohesion. Finally, in case of disruption generated by the evolving trade pattern or the crisis, the European Globalisation Adjustment Fund (EGF) provides a path to reintegrate workers into the labour market through training.

Charts 2a-c – Contribution from EU programmes to three priorities, 2014-2020

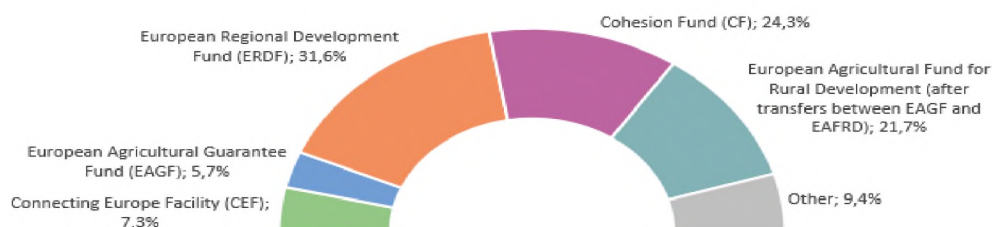
Priority 1 — Smart growth (Innovation, Education, Digital Society)



Source: European Commission

Contribution to one of the actions very often triggers positive changes in other areas. For example, the general objective of Horizon 2020 is to build an economy based on knowledge and innovation across the Union, while contributing to sustainable development. This programme helps to generate more sustainable growth and create new jobs in the EU and will help raise the percentage of people employed. By contributing directly to R&D expenditure and leveraging public and private funds towards this sector, Horizon 2020 contributes to increasing R&D investment in the EU. Finally, in order to promote sustainable development, support is provided to climate change and energy research. This will ultimately contribute towards reducing emissions, promoting renewable energy sources and increasing energy efficiency, thus making progress towards the 20/20/20 climate/energy targets.

Priority 2 — Sustainable growth (Climate, Energy, Mobility and Competitiveness)

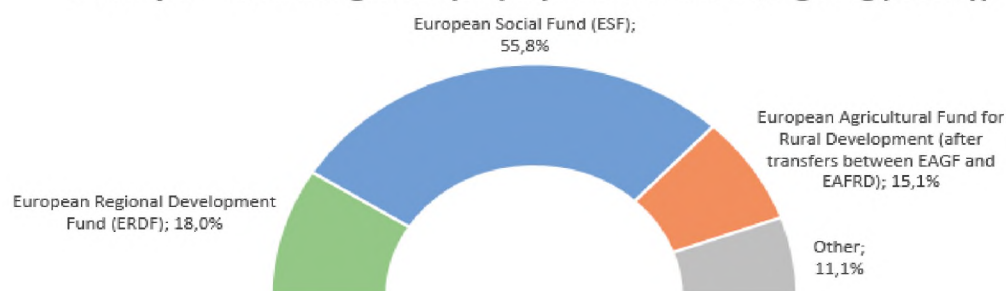


Source: European Commission

Meanwhile, actions related to energy, climate and sustainability supported under the European Structural and Investment (ESI) funds (ERDF, CF, EAFRD), CEF, LIFE+, H2020 programmes and the help maintaining the quality of the environment and enhance the creation of sustainable jobs. Exploiting the potential of the single market to the full is essential since a better-integrated single market produces opportunities for growth for businesses, generates more employment, leads to knowledge spillovers and expands the market for sustainable products and services, thereby strengthening the competitive position of the European Union. Regional policy and the Rural Development pillar of the Common Agricultural Policy make a significant contribution to all of the Europe 2020 priorities, thereby supporting the Commission's objective of strengthening growth and jobs. Regional policy's general objective is to reduce disparities between the levels of development of the various regions, and to contribute to achieving the targets set out in the Europe 2020 strategy, and in particular towards the achievement of

quantitative headline targets identified in that strategy. Programmes such as COSME, CEF or Customs and Fiscalis are supporting improvements to the single market.

Priority 3 — Inclusive growth (Employment and skills, Fighting poverty)



Source: European Commission

EU Budget supporting the Commission's political priorities

The achievement of the 10 political priorities of the Juncker Commission is pursued via a variety of methods including e.g. the EU budget, legislation, policies or coordination. The overall progress is reported on in the General report on the activities of the European Union⁸. The EU budget is only one of the tools supporting the implementation of the 10 political priorities in line with the Europe 2020 strategy. The previous and current budget procedures provide a good example of how the specific political priorities such as migration and the jobs and growth agenda were addressed when deciding on the final allocation of the budgetary funds. There was a particular focus on supporting policies to boost competitiveness and economic convergence and to create growth and jobs, as well as on providing financial support for the response to crises, in particular, the refugee crisis and security threats derived from war and instability in Europe's neighbourhood.

The overview presented below is not exhaustive but aims to highlight in particular the most recent and relevant spending programmes contributing to the achievement of the ten priorities of the Juncker Commission. This information should be considered for information purposes.

Ten priorities of the Juncker Commission		Contribution from EU Programmes
	1. New boost for jobs, growth and investment	Numerous programmes under Heading 1A and 1B: Horizon 2020, CEF, ITER, EGNOS and GALILEO, Euratom, Erasmus+, EaSI, COSME and ESF, ERDF, Cohesion Fund
	2. Connected digital single market	Horizon 2020, ERDF, EAFRD, CEF
	3. A resilient Energy Union with a forward-looking Climate Change Policy	Euratom, ITER, ERDF, EAFRD, Cohesion Fund, CEF, EAGF, H2020, LIFE Programme and all programmes contributing to the Climate change Policy objectives
	4. Deeper and fairer internal market with strengthened industrial base	EAFRD, ERDF, Cohesion Fund, Horizon2020, Egnos and Galileo, Copernicus, COSME
	5. A deeper and fairer Economic and Monetary Union	Specific activities in the field of financial reporting and auditing
	6. A reasonable and balanced Free Trade Agreement with U.S.	No spending programme involved
	7. An area of justice and Fundamental Rights based on Mutual Trust	Justice programme, Rights, Equality and Citizenship Programme, Internal Security Fund
	8. Towards a new Policy on Migration	Asylum, Migration and Integration Fund, Internal Security Fund
	9. A stronger Global Actor	All programmes under Heading 4
	10. A Union of Democratic Change	No spending programmes involved, but some actions under Europe for Citizens programme

⁸ <http://publications.europa.eu/webpub/com/general-report-2016/en/>

Mainstreaming cross-cutting priorities into the EU budget

In order to pursue policy objectives such as climate, environment and gender in a coherent and holistic manner the 2014-2020 is, to certain extent, being applied in a matrix format by reading across sectoral programmes to identify spending along such horizontal priorities. All major EU policies including cohesion, agriculture, maritime and fisheries, research and innovation, and external aid programmes therefore have a contribution in the form of so-called mainstreaming. Mainstreaming is to be achieved through a range of requirements for benchmarking, monitoring and reporting (using appropriate indicators) for all relevant EU policy instruments.

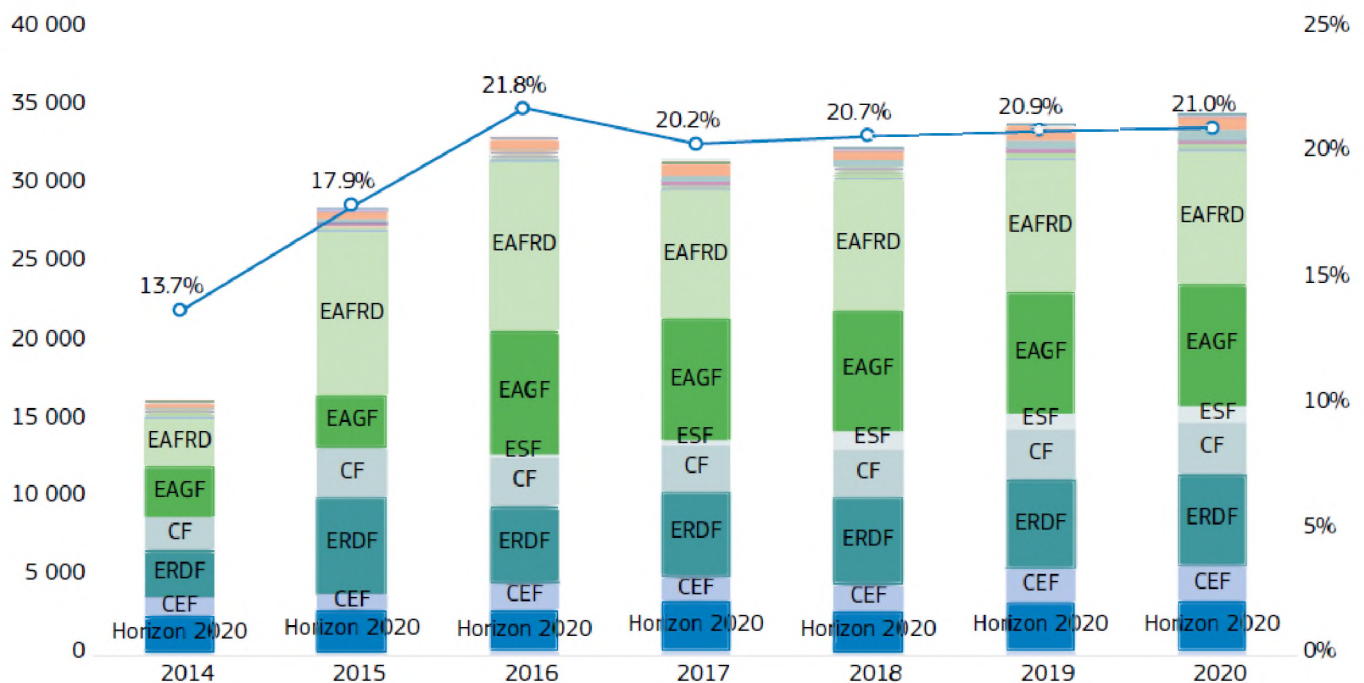
Climate change

Climate action is a key priority for the Commission, as also set out in the ‘Europe 2020 strategy’. To respond to challenges and investment needs related to climate change, the EU has decided that at least 20 % of its budget for 2014-2020 – as much as EUR 180 billion over the whole period – should be spent on climate change-related actions. To achieve this result, mitigation and adaptation actions are being integrated into all major EU spending programmes, in particular, Cohesion Policy, regional development, energy, transport, research and innovation, the common agricultural policy as well as the EU’s development policy. The climate tracking is done using EU climate markers, which adjusted the OECD’s development assistance tracking ‘Rio markers’ to provide for quantified financial data. EU climate markers reflect the specificities of each policy area and assign three categories of weighting to activities on the basis of whether the support makes a significant (100 %), a moderate (40 %) or insignificant (0 %) contribution towards climate change objectives.

Contribution to Climate change is estimated as 21,01 % of the total Draft Budget 2020

Based on the estimations, climate mainstreaming is expected to reach **EUR 34 451,8 million** in 2020 (or **21,01%** of proposed total commitment appropriations) compared to EUR 33 809,9 million in 2019 (or 20.9% of total commitment appropriations). The current forecast for the whole MFF period foresees that 19,7% of the EU budget will be allocated to climate action. The aggregated information related to the mainstreaming of climate action throughout the draft budget 2020 and the consolidated and updated information for the expenditures for the whole 2014-2020 programming period are presented in Annex III of the Statement of estimates of the European Commission for the financial year 2020.

Chart 3: Main EU spending programmes contributing to Climate change adaptation and mitigation



Source: European Commission

Biodiversity

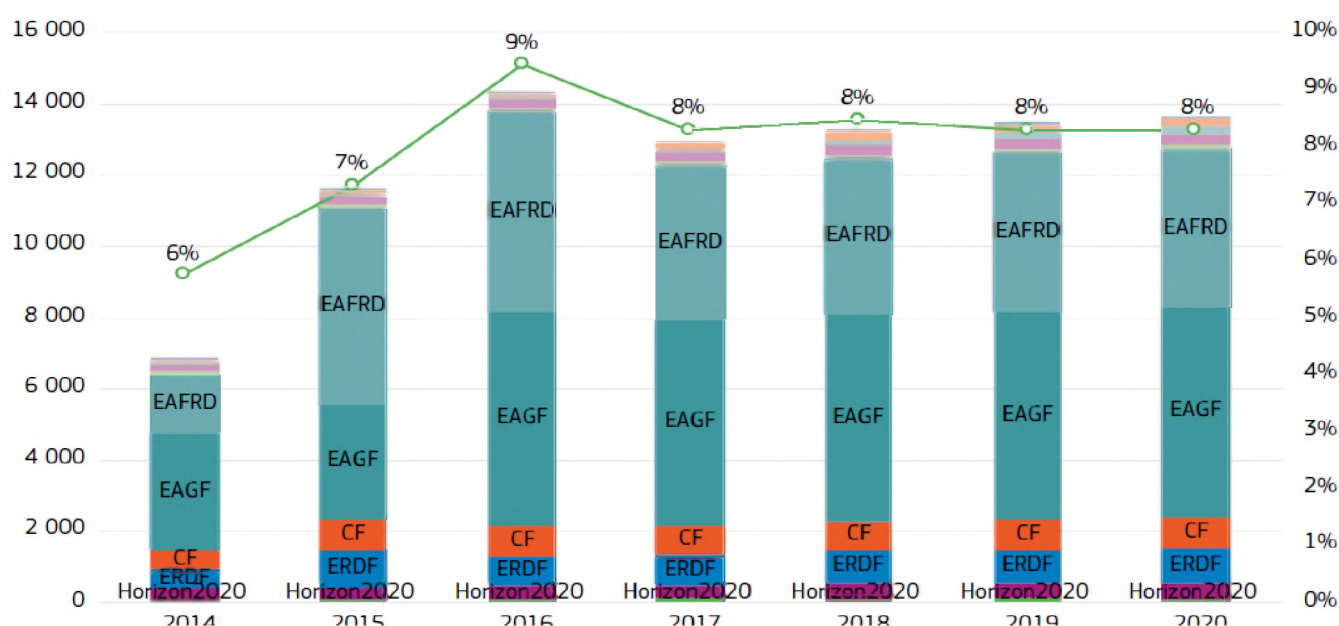
Protecting biodiversity and strengthening the resilience of ecosystems will make an important contribution to our sustainable growth objectives. As foreseen in the Commission Communication ‘A budget for Europe 2020’, financing the EU Biodiversity Strategy to 2020 and its objective to halt and reverse the decline of biodiversity in the EU requires the mainstreaming of biodiversity throughout the EU budget, both within the EU via the main funding instruments and through external action funding.

As for mainstreaming of climate action, the Commission has developed a general approach for tracking biodiversity-related expenditure in a consistent way across the EU budget making sure that spending under the EU budget has no negative impacts on biodiversity. The "Common Framework for Biodiversity proofing of the EU budget"⁹ provides general and fund-specific guidelines to be used by national and regional authorities as well as by the Commission services.

Based on the estimations, the total contribution to mainstreaming biodiversity is expected to be EUR 13 591,3 million in 2020 (or 8,3 % of proposed total commitment appropriations) compared to EUR 13 420,4 million in 2019 (or 8,3 % of total commitment appropriations). For the overall MFF period the contribution of the EU budget is estimated to be EUR 85 973,9 million (or 8,1 % total commitment appropriations). The aggregated information related to the mainstreaming of biodiversity throughout the draft budget 2020 and the consolidated and updated information for the expenditures for the whole 2014-2020 programming period are also presented in Annex III of the Statement of estimates of the European Commission for the financial year 2020.

Contribution to Biodiversity is estimated as 8.3 % of the total Draft Budget 2020

Chart 4: Main EU spending programmes contributing to Biodiversity protection



Source: European Commission

Gender equality

The Council of Europe defined Gender mainstreaming as "the (re)organisation, improvement, development and evaluation of policy processes, so that a gender equality perspective is incorporated in all policies at all levels and at all stages, by the actors normally involved in policymaking". Gender mainstreaming means integrating a systematic consideration of the differences between the conditions, situations and needs of women and men, the relations existing between them and differentiated policy impact on their lives in the planning, implementation, monitoring and evaluation of all policies, programmes and activities.

Gender equality is a cross-cutting objective for all policy areas, including fundamental rights and citizenship, employment and social inclusion, cohesion policy, education, research and innovation and external cooperation.

The information on gender equality reported on in the PS is as follows:

- 33 out of 60 spending programmes contain some qualitative or quantitative information related to gender mainstreaming (25 programmes in 2018, and 20 in 2017)
- 11 programmes provided some financial estimates on EU Budget contribution to gender mainstreaming (eight programmes in 2017)
- 24 programmes provide quantitative information mainly on the following topics:
 - the number of projects financed that address gender equality;
 - gender statistics in project teams, decision making bodies or in overall programme beneficiaries.

To promote equality between women and men is part of the horizontal principles of the programmes for **Employment and Social Innovation and the European Social Fund (ESF)**. In designing, implementing and reporting on the activities, beneficiaries/contractors must address this issue and detail in the final activity report on the steps and achievements made towards this goal. Member States have the obligation to programme targeted actions aimed at increasing the sustainable

⁹ <http://ec.europa.eu/environment/nature/biodiversity/comm2006/pdf/cfbp%20-%20General%20Guidance.pdf>

participation and progress of women in employment. The ESF has a dedicated investment priority for equality between men and women in all areas, including in access to employment, career progression, reconciliation of work and private life and promotion of equal pay for equal work. Member States have earmarked EUR 1.6 billion for 2014-2020 under this priority and specific targeted actions can yet be programmed under any other ESF investment priority. Across all investment priorities, the indicative amount for targeted actions for gender equality captured through the ESF secondary theme in programmes is EUR 5.6 billion.

The gender perspective is also considered during the preparation and implementation of **Rural Development** Programmes. All rural development measures have the potential to contribute to gender equality to a various extent by providing support to improve skills, facilitate business development, access to broadband, basic services in rural areas, etc. Besides that, contribution to gender equality is specifically sought in the rural development policy through thematic sub-programmes for women in rural areas and the obligation to respect an ex ante conditionality on gender equality.

In **Research and Innovation** the strategy focuses on:

- Fostering equal opportunities and gender balance in research teams, in order to close the gaps in the participation of women: in the first three years of **Horizon 2020** the share of female participants in Horizon 2020 projects was 42% of the total workforce, including non-researchers, while women represented 28 % of project coordinators.
- Ensuring gender balance in decision-making: the target of 40 % of the under-represented gender in panels and groups and of 50 % in advisory groups has been reached. However, while parity in the earliest stages of the research career seems at hand, the levels of parity diminish as researchers move up the ladder of career progression stages; furthermore, these decreases at more senior career stages show no signs of substantial change in recent years.
- Integrating the gender dimension in research and innovation content: since the launch of Horizon 2020, 32 % of grants took into account the gender dimension in the research and innovation content.

In the field of **external actions and development cooperation**, the Gender Action Plan was established for the period 2016-2020 covering the EU's activities in third countries. It stresses the need for the full realisation of women's and girls' full and equal enjoyment of all human rights and fundamental freedoms, the achievement of gender equality and the empowerment of women and girls. The three thematic pillars focus on physical and psychological integrity, promoting the social and economic rights and strengthening girls' and women's voice and participation. Another new aspect is the fact that gender analysis will be done systematically for all new external actions undertaken, and bilateral and regional programming. Despite significant increase in recent years, the overall funding resources for gender equality and women's empowerment actions in external assistance instruments are still not fully adequate. A wide range of external assistance instruments support gender equality objectives.

Gender aspects are equally taken into consideration in several other thematic actions in external assistance like food security, rural development and private sector development. Gender equality is a key cross-cutting issue for the **EU Instrument contributing to Stability and Peace**. It is integrated into all actions, both non-programmable crisis response measures and programmable actions on conflict prevention, peace-building and crisis preparedness and in addressing global and trans-regional threats. In this regard, key priority is given to ensuring that all actions contribute to delivering on EU commitments on Women, Peace and Security.

Currently it is not possible to establish a uniform tracking system which exclusively addresses gender equality and on which basis EU budget contribution to promoting gender equality could be assessed.

The EU budget and Sustainable Development Goals (SDGs)

The 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs) and 169 targets, adopted by the United Nations (UN) in September 2015, have given a new impetus to global efforts to achieve sustainable development. The EU has played an important role in shaping the 2030 Agenda, through public consultations, dialogue with our partners and in-depth research. The EU is committed to playing an active role to maximise progress towards the SDGs, as outlined in its Communication (COM(2016)739) 'Next steps for a sustainable European future'. The SDGs are firmly anchored in the European Treaties and mainstreamed in all its programmes, sectoral policies and initiatives.

Each year the EU continues its efforts to pursue SDGs and plays a key role in supporting, coordinating and complementing Member States' policies, including as a shared responsibility. EU policy and regulatory instruments address sustainable development challenges and through its programmes; in line with the principle of subsidiarity, the EU budget complements national budgets and provide a significant contribution to its implementation.

Indeed, the progress and achievement of SDGs will also depend largely on action taken in the Member States. The 2020 Programme Statements highlight, in particular, the most recent and relevant initiatives contributing to SDGs, although often in an indirect and non-quantifiable way. This information should be considered for information purposes and does not constitute the official reporting on the EU budget contribution towards SDGs. As the SDGs are interlinked, many EU actions can contribute to several SDGs. The overview presented is not exhaustive, but aims to highlight in particular the most recent and relevant initiatives contributing to the achievement of the SDGs. This information should be considered for information purposes and does not constitute the official reporting on the EU budget contribution towards SDGs.

SDGs	EU dimension	EU Programmes	SDGs	EU dimension	EU Programmes
	End to poverty in all its manifestations, including extreme poverty, over the next 15 years	EFSI, Erasmus+, Solidarity Corps, Social Fund, Agriculture Guarantee Fund, Maritime and Fisheries Fund, Anti-Fraud Information System, Humanitarian Aid, Statistical Programme, European Aid to the Most Deprived, Agriculture Rural Development Fund, Development Cooperation, EU Aid Volunteers		Reducing inequalities between and within countries and in achieving social inclusion and safe migration	Erasmus+, Solidarity Corps, Solidarity Fund, AFIS, Rights Programme, EFSI, Humanitarian Aid, Fiscalis 2020, European Aid to the Most Deprived, AMF, Rights, Globalisation Fund, Development Cooperation, EID, Cooperation with Greenland
	End hunger and malnutrition, and ensure access to safe, nutritious and sufficient food	Agriculture Guarantee Fund, Maritime and Fisheries Fund, AMF, Food and Feed, Humanitarian Aid, Horizon 2020, Social Fund, European Aid to the Most Deprived, Agriculture Rural Development Fund, LIFE, Development Cooperation, Nuclear Cooperation		Enriching the quality of life in cities and communities, in promoting sustainable transport and in alleviating adverse environmental impacts	EFSI, Social Fund, LIFE, Horizon 2020, Solidarity Corps, Rights, Development Cooperation, Partnership Instrument, Civil Protection Mechanism
	Ensure health and well-being for all	EFSI, Erasmus+, Solidarity Corps, Maritime and Fisheries Fund, Health Programme, Humanitarian Aid, Horizon 2020, Solidarity Fund, LIFE, Development Cooperation, Nuclear Cooperation, EU Aid Volunteers		Decoupling environmental impacts from economic growth, in decreasing its energy consumption and in tackling waste generation and management	LIFE, Food and Feed, Consumer, EFSI, Horizon 2020, Fiscalis 2020, Solidarity Fund, Agriculture Guarantee Fund, Agriculture Rural Development Fund, Support for Turkish Cypriots, European Neighbourhood, Development Cooperation, Partnership Instrument
	Ensure access to equitable and quality education through all stages of life	EFSI, Erasmus+, Social Fund, Agriculture Guarantee Fund, Humanitarian Aid, Solidarity Corps, Agriculture Rural Development Fund, Maritime and Fisheries Fund, Rights Programme, Globalisation Fund, Support for Turkish Cypriots, Development Cooperation, Nuclear Cooperation, Cooperation with Greenland		Climate mitigation efforts and in establishing climate initiatives. Climate impacts are measured to assess how and to what extent climate change is affecting Europe	LIFE, Humanitarian Aid, ITER, Horizon 2020, Solidarity Fund, Agriculture Guarantee Fund, Agriculture Rural Development Fund, Solidarity Fund, Development Cooperation, Partnership Instrument, Civil Protection Mechanism, EU Aid Volunteers
	Ending all forms of discrimination, violence, and any harmful practices against women and girls in the public and private spheres	Erasmus+, EaSI, Solidarity Corps, ESF, Instr.contr.to Stability and Peace, Humanitarian Aid, Justice, Rights Programme, Globalisation Fund, IPA II, European Neighbourhood, Development Cooperation, Partnership Instrument, CFSP, EU Aid Volunteers, Cooperation with Greenland		Advancing marine conservation, in fostering sustainable fishery and in ensuring healthy oceans	Maritime and Fisheries Fund, Horizon 2020, LIFE, Development Cooperation, Partnership Instrument
	Ensuring universal access to safe and affordable drinking water, sanitation and hygiene	Agriculture Guarantee Fund, Humanitarian Aid, Horizon 2020, Agriculture Rural Development Fund, LIFE, Development Cooperation, Nuclear Cooperation, Civil Protection Mechanism		Improving the status of ecosystems, in decelerating land degradation and in preserving biodiversity	Agriculture Guarantee Fund, LIFE, Horizon 2020, Customs, Agriculture Rural Development Fund, Development Cooperation, Nuclear Cooperation, Partnership Instrument
	Progress made in reducing its energy consumption, in securing sustainable energy supply	ITER, EFSI, Euratom, Agriculture Guarantee Fund, Consumer, Horizon 2020, Agriculture Rural Development Fund, European Neighbourhood, Development Cooperation, Partnership Instrument		Ensuring peace and personal security, in promoting access to justice and in safeguarding effective justice systems	Erasmus+, Solidarity Corps, Social Fund, ISF, Justice, IPA II, CFSP, EIDHR, EFSI, Rights, Support for Turkish Cypriots, European Neighbourhood, Development Cooperation, EID, Instr.contr.to Stability and Peace
	Fostering sustainable economic growth, in increasing employment and in providing decent work opportunities	EFSI, COSME, Development Cooperation, Erasmus+, EaSI, Solidarity Corps, Customs, ISA2, Social Fund, Agriculture Guarantee Fund, Creative Europe, Fiscalis 2020, Agriculture Rural Development Fund, LIFE, Globalisation Fund, IPA II, European Neighbourhood, Development Cooperation, Partnership Instrument, Nuclear Cooperation, Civil Protection Mechanism		Progress in strengthening global partnership and in improving the financial governance in the EU	Copernicus, ISA2, EIDHR, Instr.contr.to Stability and Peace, ITER, LIFE, Rights programme, Development Cooperation, EID, EU Aid Volunteers, Partnership Instrument
	Progress in strengthening R&D and innovation and in promoting sustainable transport	ITER, EFSI, COSME, CEF, ISA2, Social Fund, Agriculture Guarantee Fund, Horizon 2020, Agriculture Rural Development Fund, LIFE, Support for Turkish Cypriots, European Neighbourhood, Development Cooperation			

Considering their wide geographic and thematic scope, the ERDF, CF and DCI programmes contribute to all 17 SDGs.

EU budget and financial instruments

The Union can intervene and pursue its objectives by means of traditional as well as innovative instruments in addition to regulatory and other non-spending policy initiatives. Traditional direct non-repayable subsidies or grants coexist with innovative instruments including sometimes complex market-based tools, categorised under the broad terms of financial instruments and budgetary guarantees. First launched in the mid-1990s, financial instruments have been growing in importance and scope, albeit accounting for less than 3% of the EU budget (with grants at almost 90%). More recently, EU policies have witnessed the further expansion of budgetary guarantees. The External Lending Mandate in 1994 was followed by the European Fund for Strategic Investments (EFSI) in 2015 and the European Fund for Sustainable Development (EFSD) became operational in 2018.

Finally, the EU can also use “blended” instruments, characterised by a combination of budget guarantees and/or financial instruments and/or grants aiming to further expand the scope of the EU financing supporting sustainable development goals¹⁰.

The shift towards financial instruments and budget guarantees is largely driven by efficiency criteria, notably to maximise the impact of EU investments and its leverage effect. These instruments should be aligned with EU spending priorities in different areas: cohesion, research and innovation, SME support, climate change and energy, etc. However, grants remain the essential implementation mode in the policy areas where market-based tools cannot apply or parts of programmes targeting policy development where beneficiaries are public authorities (e.g. taxation, customs, fight against counterfeiting of euro, etc.).

The 2020 Programme Statements in this working document include information on financial instruments financed by the specific programme. This information should be considered for information purposes and does not constitute the official reporting on the financial instruments financed by the EU budget. The *Working Document X* on financial instruments attached to the 2020 Draft Budget presents more detailed information on quantitative aspects of the financial instruments.

EU budget and Trust Funds

A Trust Fund is a legal arrangement with a distinct financial structure that pools the funds of several donors to jointly finance action on the basis of commonly agreed objectives and reporting formats.

Since 2013, the EU has the possibility to create and manage trust funds (EUTFs) in the area of external action. EU Trust Funds offer a number of advantages: they are EU-led tools, offering better coordination with Member States; better control of operations by the Union and other donors and enhanced EU visibility. Trust Funds benefit from fast decision-making processes and from their capacity to pool larger sums from different sources making them a flexible, proactive and adaptable tool. The contributions from the EU budget to a EUTF are decided during the budgetary year based on implementation needs.

To date, the Commission has set up 4 EUTFs. The 2020 Programme Statements contain a point indicating how a specific programme contributes to a Trust Fund(s). This information should be considered for information purposes and does not constitute the official reporting on the EU budget contribution to the EUTFs. The *Working Document XII* on EUTF attached to 2020 Draft Budget presents more detailed information on the EU budget contributions to the EUTFs.

Table 2: List of EUTFs and EU spending programmes contributing to the EUTFs

EUTF	Full title	Origin of EU Budget contribution to EUTFs
AFRICA EUTF	The European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa	Development Cooperation Instrument (DCI)
		European Neighbourhood Instrument (ENI)
		Humanitarian aid
BÊKOU EUTF	The EU Trust Fund for the Central African Republic	Development Cooperation Instrument (DCI)
		Humanitarian aid
COLOMBIA EUTF	The European Union Trust Fund for Colombia	Development Cooperation Instrument
		Humanitarian aid
MADAD EUTF	The EU Regional Trust Fund in Response to the Syrian Crisis	Development Cooperation Instrument (DCI)
		European Neighbourhood Instrument (ENI)
		Humanitarian aid
		Instrument for Pre-accession assistance (IPA II)

Source: European Commission

II. PROGRAMMES STATEMENTS

The following sections contain all Programme Statements sorted per budgetary heading.

¹⁰ http://ec.europa.eu/europeaid/policies/innovative-financial-instruments-blending_en.



HEADING 1A

Competitiveness for growth and jobs

1: Smart and inclusive growth

1.1: Competitiveness for growth and jobs

HEADING 1A: Competitiveness for growth and jobs

Implementation and exploitation of European satellite navigation systems (EGNOS and Galileo)

Lead DG: GROW

I. Overview

What the programme is about?

GALILEO is Europe's state-of-the-art global navigation satellite system, providing a highly accurate global positioning service under civilian control. Galileo consists of a satellite constellation and the necessary ground infrastructure to control the satellites and enable the provision of positioning, navigation and timing services. Galileo offers autonomous navigation and positioning services, but is also compatible with the US GPS satellite navigation system. Galileo is one of the European large infrastructure projects and is entirely financed by the EU budget. Galileo ensures Europe's autonomy in an area that is of strategic importance to both its economy and security. Galileo is already used, among others, in mobile phones and car navigation. Galileo could be used for a large number of purposes, including critical business processes that require uninterrupted navigation, and timing services needed for example for critical applications such as the synchronisation of electricity grids and telecommunication networks.

EGNOS, the European Geostationary Navigation Overlay Service, is a fully operational regional satellite navigation system, monitoring and correcting open signals emitted by the US GPS and – in the future – Galileo. It consists of several transponders installed on geostationary satellites and a network of ground stations. By improving the accuracy and reliability of the US GPS signal over the territory of Europe, EGNOS allows users in Europe to use GPS signals, for instance, for safety-critical applications such as operating aircraft. It allows users in Europe and beyond to determine their position to around 1 metre.

These programmes contribute to stimulating economic activity and technological innovation. They enable traffic management to be optimised whether on road, waterborne or aerial. Better managed traffic not only improves safety but also reduces pollution since travel is more efficient. Satellite navigation also enables emergency services to better carry out their duties (e.g. in case of fires, road accidents, mountain rescue). Another added-value is that the combined use of GPS and Galileo signals allows for better precision and availability and opens the door to new applications which are not possible by using GPS alone.

EU added value of the programme

The EU's action is based on Article 172 of the Treaty on the Functioning of the European Union and on the GNSS Regulation (EU) No 1285/2013 on the further implementation of the European satellite navigation programmes (EGNOS and Galileo). Today, about 11% of the EU's GDP, i.e. about EUR 1300 billion, relies on satellite navigation signals, often controlled by third countries. EGNOS and Galileo will not only ensure Europe's autonomy, but also provide additional benefits in combination with other GNSS (Global Navigation Satellite System). Such benefits will result from the additional services of the systems and the increased performance coming from additional satellites. Galileo is also the only GNSS specifically designed for civil purposes, i.e. it aims to satisfy the needs of the civil sector, in compliance with the most demanding security standards. Billions of users all over the world are expected to use Galileo, hence reaching an unparalleled level of outreach compared to any infrastructure owned by the EU.

Both programmes are complex projects, which exceed the financial and technical capacities of a single Member State. As such, they fully fall within EU competence. Considering their requirements in terms of security, all Member States must be involved in those programmes.

Implementation mode

The Commission adopts annually a work programme in the form of an implementation plan and funding of the actions required to meet the objectives of Galileo and EGNOS programmes. The European GNSS Agency (GSA) and European Space Agency (ESA) implement more than 98% of the budget in indirect management in accordance with the provisions of the respective delegation agreements. The European Commission through procurements and grants implements the remaining budget in direct management.

II. Programme Implementation Update

Implementation status (2016-2018)

Galileo is operational and providing initial services since 2016. While the exploitation phase was launched in 2016, the deployment phase continues in parallel and is due for completion in 2020. By 2020, Galileo will reach full operational

capability, providing robust positioning and timing services with a high level of performance in terms of availability and accuracy.

a) Galileo programme: deployment of space and ground infrastructure

The deployment of the Galileo space infrastructure has continued and it is on track for achieving full operational capability by 2020. The fully deployed Galileo system will consist of 24 operational satellites plus six in-orbit spares. At the end of 2018, there are 26 Galileo satellites in orbit and all of them are providing services. 22 of them are fully operational for all services. The two satellites that were launched in the wrong orbit in August 2014 have undergone in-depth tests and a set of modifications of their on-board software will be uploaded in the first half of 2019 in order to allow their operational use by the end of 2019. In order to initiate the transition between the first and the second generation of Galileo satellites and to ensure the maintenance of the Galileo constellation in the future, a procurement of additional (so-called transition) satellites was launched in May 2018.

With regard to the Galileo ground infrastructure, the ground mission and ground control segment continued operations of the Galileo satellites. The *European GNSS Service Centre* (GSC) in Madrid (ES) continued to provide a single interface between the Galileo system and Galileo users. To ensure independent monitoring of the Galileo services, the *Galileo Reference Centre* (GRC) started to operate in Noordwijk (NL) in May 2018. The back-up site of the *Galileo Security Monitoring Centre* (GSMC) was transferred from the United Kingdom to Spain. Public procurements for maintenance and upgrade of the Galileo ground infrastructure were finalised.

Regarding security, key actions included measures to improve cyber security, to obtain and maintain security accreditation for operations and for site infrastructure and development of operational concepts and procedures for the Public Regulated Service.

To ensure the continuity of services beyond 2020, the elaboration of the evolution High Level Definition document has continued. It describes the future Galileo services and high-level objectives for security. In parallel, the Commission has implemented an ambitious R&D programme concerning mission and services aspects as well as infrastructure elements, through delegation to ESA.

b) Galileo programme: service provision

Since the declaration of Galileo Initial Services in December 2016, three services (Open Service, Public Regulated Service and Search and Rescue Service) were continuously provided throughout 2018. **The performance of these services in terms of availability and accuracy continuously exceeded the targets.** The detailed performance reports of Galileo services are publicly available on the European GNSS Service Centre web site: <https://www.gsc-europa.eu/>.

In 2018 the Commission, supported by Member States, took a decisive step with regard to the provision of Galileo Commercial service. **The Commercial Service High Accuracy (so-called High Accuracy Service) will offer a 20cm positioning accuracy and will be provided free of charge.** This will foster the development of emerging technologies such as automated connected cars, also boosting the competitiveness of EU car manufacturers. The implementation of this service will be gradual aiming at delivering an initial service over Europe by the end of 2020.

c) EGNOS programme: service provision

The continuity and quality of all three EGNOS services were successfully ensured in 2018. In order to guarantee the continuity of services beyond 2020, the development of a major EGNOS release version has continued in 2018.

EGNOS was designed for aviation, and aviation continues to be a key segment. EGNOS increases accuracy and integrity, improving accessibility, efficiency and safety to operators, pilots and airports across Europe. EGNOS allows lateral and angular vertical guidance during the final approach of a plane without requiring visual contact with the ground until a height down to only 200 feet above the runway. At the end of 2018, there are 315 EGNOS-enabled airports in 23 countries in Europe. Thus, the objective of an annual increase in the number of airports has been achieved for each consecutive year since 2014. The figures are: 2014: 129 airports, 2015: 173, 2016: 230, 2017: 251.

d) Market uptake

The uptake of Galileo greatly benefitted from the declaration of initial services. **In 2018, there were more than 500 million Galileo-enabled devices on the market.** The majority of smartphone producers have included and enabled Galileo on their chipsets. The full overview of products can be found on the following website: <http://www.usegalileo.eu>.

A major step in enhancing the market uptake of EGNOS was the adoption of measures laying down airspace usage requirements and operating procedures for performance-based navigation. In a nutshell, the Regulation requires the publication of LPV procedures (Localizer Performance with Vertical guidance) delivered by EGNOS in all European instrument runway ends before January 2024. This underlines the importance and role of EGNOS as a key enabler for performance-based navigation for modernisation of the aviation in Europe.

In the field of *international cooperation*, negotiations with the US and Norway for access to PRS continued. Progress was made with regard to the extension of EGNOS to European Neighbourhood Policy countries (South). The Commission approved 9 million EUR funding for infrastructure needed to provide the EGNOS Safety of Life signal in the ENP South countries.

Furthermore, the agreement between the EU and the Agency for Aerial Navigation Safety in Africa and Madagascar (ASECNA) on the development of satellite navigation and the provision of associated services in ASECNA's area of competence for the benefit of civil aviation entered into force on 1 November 2018.

Concerning frequency and spectrum management activities, the preparations for the 2019 World Radio Communication Conference continued. The Commission assessed the issue of radio amateurs' interference in the E6 band and a way forward has been proposed. The first European Radio Navigation Plan (ERNP) was published and during 2018 work advanced on the implementation of the action plan stemming from the ERNP.

e) Management of Intellectual Property Rights

In 2018, the Commission has granted an extended licence to Galileo-related intellectual property rights (IPR), thus enabling industry to make use of European knowledge and assets generated under the EU Space programme. The Commission has further secured one invention generated by the industry and applied for a patent protection concerning an invention generated by the Commission staff. Finally, the Commission has licensed two patents from the industry and sublicensed them subsequently for free use of the general public

f) Project management and risk management

Since 2014 the Galileo programme management processes are described in the Programme Management Plan, which is common for the European Commission, European GNSS Agency and European Space Agency¹¹. It sets up a framework for the decision-making (boards and meetings), programme management (procurement management, schedule control, budget, cost and cash management, risk management) and related regular reporting (monthly, quarterly and annually). The Risk Management Plan details the way the risks are identified, classified and treated until their reduction or mitigation.

Key achievements

Over the past years, the key priority has been ensuring the continuity of Galileo and EGNOS services, continuing preparations for full operational capability of Galileo services by the end of 2020 and promotion of market uptake of Galileo and EGNOS services. These achievements can be highlighted as follows:

1. Continuity of Galileo and EGNOS services

Galileo Initial Services were declared operational on 15 December 2016 and have been continuously provided since then. Galileo is operational which gives the Union a strong position on the world stage of satellite navigation where the US and Russian systems are being modernised and the Chinese system is rapidly being developed.

Galileo Initial Services are fully interoperable with GPS, and their combined use is bringing more accurate and reliable positioning for end users. Navigation in cities, where tall buildings can often block satellite signals, particularly benefits from the increased positioning accuracy of Galileo and GPS combined. In addition, Galileo's accurate timing contributes to enabling more resilient synchronisation of banking and financial transactions, telecommunication and energy distribution networks to help them operate more efficiently. Finally, Galileo is helping to save lives. **Galileo's Search and Rescue service reduces drastically the time to detect emergency distress beacons from up to three hours to just ten minutes.** As the location of the distress beacon is determined more accurately, people lost at sea or in the mountains can be rescued more quickly.

2. Towards full operational capability of Galileo by 2020

In 2018, a successful launch of an Ariane 5 launcher added 4 more satellites to the constellation, which brought the total of satellites in space to 26. Additional satellites and a major upgrade of the ground infrastructure paves the way for the development of new functionalities and service improvements in 2019. This will prepare for the Full Operational Capability stage of Galileo, when the constellation will offer robust resilience capability.

3. Market uptake

The market uptake of Galileo and EGNOS boomed in 2018. With more than 500 million Galileo-enabled devices on the market, Europe's investment in Galileo is bringing daily benefits to millions of people. The majority of smartphone producers have included and enabled Galileo on their chipsets. An important step in market uptake was the decision of the U.S. Federal Communications Commission (FCC) in November 2018. This decision granted Galileo in part a waiver for the FCC licence requirements so that **devices in the United States may access specific signals transmitted from the Galileo Global Navigation Satellite System.** The use of Galileo in combination with GPS will open the U.S. mass market for Galileo and improve the U.S. consumer experience that will benefit from improved availability, reliability, and resiliency of these position, navigation, and timing services. Galileo is the first non-US Global satellite navigation system which is allowed in the US.

Another key achievement is the use of satellite signals for locating people calling the EU-wide emergency number 112. In December 2018, the Commission adopted a Delegated Act to more precisely locate people in emergency situations and increase the effectiveness of relief operations. Under the new EU rules, all smartphones sold in the EU will be enabled to send the precise location of the person calling 112 to the emergency services. **The location will be determined using signals from Global Navigation Satellite Systems, including Galileo (outside buildings) and Wi-Fi signals (indoors).** Location information based on Galileo provides an accuracy of only a few meters in contrast to the current technology where the accuracy varies from 2 km to 10 km. In March 2018 a similar system entered into force for all new car models called eCall. This system automatically calls 112 in the event of a serious accident and communicates the location of the vehicle to emergency

services using satellite positioning. Emergency response times can be accelerated by 40% in urban areas and 50% in the countryside.

Evaluations/studies conducted

On 6 June 2018, the Commission adopted an Impact Assessment accompanying the Proposal for a Regulation of the European Parliament and of the Council **establishing the space programme of the Union and the European Union Agency for Space Programme**¹². Key challenges for the future EU Space Programme relate to global and political developments (such as climate change, security, competitiveness of European industry) as well as to lessons learned from the implementation of the programmes in the past (such as governance, data distribution and linking space data with other policy areas). The priorities of the EU Space Programme are (1) continuity of services for Galileo, EGNOS and Copernicus, (2) new missions for Copernicus and evolution of Galileo services, (3) development of new activities – space situational awareness and governmental satellite communications. The governance model proposed for the next financial period builds on the current framework, whilst taking advantage, where appropriate, of synergies, notably as regards security.

After the interim evaluation of the European GNSS programmes (EGNOS and Galileo) and evaluation of the European GNSS Agency in 2017, no further evaluations/studies were finalised in 2018.

Forthcoming implementation (2019-2020)

The priorities for 2019 are to:

- Ensure service continuity for Galileo and EGNOS services;
- Continue preparations for full operational capability of Galileo services by end 2020;
- Promote the market uptake of Galileo and EGNOS services by continuing the ongoing activities and by implementing the actions proposed in the Space Strategy for Europe;
- Prepare for the further implementation of the programmes after 2020.

Galileo service provision

With regard to the Galileo infrastructure, the key actions for 2019 are the following:

- Space segment: preparation of the contract for the transitional satellites batch and subsequent development of these satellites; finalisation of the In Orbit Test Review of four satellites launched in July 2018;
- Ground segment: deploy and qualify a major ground infrastructure release (SB 1.5.1);

The key actions regarding the Galileo Services for 2019 are the following:

- Ensure service continuity for Galileo Initial Services;
- For the Open Service, improvement of the availability of the ranging service already offered since the Initial Service declaration. In addition, this will also mark the point at which Galileo stand-alone positioning can be offered with a meaningful availability.
- For the Search and Rescue Service, the main innovation will be the entry into service of the return link feature which will enable to acknowledge to the persons in distress the detection of their alert.
- For the High Accuracy Service, implementation and demonstration of the high accuracy data;
- Deployment of a new version of the European GNSS Service Centre, including the capability to provide Open Service Navigation Message Authentication (OS-NMA) capability.

With regard to security, actions will include measures to ensure the accreditation of the system, in particular cybersecurity issues.

EGNOS service provision. For EGNOS the continuity of services is the key objective in both the medium and long term. This requires an efficient implementation of recurring activities, and the preparation of system updates.

On this basis and to guarantee the continuity of services beyond 2020 by managing obsolescence, the activities of a new release of the system (V2.4.2-A) will continue with the development of new CPF (Central Processing Facility) technology. This is the most critical EGNOS subsystem in terms of obsolescence. Additionally, the development of another system evolution (V242-B) will start, which will include new technology for the channel-C of the Ranging and Integrity Monitoring Stations (RIMS-C), and will deploy three new RIMS (in Finland, Ukraine and Jordan) to ensure full EU Member States coverage (except possibly Azores).

In parallel, the activities leading to EGNOS dual frequency, dual constellation services (i.e. EGNOS V3) will continue, notably the follow-up of the EGNOS V3 development activities and related security accreditation process, finalisation of development and the launch of new geostationary transponder services (GEO3), drafting the standards for DFMC (Dual Frequency Multi-Constellation) SBAS. In addition, in 2019 the procurement of the new EGNOS Service Provider contract and of the EGNOS Data Access Service (EDAS) V3 contracts will be initiated.

Market uptake. The global uptake of Galileo and EGNOS is a priority of the EU under its Space Strategy and the Commission together with the GSA will continue to pursue this with international partners.

¹² SWD(2018) 327 final

Key activities in the market uptake for 2019 are the following:

- Pursue the market uptake in many segments, and most notably in three priority domains, the so-called 3 Is (Intelligent transport, Intelligent Infrastructures, Interconnectivity).
- Finalisation of the long-term plan for European GNSS downstream standardisation, ensuring that the standards are well coordinated and relevant to the European economy. Standardisation activities have been initiated to ensure that Galileo will be properly represented in relevant standards bodies (e.g. ETSI, CEN/CENELEC).
- Strengthening Europe’s role as a global actor in space, notably by promoting the worldwide use of Galileo and EGNOS, fostering cooperation with strategic partners and ensuring system interoperability, pursuing economic diplomacy and outreach activities, and continuing international negotiations on PRS and EGNOS coverage.

Outlook for the 2021-2027 period

For the next long-term EU budget 2021-2027, the Commission proposed to devote EUR 16 bn to help maintain and further enhance the EU’s leadership in space. The Commission’s proposal brings all existing and new space activities under the umbrella of a single EU space programme. The proposal for the EU space programme maintains existing infrastructure and services and introduces a number of new features such as fostering a strong and innovative space industry in Europe, maintaining Europe’s autonomous access to space and a unified system of governance.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1285/2013 of the European Parliament and of the Council of 11 December 2013 on the implementation and exploitation of European satellite navigation systems and repealing Council Regulation (EC) No 876/2002 and Regulation (EC) No 683/2008 of the European Parliament and of the Council	2014 - 2020	7 071,7

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	3,4	2,1	3,4	2,5	3,0	3,0	3,5	20,8
Operational appropriations	1 322,8	1 058,5	848,2	895,0	804,9	687,7	1 203,5	6 820,6
Total	1 326,2	1 060,6	851,6	897,5	807,9	690,7	1 207,0	6 841,4

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	807,859	100,00 %	903,872	99,74 %	690,718	56,16 %	923,000	0,00 %
Authorised appropriations (*)	976,718	91,28 %	1 164,582	82,21 %	791,404	50,63 %	1 150,809	0,11 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Supporting European presence in space and the development of satellite-based positioning, navigation and timing services*

Indicator 1: Market share of EU GNSS industry in worldwide GNSS downstream market

Baseline ¹³	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
EGNOS present in number of receiver models in 2012 : 63%	63%	63%	75%	75%	78%	82%	85%
Galileo present in number of receiver models in 2012 ¹⁴ : 35%	35%	35%	45%	40%	42%	44%	
	Actual results						70%
	63%	63%	68%	68%	68%		
	35%	35%	38%	41%	42%		

¹³ The market share indicator is based on the percentage of Galileo and EGNOS receivers in the total number of receiver models worldwide. The baseline for this indicator was established in 2014 and the data is included in the 2014 market report of the European GNSS Agency and is measured annually. The trend of the production of Galileo and EGNOS enabled model receivers suggests that receiver manufacturers are gradually integrating Galileo and EGNOS into their products and the milestone target for this indicator is likely to be reached

¹⁴ Total number of receiver models in the GPS survey in 2012: 483

In 2018, the presence of EGNOS in receiver models stabilised at 68% of the total number of receiver models worldwide. Contrary to the expectations in 2014 when a trend of steady growth was predicted and the milestones were set, the market penetration of EGNOS is lower than expected, in particular in the location based services. This is because the early uptake of dual frequency in receiver models outperformed by far the benefit of EGNOS. Also, a rapid development in many GNSS constellations as well as commercial augmentations of the signals increased the performances of the GNSS to the level where the EGNOS benefits are less competitive than assumed in 2014. With regard to the 2020 target, it can be assumed that the number of EGNOS enabled receivers will not grow beyond 70% of receiver models worldwide.

In 2018, the presence of Galileo in receiver models was at 42% of the total number of receiver models worldwide. In 2014 when the 2020 target was set, it was expected that the number of Galileo enabled receivers will double in 7 years. There has been a tremendous uptake of Galileo-enabled smartphones, at the end of 2018 there were more than 500 million of them on the market. However, in other market segments such as rail, maritime or internet of things the market penetration of Galileo is lower. This is due to various reasons: long lifetime of receivers in the market (5-10 years models still on market), missing certification or standardisation, constraint in energy consumption of the chips on the connected objects, cost of optimisation (still many GPS-only models available) and receiver models serving only regional markets (e.g. Chinese or US manufacturers). Also, main manufacturers were all equipping their devices with Galileo as preparation for Galileo Initial Services and in the years 2016-2020 the activities will concentrate more on activation and optimisation of Galileo use which is not reflected in the statistics.

In the coming years, the market share shall increase mainly due to phasing out of old models, increasing use of Galileo in the US and use of Galileo signals in safety-critical applications in aviation or rail segments. Nevertheless, the 2020 target seems to be optimistic. For both indicators, the data are based on models in the offering of 31 largest market players over all segments, where, due to mergers and acquisitions and new entrants (mainly from China) to the data sample, resulted in decrease of the overall SBAS/EGNOS and Galileo penetration.

Specific objectives

Specific Objective 1: To develop and provide global satellite-based radio navigation infrastructures and services (Galileo) by 2020

Indicator 1: Galileo infrastructure Cumulative number of operational satellites							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
4		12					30
	Actual results						
	3	9	18	22	26		

The fully deployed Galileo system will consist of 24 operational satellites plus six in-orbit spares. At the end of 2018, there are 26 Galileo satellites in orbit and all of them are providing services. 22 of them are fully operational for all services.

Indicator 2: Galileo infrastructure New terrestrial infrastructure deployed version							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
In orbit validation (IOV) initial configuration in June 2011	IOV final configuration	Ground Segment Version 2.0	System Build 1.5.0	System Build 1.5.0	System Build 1.5.1	System Build 1.5.1	System Build 2.0
	Actual results						
		GMS Version 2.1/GCS 2.0	System Build 1.5.0	System Build 1.5.0	System Build 1.5.0		

*Upgrades of the Galileo global terrestrial infrastructure. The system upgrade so-called System Build 1.5.1 which will improve the operability, robustness and security of the system was slightly delayed in 2018 due to changes in the composition of the industry consortium due to BREXIT. The System Build 1.5.1 will be implemented in the first half of 2019.

Indicator 3: Galileo services provision Number of services implemented							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of services implemented	N/A	N/A	3	3	3		5 services
	Actual results						
		0	3	3	3		

Galileo initial services were declared operational on 15 December 2016. These include the Galileo Initial Open Service, the Galileo Initial Public Regulated Service, the Galileo Initial Search and Rescue Service. By the end of 2020, the High Accuracy Service with 20cm positioning accuracy will be provided in Europe. The Mission Requirements for Galileo Open Service for Safety of Life applications will be agreed in 2020.

Expenditure related outputs

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Galileo - services	F			3	3	3	3	5
	P	0	0	3	3	3		

Justification of changes to the financial programming and/or to the performance information

Thanks to an industrial competition for the next version of EGNOS, a reduction of the EGNOS budget can be implemented in order to reinforce Galileo and notably the ground segment contracts (security aspects).

Specific Objective 2: To provide satellite-based services* improving the performance of GPS to gradually cover the whole ECAC (European Civil Aviation Conference) region by 2020 (EGNOS) and European neighbouring countries

Indicator 1: Progress of the EGNOS coverage extension versus agreed coverage extension

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
EGNOS Service Evolution Plan v2.0 established in 2015	n/a	Establish EGNOS Service Evolution Plan v2.0	Advancement in coverage	Advancement in coverage	Advancement in coverage	Advancement in coverage	Coverage of EU-28 with EGNOS in line with the EGNOS Service Evolution Plan
	Actual results						
		EGNOS Service Evolution Plan v2.0 was established	98.98% coverage of EU28-NO-SW land masses for APV-I	98.9% coverage of EU28-NO-SW land masses for APV-I	98.7% coverage of EU28-NO-SW land masses for APV-I		

*According to the legal base (Regulation (EU) No 1285/2013) the specific objectives of EGNOS cover the following 3 services. Open Service (OS), EGNOS Data Access Service (EDAS) and Safety-of-Life Service (SoL).

In 2015, the EGNOS Service Evolution Plan (SEP) was agreed between the Commission and the European GNSS Agency and it constitutes the baseline for the implementation of the EGNOS mission and security requirements. It defines the extension of EGNOS services over the European territory in terms of their availability, which is depicted in a form of 'availability maps'.

The progress of EGNOS APV-I coverage extension versus the Programme objective to cover EU28 states (plus Norway and Switzerland) is reported through the percentage of EU28-NO-CH land masses which effectively achieve APV-I 99% availability coverage (i.e. observed EGNOS performance). APV-I = Approach procedure with vertical guidance, category 1.

Indicator 2: EGNOS service availability index based on the number of airports with EGNOS-based approach procedures with an operational status versus the total number of airports with EGNOS - based approach procedures

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Service availability index: 100%			Maintain the service availability index: 99%	Maintain the service availability index	Maintain the service availability index		Maintain the service availability index constantly at least on 99%
Actual results							
Total number of airports with EGNOS procedures: 93 (2013)	Index: 97.72%	Index: 99.9%	Index: > 99%	Index: 99.9%	Index: 99.9%		Increase the number of airports with EGNOS procedures
Total number of airports with EGNOS procedures with an operational status: 93 (2014)	Total number of airports: with EGNOS procedures: 132 with operational status: 129	Total number of airports: with EGNOS procedures: 174 with operational status: 173	Total number of airports: with EGNOS procedures: 230 with operational status: 230	Total number of airports: with EGNOS procedures: 251 with operational status: 251	Total number of airports: with EGNOS procedures: 315 with operational status: 315		

Expenditure related outputs

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
EGNOS - services in operation:	F	3	3	3	3	3	3	3
	P	3	3	3	3	3		

* Open service (OS); EGNOS Data Access Service (EDAS); Safety-of-life service (SoL)

Justification of changes to the financial programming and/or to the performance information

Considering that the programme gave EUR 108 million to European Defence Industrial Development Programme, a prioritisation was made by refusing a set of activities proposed by ESA and GSA. Additional funds (EUR 40M) would be necessary to sign some contracts before 2021 in order to achieve the objectives imposed by Member States, notably in terms of the security of the systems.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Table Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
3% of the EU's GDP should be invested in R&D
The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)

HEADING 1A: Competitiveness for growth and jobs**International Thermonuclear Experimental Reactor (ITER)****Lead DG: ENER****I. Overview*****What the programme is about?***

ITER is a large-scale scientific experiment intended to prove the viability of fusion as an energy source. ITER is currently under construction in Saint-Paul-lez-Durance in the south of France. In an unprecedented international effort, seven partners—China, the European Union, India, Japan, Korea, Russia and the United States—have pooled their financial and scientific resources to take fusion energy to the threshold of industrial exploitation. ITER will not produce electricity, but it will resolve critical scientific and technical issues and thereby take fusion to the point where industrial applications can be designed. As the first fusion device in the world to produce and sustain a plasma that outputs more power than is put into it, ITER will be the proof of principle for magnetically-confined burning plasmas that will open the way to the next step: a demonstration fusion power plant.

The programme covers the European contribution to the ITER Organization (IO) for the construction of the ITER facility, which includes the procurement of equipment, installation, general technical and administrative support for the construction phase, and participation in commissioning and operations. It also covers other ITER-related activities, such as the Broader Approach activities with Japan. These European contributions are delivered through Fusion for Energy (F4E), the European Domestic Agency located in Barcelona (Spain). F4E was set up in 2007 as a European Joint Undertaking by a Council Decision under the Euratom Treaty

EU added value of the programme

ITER will achieve what no single country can do on its own. The risk, costs, and long-term nature of a large research project such as ITER puts it beyond the reach of individual EU Member States and even of the EU itself. Thus, the establishment of a global framework through an international agreement between Euratom and six other Parties was essential to undertake this large-scale scientific experiment. Construction started in 2007 and Euratom, as the Host Party of the project, is responsible for 45% of the construction phase. Euratom's obligations to the project are fully discharged through the Joint Undertaking Fusion for Energy (F4E)

Europe's support to ITER and ITER-related activities such as the Broader Approach activities with Japan contributes to the strategic agenda of the European Union for clean and secure energy. In particular, it supports the first objective of the Commission's political agenda: “*boosting growth, jobs and investment in future high potential technologies*”. Supporting European businesses and research organisations to work on ITER represents an investment in the high-tech and advanced civil engineering industries. To date, F4E has awarded over 700 contracts and grants to companies, including SMEs, in 24 countries, for a value of almost EUR 5 billion.

Fusion has enormous potential and net present value as an environmentally friendly and virtually unlimited source of energy. Therefore, its development as a future energy technology contributes to the Research & Innovation pillar of the Energy Union. Thanks to its leadership in fusion research and the construction of ITER, Europe will be in a privileged position to reap the benefits of constructing and operating the first generation of fusion power plants in the future

Implementation mode

The Directorate-General for Energy (DG ENER) is the lead DG for the implementation of the European contribution to ITER. The programme is managed under the indirect management mode through F4E.

II. Programme Implementation Update***Implementation status (2016-2018)***

In 2015, the ITER Council approved an action plan prepared by the IO to address the challenges faced by the project related to schedule, cost and governance. One of the main actions was the revision of the baseline (long-term schedule, cost and scope) in 2016. The updated schedule follows the “*staged approach*” which first prioritises the construction of the components essential to achieving First Plasma in 2025 (the beginning of operation), followed by a series of installation and testing phases before starting the full performance phase (Deuterium-Tritium operation) in 2035. In April 2018, the Council of the EU adopted Conclusions on ITER granting a mandate for the Commission to approve the new baseline at an extraordinary ITER Council meeting at ministerial level. Most of the other ITER Members have also approved the baseline, and the Members that have not are making progress towards this goal.

Over the course of 2018, the Commission has implemented two new supervision strategies. The first concerns the Commission's supervision of F4E. The strategy sets out the supervision needs and objectives, as well as the tools, working methods and procedures needed to achieve them. One of its main elements is the revision of the Administrative Agreement between the Commission and F4E that was signed at the end of 2018. This revision sets out the conditions of the transfer of funds from the Commission to F4E and brings the Agreement into compliance with the new legal and financial framework.

Complementary to the supervision strategy for F4E, the Commission implemented a comprehensive supervision strategy for Euratom's participation in the governance of IO. This strategy focusses on improving the role of the ITER Council in steering and

supervising IO. These strategies foresee that after each round of meetings of the Governing Bodies of the project, the Commission reviews how it implemented and prepared its positions. The first reviews took place in July and December 2018 and recommendations were produced on how to improve preparation for the Governance meetings and monitor the project's risks.

Regarding the construction of the machine itself, the percentage completion of the construction up to First Plasma progressed over the course of 2018 from 50% (December 2017) to almost 60% (November 2018). The bioshield of the Tokamak building is complete, and its scaffolding was removed in February 2018. At its base, the construction of the crown, a vital component under Euratom's responsibility, was completed on schedule in August. Three US-supplied drain tanks and four Chinese-supplied vapour suppression tanks were installed the same month. The first vacuum vessel sector, under construction in Korea, is more than 80% finished. Russia has completed its production of poloidal field conductor for the ITER magnet system, and India has nearly completed fabrication of the cryostat lower cylinder and base on-site in Cadarache. The manufacturing of toroidal field coil winding packs, as well as cold testing and insertion into precision-fabricated cases, is well advanced in Europe and Japan.

Key achievements

In terms of governance, since 2015 the goal has been to address the issues in management and project culture that caused, along with other factors, the project's delays and cost overruns. At European level, changes have been made to improve the functioning of F4E. New management with industrial experience was appointed at F4E, and new monitoring systems and indicators were introduced along with strategies to streamline the governance of the project. The effects of these efforts are becoming visible, with the construction progressing in accordance with the 2016 baseline, renewed confidence in the project among the stakeholders, and coverage in the media reporting on the project's "turnaround".

Construction is now progressing visibly and steadily on-site. In November 2018, the first part of the tokamak was lowered into the tokamak pit, marking the beginning of the Assembly stage of the project. Russia was completed its production of poloidal field conductor for the magnet system, and the first vacuum vessel sector is more than 80% complete in Korea. In terms of European achievements, F4E completed the Tokamak Concrete Crown civil works on schedule in August 2018. The crown is a crucial component - a concrete cylinder that sits underneath the tokamak and bears the entirety of its weight. As of the end of 2018, Euratom had completed 35% of its total obligation to the project (credits achieved as a percentage of total credits).

In addition, the procurement of in-kind contributions to the project from European entities through F4E has had a significant positive impact on the EU economy. Up to mid-2017, spending on ITER through F4E had generated 34 000 job years and almost EUR 4.8 billion in Gross Value Added (GVA), compared to no spending. In addition, this investment into the high-tech industry has increased the competitiveness of European companies and enabled the innovation of new technologies, which could have applications across many sectors outside fusion.

For example, the German SME Pro-beam AG was contracted by F4E as part of a consortium to weld the European-manufactured sections of the vacuum vessel using electron beams for ITER. As a result of this involvement, Pro-beam AG has hired over 20 new employees. Between 2013 and 2017 Pro-beam has experienced a total turnover of roughly EUR 2.62 million as a result of its participation in ITER and other ITER-related projects. Furthermore, EUR 1.3 million can be attributed to contracts with indirect ITER involvement over the same time span. Pro-beam also built a second giant electron beam welding machine to carry out its contracts, and as it is unique in its size and complexity, the concept of the machine is being commercialised, sold two so far.

Evaluations/studies conducted

In 2018, three studies were concluded by external consultants for the Commission. The first was an **impact assessment on the continued European participation in ITER** under the upcoming MFF. The study analysed 6 potential levels of funding, 3 potential delivery mechanisms, and 6 legal forms that the funding could take, as well as 3 options for the length of the MFF. The most likely combinations of these variables were studied with respect to their impact on the European economy and the timely delivery of the project. Overall, the study concluded that the current legal framework would be the most beneficial way to continue funding ITER under the next MFF.

The second study aimed to **quantify the impact** that funding ITER has had on the EU economy over its lifetime in terms of GVA and job years created. This together with an economic analysis model was used to predict the future impact of continued funding over the period 2018-2030. The study produced very positive results, showing that the European contribution to ITER has had and can expect to produce in the future a very positive effect on the EU. The study concluded by conducting ten "case studies" of companies from all over Europe that were working on ITER, looking both qualitatively and quantitatively at the effect that ITER contracting had produced in these specific cases.

The final external study followed the structure of a mid-term evaluation, with a temporal scope of 2014-2017 and a material scope of the European contribution to ITER through F4E. In addition to desk research, the consultant conducted extensive interviews with F4E and IO staff as well as external stakeholders, and conducted a survey among Industry Liaison Officers (ILOs) and members of F4E's Governing Board. The consultant answered evaluation questions concerning ITER's effectiveness, efficiency, coherence, relevance, and EU added value.

On the basis of these three studies, particularly the latter, the Commission is preparing a mid-term evaluation regarding the implementation of the Council Decision 2007/198/Euratom that established F4E as a Joint Undertaking.)The evaluation states that following the overhaul in management, the project is now on track within its current (2016) baseline, and early indicators show positive effects of the change. However, ITER's construction and management are still under improvement; in such a long-term project, it will be important to monitor whether these positive effects continue and grow over the next few years. Regarding ITER's

place in energy policy and decarbonisation, the project remains an important part of EU energy and innovation policy, and although it does not contribute directly to energy and climate targets in the short- to medium-term, its potential role in the decarbonisation of the energy landscape post-2050 is very significant.

Forthcoming implementation (2019-2020)

In 2019, the main deliverables by F4E in relation to ITER will be the following:

- Magnets: All major contracts have already been signed. The first EU Toroidal Field coil will be completed. Regarding the Poloidal Field coils, winding pack assembly and impregnation will be completed for numbers 5 and 6.
- Main Vacuum Vessel: production of all 20 segments of the 5 sectors will continue, heading towards completion of five poloidal segments for the sectors 5 and 4.
- Blanket System: manufacturing of First Wall (FW) full-scale prototypes will be completed. The tendering phase for the series production and the negotiations with the potential manufacturers will also be concluded.
- Divertor: Main procurement activities will concern the qualification of alternative tungsten grades and the performance of high heat flux testing of full size Plasma Facing Units. Work will proceed under the contracts launched for the manufacturing of the cassette body pre-series.
- Remote Handling (RH): The procurement of the Remote Handling Systems will mainly focus on the continuation of preliminary design activities and starting, in some areas, the final design activities.
- Vacuum Pumping: The tendering process will start for the procurement of Leak Detection systems. Activities regarding the Front End Cryopump Distribution will focus on design and the start of manufacturing.
- Cryoplant: The contract for the MITICA Cryoplant will be completed. For the components of the LN2 Plant and Auxiliary Systems, the end of installation and most of the on-site acceptance testing will be completed.
- Radio-Frequency (RF) Heating & Current-Drive: The Ion Cyclotron antenna and the upper launcher of the Electron Cyclotron System will be in their final design phases.
- Neutral Beam Heating and Current Drive: the SPIDER experiments will continue, while the MITICA activities should progress with commissioning and testing of vessel and power supplies and with the assembly of the auxiliaries.
- Site, Buildings and Power supply: The focus will be on the progress of the Tokamak Complex; the first phase concrete works will near completion and the finishing works will progress. The prefabrication of the steel structure of the Crane Hall will progress with cladding installation to start.

In 2020, the main deliverables by F4E in relation to ITER will be the following:

- Magnets: Manufacturing activities will be in full swing for the three main components (Toroidal Field Coils, Poloidal Field Coils and Pre-Compression Rings). The EU’s first Poloidal Field coil will be ready for its cold test.
- Vacuum Vessel: In a major milestone, the first EU-made Sector of the Vacuum Vessel will be completed and delivered to the ITER site.
- Blanket System and Divertor: For the divertor cassettes, the engineering phase of Stage I of the series production will be completed and the manufacture of the first cassettes will start.
- Diagnostics: Manufacturing activities for several Diagnostic components and systems, most of them essential for First Plasma, will continue. Design of all remaining diagnostics systems will progress as well as the integration of diagnostics into the ports.
- Test Blanket Systems: The main activities in the development of the TBM project will be devoted to the Preliminary Design Phase. The Conceptual Design of the Water-Cooled Lead-Lithium TBS will be achieved in 2020 through the EUROfusion work programme (activities monitored by F4E). The EUROfusion work programme 2020 will also cover continuation of R&D activities accompanying the TBM project.

Site, Buildings and Power supply: The wall between the Assembly Hall and the Tokamak Building will be opened up, allowing crane access.

Outlook for the period 2021-2027

The proposal for the future ITER programme is included in the 2021-2027 MFF Heading 1 “Single Market, Innovation and Digital” under the name “International Thermonuclear Experimental Reactor (ITER)”.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
2013/791/Euratom: Council Decision of 13 December 2013 amending Decision 2007/198/Euratom establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it	2019 - 2020	

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support						6,5	6,4	12,9
Joint undertaking						400,7	358,4	759,1
Total						407,2	364,8	772,0

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	376,361	100,00 %	398,755	99,85 %	407,216	85,13 %	419,254	10,28 %
Authorised appropriations (*)	399,479	95,69 %	422,603	95,76 %	424,452	85,74 %	436,703	10,09 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: development of fusion as a potentially limitless, safe, sustainable, environmentally responsible and economically competitive source of energy

Indicator 1: Reduction of greenhouse gas emissions at EU level compared to 1990

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
18%	20%	20%	20%	20%	20%	21% ¹⁵	21%
	Actual results						
	23%	22%	22%	NA	NA ³		

Specific objectives

Specific Objective 1: to provide the Euratom contribution to ITER and to the ITER related activities

Indicator 1: Percentage of Euratom's obligations discharged by the ITER Organization (IO) through the Joint Undertaking F4E

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
6%	13%	19%	27%	36%	46%	57%	63%
	Actual results						
	13%	17%	24%	31%	35%		

Specific Objective 2: Support to European industry and research through the ITER construction and ITER related activities

Indicator 2: Percentage of budget committed by F4E in procurement and grants to industry and laboratories⁵

Baseline 2013	Budget committed foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 %	22 %	33 %	47 %	64 %	79 %	81 %	100 %
	Actual results ⁴						
	20 %	29 %	34 %	47%	64%		

Justification of changes to the financial programming and/or to the performance information

Following significant delays and cost overruns, in 2016 the ITER Council adopted a new baseline for the project. This baseline, one of many measures taken to put the project back on track, envisages First Plasma to take place in 2025. Under the revised schedule, work that is not necessary for First Plasma (on the Critical Path) is deprioritised, enabling operation to start as soon as possible.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies *Not applicable*

5. Programme contribution to the Sustainable Development Goals

The United Nations' Sustainable Development Goals are targets to be achieved by 2030. Through these Goals, the EU has set ambitious targets to reduce greenhouse gas emissions, improve energy efficiency and increase the share of renewable energy. ITER and fusion development in general are on a longer timescale than this framework, but already contribute to several of these Goals at a later stage. For example, they will contribute to a clean energy transition while boosting jobs and growth in the area of energy and climate under Sustainable Development **Goal 7** ("Ensure access to affordable, reliable, sustainable and modern energy for all") and Sustainable Development **Goal 13** ("Take urgent action to combat climate change and its impacts").

ITER also falls under the category of Research and Innovation, both of which underpin the implementation of virtually all Sustainable Development Goals and in particular Sustainable Development **Goal 9** ("Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation")

¹⁵ <https://www.eea.europa.eu/publications/trends-and-projections-in-europe-2015>

³ Data source: Eurostat https://ec.europa.eu/eurostat/statistics-explained/index.php/Greenhouse_gas_emission_statistics#Trends_in_greenhouse_gas_emissions

The study is updated every June; the latest update in June 2018 added the data for 2016.

⁴ The milestones foreseen in this table are based on the 2010 baseline, which was revised in 2016. This revision is explained in the Commission's Communication (COM(2017)319) and Staff Working Document (SWD(2017)232) of June 2017. The target is currently the achievement of First Plasma in 2025

⁵ Compared to last year information, the "Actual result" figures for years 2014, 2015 and 2016 have been updated to neutralise an error in the original calculation. The difference between the budget foreseen and the actual results is due to the revision of the ITER baseline (scope, schedule and estimated costs) in 2016.

Finally, ITER is also an example of a global partnership for Sustainable Development Goal 17 ("Strengthen Means of Implementation and revitalise the global partnership for sustainable development").

6. Information about financial instrument(s) and trust fund(s) financed by the Programme *Not applicable*

7. Programme related additional information

Since its launch, the ITER project has faced many challenges in terms of schedule, risk of cost increase and management. Many of these are linked to the inherent nature of the project, which goes beyond the current state-of-the-art of fusion technology. Some are a consequence of the complex international nature of the project, with seven international Partners (and seven Domestic Agencies responsible for procurement). Radical decisions were taken in 2015, in particular at the extraordinary ITER Council of March 2015, to put the project back on track. One of the most important decisions was the appointment of a new Director-General of the ITER Organization and the approval of an action plan for the sound and effective management of ITER.

Contribution to policy achievements

The Commission's political priorities for the period 2014-2019 include two relevant to ITER: "Jobs, growth and investment", and "Energy Union and Climate". The former includes an objective of steering EU funds towards "jobs, growth and competitiveness". Even at its present stage, several years before the beginning of its operational phase, the ITER project has been proven to produce significant growth in GVA and employment across Europe. The "Energy Union and Climate" political priority is also highly relevant to ITER across many of its dimensions, such as the effort to diversify Europe's sources of energy, decarbonise the energy economy, and prioritise research and innovation in low-carbon and clean energy technologies.

In terms of fusion policy specifically, ITER is the key facility of the EUROfusion roadmap, first published in 2012 and revised in September 2018; it is highlighted as an integral part of the EU's overall fusion strategy. ITER also features in the ongoing Strategic Energy Technology Plan (SET-Plan), which aims to accelerate the development and deployment of low-carbon technologies. While it focuses on developing renewable energy technology in order to meet the EU's short- and medium-term energy targets, it does highlight ITER as a "high-potential attractive long-term low-carbon energy solution" and cites it as an example of the EU investing in a promising future low-carbon technology.

The Energy Roadmap 2050, adopted in 2012 and revised in 2017, outlines ambitious goals including cutting greenhouse gas emissions by 80-95% and dramatically decarbonising the industry to make electricity production almost emission-free by 2050. This will be achieved using a multi-faceted approach, one of which involves the development of new climate-friendly energy sources. As one promising such potential source, fusion holds an important position in the future of energy production in the EU and in the EU's long-term energy policies focused on sustainability, competitiveness and security of energy supply.

Finally, ITER is relevant to the EU's energy-related international commitments under the Paris Agreement and the Sustainable Development Goals. For the former, it represents a part of the energy transition towards climate-friendly sources as above, and for the latter, it is in line with Goal 7 (Affordable and Clean Energy) and Goal 13 (Climate Action).

Generated EU added value (ex-post)

Fusion is a potential source of abundant clean energy. Its fuel is almost inexhaustible and its energy production is efficient. Only 60kg of fusion fuel has the potential to produce energy equivalent to 250 000 tonnes of oil or 400 000 tonnes of coal.

Fusion has an enormous potential and net present value as an environmentally acceptable and virtually unlimited source of energy. In addition, thanks to its leadership in fusion research and the construction of ITER, Europe will be in a privileged position to reap the benefits of constructing and operating the first generation of fusion power plants in the future.

Europe is spending more than EUR 1 billion per day in energy imports. The European funding for ITER project is comparable to only one week of this energy deficit. ITER is therefore, a key contributing to the strategic agenda of the European Union for clean and secure energy.

HEADING 1A: Competitiveness for growth and jobs**European Earth Observation Programme (Copernicus)****Lead DG: GROW****I. Overview*****What the programme is about?***

Copernicus is the European system for monitoring the Earth. It is a user-driven programme offering six free-of charge services to EU, national, and regional institutions, as well as to the private sector: atmosphere monitoring, marine environment monitoring, land monitoring, climate change, emergency management and security. The programme builds on the initiative on global monitoring for environment and security launched in 2001. It aims at filling the gaps in European earth observation capacities. Data is provided from space infrastructures, particularly the sentinel missions developed under the programme, and in-situ infrastructure supported by the Member States. Copernicus services are mainly operated by European Union agencies.

The Copernicus Services transform this wealth of satellite and in situ data into value-added information by processing and analysing the data. Datasets stretching back for years and decades are made comparable and searchable, thus ensuring the monitoring of changes; patterns are examined and used to create better forecasts, for example, of the ocean and the atmosphere. Maps are created from imagery, features and anomalies are identified and statistical information is extracted.

EU added value of the programme

Copernicus is a programme under the Europe 2020 strategy for smart, sustainable and inclusive growth. Given its benefits to a wide range of EU policies and its potential for reaching the objectives of Europe 2020, Copernicus is included in the industrial policy flagships. The Commission identified five areas of EU legislation where Copernicus (or GMES) is explicitly referred to, in the fields of maritime policy, civil protection, agriculture and space debris surveillance and tracking. Also, Copernicus delivers useful data and information for EU policies for agriculture, environment, development and humanitarian aid, energy or coastal surveillance, smart cities, climate change adaptation, border security and many other fields, including the IT sector and education.

The Copernicus programme cannot be realised by a single Member State alone because it encompasses a pan-European capacity and depends on the coordinated provision of data and services throughout all the Member States, which needs to be coordinated at Union level. Therefore, by reason of the scale of the action, the programme will be better achieved at Union level, and may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective, especially regarding the Commission's role as coordinator of national activities. From an economic point of view, action at the EU level also allows economies of scale from which public spending will benefit.

Implementation mode

Copernicus has a financial envelope of EUR 4.3 billion for 2014-2020. The first part of the budget is dedicated to the development of the capacity, managed under indirect management through delegation agreements signed in 2014 with ESA and EUMETSAT.

The second part of the budget concerns the Copernicus Services, implemented both under indirect and direct management. For the indirect management part, there are in total six delegation agreements with entrusted entities, providing seven services. Three delegation agreements with the European Environment Agency (EEA), the European Medium-Range Weather Forecasting Centre (ECMWF) and Mercator-Océan have been signed in 2014. Two more with EU Agencies FRONTEx and EMSA were signed by the end of 2015; and the final delegation agreement with EUSatCen was signed in 2016.

The remaining part of the budget is dedicated to actions under direct management, mostly those supported by the JRC in order to implement the Copernicus Global Land and Emergency services, and the user uptake activities

II. Programme Implementation Update***Implementation status (2016-2018)***

The first Copernicus satellite, Sentinel 1A, was successfully launched on 3 April 2014, and has since been delivering radar images of unprecedented quality to users worldwide. In parallel, the Ground Segments for the reception, processing, distribution and archiving of data have been reinforced, so as to handle effectively the large amounts of data generated by Copernicus.

During 2015 the Programme increased its outputs: two Services were fully working (emergency management and land monitoring) while the other four made progress (monitoring of atmosphere, climate change, marine environment and security). On the Infrastructure side, Sentinel 2-A was launched on 23 June 2015. The early images turned out to be of a quality exceeding expectations.

During 2016, the remaining Delegation Agreement with the European Satellite Centre SATCEN was signed to support the external actions of the EU. With this, all six services were fully in place and either in ramp-up phase or operational. On the Infrastructure side, Sentinel 3-A and Sentinel 1-B were successfully launched in February and April. The successful launch of the Jason-3 satellite

by EUMETSAT means that also this satellite is now delivering data to Copernicus in an operational context. Only the Climate Change service and the Support to External Action service component were in a ramp-up mode, as foreseen in the work programme. The construction of Sentinel 2-B and Sentinel 5p were completed.

During 2017 major progress has been made with the launch of Sentinel 2-B on 6 March, and of Sentinel 5p on 13 October. The addition of Sentinel-5p is of particular significance, as it adds the Copernicus own capacity to monitor atmospheric composition, especially as regards important polluting gases.

On 25 April 2018 Sentinel 3-B was launched. The 7 satellites are in orbit and operational as planned. Moreover, the six Copernicus Services are operational. A great surge in users' uptake has been registered, bringing the number of registered users to more than 200 000. The Data and Information Access Services (DIAS) were launched and are operational since June 2018. More cooperation agreements have been signed with third countries and associations, including the African Union, Ukraine, Serbia, Chile, Brazil, Colombia, and India. The Commission was also Chair of the Committee on Earth Observation Satellites (CEOS) for 2018.

Key achievements

The seven Copernicus satellites now in orbit are producing high quality, free, and open observation data every day reaching more than 200,000 registered users. More than 12 million data products are published and the users' download volume has reached more than 112 Petabytes.

Copernicus Emergency Management Service (CEMS): The CEMS Mapping component was activated over 86 times (+30% compared to 2017) in the last 12 months to assist authorities in emergency preparedness and immediate response activities, as well as for post-disaster recovery. Disasters covered include wildfires, storms, floods and volcanic eruptions in and outside Europe, earthquakes in Haiti, Indonesia and Papua New Guinea, as well as ground subsidence in Vietnam. The CEMS monitors and provides early warnings for floods, fires and droughts to European and international organisations.

Copernicus Marine Environment Monitoring Service (CMEMS): The service supplies products relevant to "Blue Growth" and marine environmental monitoring and climate. The number of users regularly accessing the service has reached nearly 15 000. In 2018, all products benefit from Sentinel 3A and the integration of Sentinel 3B is on the way. The annual update of the Copernicus Ocean State Report highlights changes in the marine environment due to climate change, a valuable EU milestone and important contribution to the Sustainable Development Goals (SDGs).

Copernicus Land Monitoring Service (CLMS) is providing information for policy development, implementation and monitoring. The pan-European and local land component comprises products like the Corine Land Cover and EU-DEM (Digital Elevation Models), high resolution layers on imperviousness, forest, grassland, wetness-water and small woody features, as well as urban areas, riparian zones and Nature 2000 sites. The CLMS is preparing jointly with the CMEMS for a coastal zone monitoring information product. At global level, the service delivers variables covering vegetation, agriculture, energy, cryosphere and water cycles and domains. The next generation Corine Land Cover product (CLC+) is being prepared. The CLC+ will support the LULUCF (Land Use, Land-Use Change and Forestry) reporting obligations. The Global component delivers over 20 variables supporting the monitoring of water, energy, vegetation and cryosphere.

Copernicus Atmosphere Monitoring Service (CAMS): This service informs about the air quality. CAMS provides data on atmospheric composition by monitoring and forecasting greenhouse gases, reactive gases, ozone, aerosols, etc. It delivers information useful to develop applications for air pollution, health, solar energy, greenhouse gases and climate change. In 2018, the assimilation of Sentinel 5P observations brings the CAMS global forecasting system closer to independent observations. Pollen forecast, stratospheric ozone monitoring and deposition products are CAMS key products. The "use case" programme, introduced in 2016, for supporting the development and marketing phase of innovative ideas based on CAMS data continues with 14 use cases around Europe. There is an estimated audience of 18.8 million people for the daily Euronews air quality bulletins and the Copernicus Climate Change Service (C3S) monthly climate updates.

Copernicus Climate Change Service (C3S): The service has initiated its transition to an operational phase in summer 2018. It has become an important and recognised climate information resource for international bodies, while continuing to grow its user base. At the end of 2018, 256 entities from 24 countries and international organisations are contributing to this European effort. C3S was the first to confirm 2018 as being the fourth warmest on record. Many sectoral applications are benefitting from the Service including agriculture, forestry, health, energy, water management, tourism and biodiversity. One example is the development of a windstorm catalogue for the insurance industry. C3S publishes monthly climate bulletins, the annual European State of the Climate and key indicators of climate change.

Copernicus Security Service (CSS): Civilian security is the prime goal, but the service is also available to defence users and missions. As an exception to the Copernicus open data policy, CSS products are restricted to authorised users. Some examples of use in 2018 include: 1) detection of migrants at sea and on EU external land borders; 2) provision of images to the Spanish Navy for safe navigation through sea ice in the Antarctic, to French authorities for monitoring purposes following the collision of two vessels north of Corsica, to a global maritime law enforcement operation '30 Days at Sea' coordinated by Interpol at the request of the German Waterways Police, to Maritime Analysis and Operation Centre – Narcotics (MAOC-N) supporting an operation resulting in the seizure of a large quantity of drugs being transported from the Caribbean to Europe.

A **data and information access service (DIAS)** allowed better Copernicus data and information uptake, creating a vibrant ecosystem around the programme, including public organisations, researchers, SMEs and start-ups. The user base has dramatically

increased to above 200 000 users and is still growing. Satellites are not the only data source, with Copernicus relying also critically on a wide range and number of in-situ data. The Copernicus in situ component established in 2017 an agreement with EUMETNET encompassing all six Copernicus services - it is foreseen to have a single interface providing access to meteorological, hydrological, and climatological data owned by all EUMETNET members which is recognized as a best practice of efficiency.

User uptake activities maximising the use of Copernicus applications by public and private users have been extended. A Framework Partnership Agreement with the Member States (plus Iceland and Norway) has been opened since 2017. The Commission has increased awareness about Copernicus, notably by setting up a Copernicus support office (which acts as a helpdesk), two networks of local multipliers (the Copernicus Relays and Academy) and developing a communication campaign which includes video materials, factsheets, brochures, online tutorials, an online exchange platform and workshops. It has increased predictability by defining a clear delineation between the Copernicus services and the downstream sector. It supports young companies through the Copernicus Masters, Hackathons, Incubation and Accelerator Programme and via the development of training courses and material. Copernicus also provided considerable support to universities and research, notably through the Copernicus Skills programme. An ERASMUS+ sectoral skill alliance for Earth Observation was created, with multiple universities and research centres developed curriculum material based on Copernicus. A summer course on Copernicus was organised with KIC Climate Change, while the Commission continues to finance post-doc scholarships in partnership with the KIC raw material. The Copernicus "Research and User Support" service portal provides online training and technical support to users throughout Europe. Finally, in 2018 in Horizon 2020, 17 calls with relevance to Copernicus applications have been launched, for a total budget of EUR 239 million.

Cooperation arrangements have been concluded with the United States, Australia, Brazil, Chile, Colombia, the African Union Commission, India, Serbia and Ukraine. Negotiations are ongoing with Argentina, Indonesia and with the United Nations Environment programme (UNEP). With Japan, New Zealand, Singapore, Thailand, Vietnam, as well as the Food and Agriculture Organisation (FAO) and the World Meteorology Organisation (WMO) initial discussions are starting. Two workshops were organised for Ukraine and ASEAN countries promoting Copernicus.

In 2018, the European Commission took over the chair of the Committee for Earth Observation Satellites (CEOS). A global CO₂ monitoring initiative was launched in this multilateral framework and leadership in other key areas was provided: data distribution, access and exchange; standardisation and better response to user needs. The European Commission is now recognised as a major space player and Copernicus is regarded as the global benchmark for earth observation.

Evaluations/studies conducted

On 6 June 2018, the Commission adopted an Impact Assessment accompanying the Proposal for a Regulation of the European Parliament and of the Council **establishing the space programme of the Union and the European Union Agency for Space Programme**¹⁶. Key challenges for the future EU Space Programme relate to global and political developments (such as climate change, security, competitiveness of European industry) as well as to lessons learned from the implementation of the programmes in the past (such as governance, data distribution and linking space data with other policy areas). The priorities of the EU Space Programme are (1) continuity of services for Galileo, EGNOS and Copernicus, (2) new missions for Copernicus and evolution of Galileo services, (3) development of new activities – space situational awareness and governmental satellite communications. The governance model proposed for the next financial period builds on the current framework, whilst taking advantage, where appropriate, of synergies, notably as regards security.

The **ex-ante evaluation of the socio-economic benefits of Copernicus** estimated the benefits of Copernicus up to 2035, depending on various evolution scenarios. The study covered economic, societal and environmental benefits valuation, for Europe only, and for the 2017 - 2035 period. It aimed at giving a monetary value to all the benefits generated by the Copernicus programme for intermediate users and end-users in Europe, with the ultimate objective to provide the EU and national policy makers, with an estimate of the potential return on investment. The study found that Copernicus will generate between EUR 67 to 131 bn of benefits to the European society up to 2035. This represent 10 to 20 times the cost of the Copernicus programme. Over 80% of the benefits will be generated outside of the space sector, e.g. through improvements in agriculture, air quality or civil security. The study can be found on <https://www.copernicus.eu/en/study-estimates-copernicus-benefits-be-10-times-its-costs>

The **Copernicus market report 2019** looked at the current uptake of Copernicus in Europe. The second edition of the Copernicus Market Report details how Copernicus free and open data and information is used to tackle more and more societal, environmental and economic challenges – ranging from floods and wildfires to insect infestation and forest regrowth. The report was commissioned by the European Commission and is an update to the previous Market Report from 2016. It contains numerous new analyses, comparisons and deep dives into new benefit areas. With over 200,000 users, Copernicus is expanding fast. It has doubled its footprint on the Earth Observation (EO) scene and now supplies 20% of the world's EO data. The volume of downloads grew by 133% since the first Market Report was released in 2016. On top of that, the report found that 72% of EO companies in Europe use Copernicus (+11 percentage points since 2016). In a single year (2018), Copernicus generated EUR 2.9 bn of benefits to its European users, nearly half the cost of the programme. Copernicus represented about 20% of the data used in Earth observation applications. The market for Copernicus-based applications is growing at 15% per year. The report can be found on https://www.copernicus.eu/sites/default/files/PwC_Copernicus_Market_Report_2019.pdf

¹⁶ SWD(2018) 327 final

Forthcoming implementation (2019-2020)

For 2020, a further Sentinel launch is foreseen. On the data dissemination side, the start of operations of the data and information access service has marked improved access to Copernicus, and add processing capabilities in a cloud environment for the users. New products are being tested for use, for example the Ground motion service, and new non-space specialists user communities are being targeted for uptaking campaigns.

Outlook for the 2021-2027 period

For the next long-term EU budget 2021-2027, the Commission proposed to devote EUR 16 bn to help maintain and further enhance the EU's leadership in space. The Commission's proposal brings all existing and new space activities under the umbrella of a single EU space programme. The proposal for the EU space programme maintains existing infrastructure and services and introduces a number of new features such as fostering a strong and innovative space industry in Europe, maintaining Europe's autonomous access to space and a unified system of governance.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 377/2014 of the European Parliament and of the Council of 3 April 2014 establishing the Copernicus Programme and repealing Regulation (EU) No 911/2010	2014 - 2020	4 291,5

	Financial Programming (EUR million)							DB2020	Total Programme
	2014	2015	2016	2017	2018	2019			
Administrative support	2,5	2,5	2,6	2,6	2,6	2,9	3,0	18,7	
Operational appropriations	360,4	553,9	583,6	604,8	627,6	858,6	643,9	4 232,8	
Total	362,9	556,4	586,2	607,4	630,2	861,5	646,9	4 251,5	

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	630,191	100,00 %	560,645	99,69 %	861,470	76,76 %	602,400	16,77 %
Authorised appropriations (*)	645,353	100,00 %	577,399	99,68 %	881,989	77,29 %	618,542	18,11 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Monitoring the Earth to support the protection of the environment and the efforts of civil protection and civil security

Indicator 1: Number of specific service components corresponding to users' service-level requirements to realise that Copernicus data and Copernicus information is made available for the environment, civil protection and civil security

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Service components* put into operations during year	0	6	5	2		1**	0
	Actual results						
Total number of Operational service component = 6	0	6	11	13	13	14	14
	Actual results						
	2	4	10	13	14		

* Services operational at end of 2018 are Emergency Mapping, Early Warning System of Floods, Early Warning System of Forest Fires, Pan-EU land service, EU local Land service, Global land service including Global hot spot service, Atmosphere and Marine services, the three security service components (border surveillance, maritime surveillance, support to external action) and provision of access to reference data access = 13 components responding to Copernicus Regulation Art 5(1e) and Art 5(1c). The Climate Change Service is operational since June 2018 (earlier than the milestone initial plan which was set in 2019).

** The milestone was initially foreseen in 2019 and the actual result was advanced to 2018.

General Objective 2: Maximising socio-economic benefits, thus supporting of the Europe 2020 strategy and its objectives of smart, sustainable and inclusive growth by promoting the use of Earth observation in applications and services

Indicator 1: Expected growth in downstream Earth Observation sector directly benefiting from Copernicus

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Employment* Index= 100				140			180
	Actual results						
			131	144	159		

* The growth of downstream EO sector is measured in terms of employment figures on the sector, with baseline as measured in 2012.

The downstream Earth observation (EO) sector includes all enterprises whose main business is to provide services based on EO data. The Copernicus Market Report 2019 confirmed that 72% of these companies use Copernicus data (an additional 6 percentage points compared to 2016). The European downstream EO sector had 6000 full-time jobs in 2012 and 7877 in 2016. The average growth rate of 10% (observed between 2012 and 2016) was applied to produce estimates for 2017 and 2018.

General Objective 3: Fostering the development of a competitive European space and services industry and maximising opportunities for European enterprises to develop and provide innovative Earth observation systems and services

Indicator 1: Market penetration, including expansion of the existing markets and creation of new markets and competitiveness of the European downstream operators

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Index=100		105		116		128	140
	Actual results						
		No actual data	149	170	195		

The original baseline scenario assumed a 5% annual growth rate between 2013 and 2020 in the European EO sector, thanks to the availability of Copernicus data and services. Instead, the annual growth rate observed during 2016 – 2018 period has been 14%, demonstrating a positive effect of Copernicus.

General Objective 4: Ensuring autonomous access to environmental knowledge and key technologies for Earth observation and geoinformation services, thereby enabling Europe with independent decision-making and action

Indicator 1: Number of directives and decisions directly invoking the use of Copernicus data and Copernicus information by Union institutions and bodies for autonomous decision-making

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
5				15			30
	Actual results						
		n.a.	7	8	10		

Directives and decisions mentioning the use of Copernicus (legislative acts directly referred to the Copernicus programme):

CELEX number	Publication Reference	CELEX number	Publication Reference
32014D0261	OJ L 136, 09/05/2014, p. 35	32013R0100	OJ L 81, 21/03/2012, p. 7
32013D1313	OJ L 347, 20/12/2013, p. 924	32011R1255	OJ L 321, 5.12.2011, p. 1
32013D1386	OJ L 354, 28/12/2013, p. 171	32006R1974	OJ L 368, 23.12.2006, p. 15
32017Y0322	OJ C 89, 22/03/2017, p. 1	32018D0621	OJ L 51, 23.2.2018, p. 17–22
32016Y1001	OJ C 363, 01/10/2016, p. 1	32018D0620	OJ L 102, 23.4.2018, p. 23–55

The table above refers to the five directives/legislative acts published before 2014 (referring to GMES- the former name of the Copernicus programme) and the new acts since 2014. It does not refer to other DGs directives or regulations, involving the use of Copernicus (e.g.: environmental legislation, Climate Action, Maritime Affairs, Agriculture and Rural Development etc.)

General Objective 5: Supporting and contributing to European policies and fostering global initiatives, such as GEOSS

Indicator 1: Percentage of Copernicus global Earth Observation data available through Global Earth Observation System of Systems (GEOSS)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 % ¹⁷	~10 % for 2014		40 %		75 %		100 %*
	Actual results						
	*		*	40%	100%		

*With the conventional data access infrastructure (e.g. ESA Open hub) and the setting up of the Copernicus Data and Information Access Services (DIAS), the entire Copernicus database is available on a free, full and open data policy, including to GEOSS members. The target of 100% excludes the restricted products from the Emergency and Security Services.

Specific objectives

Specific Objective 1: Delivering accurate and reliable data and information to Copernicus users, supplied on a long term and sustainable basis enabling the services referred to in Article 4(1) and responding to the requirements of Copernicus Core Users

Indicator 1: Number of engaged users showing sustained uptake through registered data download

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1*				1.5			2
	Actual results						
				13.8	30		

¹⁷ The data for this indicator is from the yearly report provided by the European Environment Agency (EEA), the European Centre for Medium-range Weather Forecasts (ECMWF), Mercator Ocean, Frontex and the European Maritime Safety Agency (EMSA).

*The figures are in 10,000: the 2013 baseline is 10,000 registered users, milestone of 2017 means a 50% increase from the baseline, the target value means a doubling of engaged users. At the end of 2018, there were more than 300,000 users registered, demonstrating a steady increase in the number of users.

Indicator 2: Progression in number of satisfied users * expressed by the percentage of returning and engaged users								
Baseline 2013	Milestones foreseen						Target 2020	
	2014	2015	2016	2017	2018	2019		
0 %		20 %		40 %			65 %	
	Actual results							
				20%	20%			

* Users' satisfaction is expressed as percentage of Copernicus users which integrate the service products regularly into their workflows.

Justification of changes to the financial programming and/or to the performance information

About 20% of the registered users are active “satisfied” users (downloading a product at least once in the last quarter). The number of active users has been growing as quickly as the number of registered user, keeping the ratio stable.

Specific Objective 2: Providing sustainable and reliable access to spaceborne data and information from an autonomous European Earth observation capacity

Indicator 1: The accomplishment of the space infrastructure in terms of satellites deployed and data it produces for integration into geo-information services

Baseline 2013	Milestones foreseen						Target 2020	
	2014	2015	2016	2017	2018	2019		
Total EU autonomous satellite capacity*	1	2	6	7	7	7	8	
	Actual results							
	1	2	4	6	7			

*In terms of the number of satellites deployed.

Expenditure related outputs

Outputs(*)	Budget line	Draft Budget 2020	
		Number	EUR million
Sentinel 1A, 2A, 3A, 1B, 2B, 3B, 5P operating	02 06 02	7	225,483
Sentinel construction of next series 1C&D, 2C&D, 3C&D, 5B&C, 6B	02 06 02	9	203,158
Total			428,641

Outputs	Number of outputs foreseen (F) and produced (P)							
	2014	2015	2016	2017	2018	2019	2020	
Construction, launch and operation of satellites	F	1	2	3	1		1	
	P	1	1	2	3	1	1	

(*)The Copernicus satellites called Sentinels are currently being developed for the specific needs of the Copernicus programme.

Sentinel-1 provides all-weather, day and night radar imagery for land and ocean services. The first satellite (Sentinel-1A) was launched on 3 April 2014. The second one (Sentinel-1B) was launched in April 2016.

Sentinel-2 provides high-resolution optical imagery for land services. It will provide for example, imagery of vegetation, soil and water cover, inland waterways and coastal areas. Sentinel-2 also delivers information for emergency services. The first Sentinel-2 satellite was launched in June 2015 and the second unit was launched in March 2017.

Sentinel-3 provides high-accuracy optical, radar and altimetry data for marine and land services. It measures variables such as sea-surface topography, sea- and land-surface temperature, ocean colour and land colour with high-end accuracy and reliability. The first Sentinel-3 satellite was launched in February 2016, the second unit is planned for launch in April 2018.

Sentinel-5 Precursor is a satellite mission launched in October 2017 and it will contribute to reduce data gaps between Envisat and Sentinel-5. The other Sentinels no. 4 and 6 will be deployed after 2019.

Specific Objective 3: Providing a sustainable and reliable access to in-situ data, relying, in particular, on existing capacities operated at European and national levels, and on global observation systems and networks

Indicator 1: Sustained availability of in-situ data for supporting Copernicus services

Baseline	Milestones foreseen						Target 2020	
	2014	2015	2016	2017	2018	2019		
Number of Services receiving in-situ data	2	4	6	6	6	6	6	
	Actual results							
	2	4	6	6	6			

Expenditure related outputs

Outputs	Budget line	Draft Budget 2019	
		Number	EUR million
Products supplied operationally in response to user requirements in service component “Emergency Mapping Service”, “European Flood Alert system”, “Pan-European Land Cover”, “EU local land”, “Global land”, “Access to reference data”, and in services “Atmosphere Monitoring” and “Marine Environment Monitoring” services	02 06 01	8	N/A

Cross-cutting support activities and ramp-up phase of additional service components	02 06 01	1	1.4
Total			

The numbers refer to the number of service components which produce operational geo-information products, or are receiving cross-cutting support activities. Service components are defined in the Copernicus Work Programme and multi-annual implementation plan, and are listed above under section 3.3.

Justification of changes to the financial programming and/or to the performance information

This indicator refers to the reliability of services based on the supply of data from local sensors. At the beginning, only 2 services were able to integrate the data from local sensors in their products and in 2016 all 6 services were integrating data from local sensors. The number is not going to change unless a new Copernicus service is going to be created (not planned for the next years).

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Delivering accurate and reliable data and information to Copernicus users (Copernicus Climate Change Service)	56,7	38,6
Delivering accurate and reliable data and information (satellite imagery, digital or printed maps) to Copernicus users (30% of output produced relating to 3 Copernicus services on Land monitoring, Atmosphere Monitoring and Marine Environment Monitoring is attributed to Climate Change)	21,6	9,2
Output in terms of contribution made by data from Sentinel satellites (estimated to be some 34% of Sentinel related budget)	196,8	164,8
Total	275,1	212,6

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
113,5	195,8	202,8	209,6	198,9	275,1	212,6	1 408,3

(*The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The Copernicus Climate Change service will provide access to several climate indicators (e.g. temperature increase, sea level rise, ice sheet melting, warming up of the ocean) and climate indices (e.g. based on records of temperature, precipitation, drought event) for both the identified climate drivers and the expected climate impacts¹⁸.

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Deliver accurate and reliable data and information to Copernicus users (The Copernicus Land monitoring service will provide information including on the dynamics of monitoring of biodiversity: operational continuity of Land Monitoring service is to be achieved by 2015 (30% of output produced attributed))	9,3	3,4
Output in terms of contribution made by data from Sentinel satellites (estimated to be some 21% of Sentinel related budget)	121,5	101,8
Total	130,8	105,2

Programming biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
64,5	97,3	98,9	107,8	101,6	130,8	105,2	706,1

(*The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The Copernicus land monitoring service provides geographical information on land cover and on variables related, for instance, to the vegetation state or the water cycle. It supports applications in a variety of domains such as spatial planning, forest management, water management, agriculture and food security, etc. The service is operational since 2012¹⁹.

5. Programme contribution to the Sustainable Development Goals : SDG 17 Strengthen the means of implementation and revitalize the global partnership

¹⁸ The European Commission signed a Delegation Agreement with ECMWF (European Centre for Medium-Range Weather Forecasts) for the implementation of the Copernicus Climate Change service. It is operational since June 2018.

¹⁹ The global component produces data across a range of biophysical variables at a global scale (i.e. worldwide), which describe the state of vegetation (e.g. vegetation condition index), the energy budget (e.g. land surface temperature, top of canopy reflectance) and the water cycle (e.g. soil water index). The Pan-European component will produce 5 high resolution data sets describing the main land cover types: artificial surfaces (e.g. roads and paved areas), forest areas, agricultural areas (grasslands), wetlands, and small water bodies. The local component focuses on "hotspots" which are prone to specific environmental challenges. It provides detailed land cover and land used information (over major European cities, which are the first type of "hotspots", i.e. the Urban Atlas).

HEADING 1A: Competitiveness for growth and jobs

European Fund for Strategic Investments (EFSI)

Lead DG: ECFIN

I. Overview

What the programme is about?

The European Fund for Strategic Investments (EFSI) is one of the three pillars of the Investment Plan for Europe that aims to revive investment in strategic projects around the continent to ensure that money reaches the real economy. The Investment Plan for Europe also includes the EIAH (European Investment Advisory Hub) and the EIPP (European Investment Project Portal). EIAH offers a single access point to a 360 degree offer of advisory and technical assistance services to identify, prepare and develop investment projects across the European Union. The EIPP is designed as a bridge between EU project promoters and investors worldwide.

With EFSI support, the EIB Group is providing funding for economically viable projects, especially for projects with a higher risk profile than those usually financed by the EIB. The focus is on sectors of key importance for the European economy, including:

- Strategic infrastructure including digital, transport and energy;
- Education, research, development and innovation;
- Renewable energy and resource efficiency;
- Support for small and mid-sized businesses.

EU added value of the programme

Since the global economic and financial crisis, the EU has been suffering from low levels of investment. Collective and coordinated efforts at European level are needed to reverse this downward trend and put Europe on the path of economic recovery. The Investment Plan for Europe, the flagship initiative of the Juncker Commission, focuses on removing obstacles to investment, providing visibility and technical assistance to investment projects and making smarter use of new and existing financial resources. The European Fund for Strategic Investments, the driver of the Investment Plan, aims to overcome current market failures by addressing market gaps and mobilising private investment. Action at the Union level allows for economies of scale in the use of the Union budget funds in combination with the EIB Group financing by catalysing private investment across the Union and making best use of the European institutions and their expertise and knowledge for that purpose. The multiplying effect and the impact on the ground will thus be much higher than could be achieved by an investment offensive in a single Member State or a group of Member States. The fact that there is no country-specific or sectorial project allocation, will provide for greater attractiveness for investors and lower aggregated risks. The investments supported under the EFSI should contribute to achieving existing Union programmes and policies and the targets and objectives of the Europe 2020 strategy for smart, sustainable and inclusive growth, quality job creation and economic, social and territorial cohesion.

Implementation mode

Indirect management. Directorate-General for Economic and Financial Affairs (DG ECFIN) is the lead DG for the programme implementation. EFSI is implemented by the EIB Group and projects supported by it are subject to standard EIB procedures.

II. Programme Update

Implementation status (2014-2018)

The legal basis: Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments (EFSI), the European Investment Advisory Hub (EIAH) and the European Investment Project Portal (EIPP) – The European Fund for Strategic Investments (EU L 169, 1.7.2015, p. 1) was adopted on 25 June 2015. The Commission and the EIB signed the EFSI and the EIAH Agreements with the EIB on 22 July 2015. Moreover, the Commission Implementing Decision for the EIPP was adopted on the same date.

On 30 December 2017, the Regulation to extend and enhance the European Fund for Strategic Investments (EFSI 2.0) entered into force - Regulation (EU) 2017/2396 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1316/2013 and (EU) 2015/1017. It extends the duration of the European Fund for Strategic Investments and introduces technical enhancements for the EFSI and the EIAH.

The EFSI 2.0 Regulation reinforced the definition of "additionality" and enhanced the transparency of the investment decisions. At present, the scoreboard of indicators and the rationale of the Investment Committee's decisions for granting the use of the EU guarantee are made publicly available. EFSI 2.0 also introduced that at least 40% of projects under the Infrastructure and Innovation Window shall contribute to climate action, in line with the commitments made at the COP21. Moreover, in EFSI 2.0, the work of the EIAH was enhanced by providing more tailor-made assistance on the ground and working in close cooperation with national promotional banks and institutions.

In November 2018, the European Commission issued a Communication on the “Investment Plan for Europe: stock-taking and next steps” (COM(2018) 771 final).

Key achievements

European Fund for Strategic Investments (EFSI)

The Investment Plan for Europe, with the European Fund for Strategic Investments, has demonstrated that EU funding can make a crucial contribution to further boost investment, to foster the development of skills and employability, as well as to modernise education, training, and promote youth work. The results so far support the evidence that the EFSI has been effective in providing financing to investment projects and SMEs alike, reaching initial targets and being on track to achieve the end-2020 ones. By July 2018, the EFSI has successfully helped mobilise EUR 334.8 billion of private and public investment and therefore reached its initial EUR 315 billion objective.

The EFSI is also on track to meet the end-2020 target of unlocking additional investment of at least EUR 500 billion. As of 31 December 2018, 1031 EFSI projects have been approved by the EIB Group for a total investment value of EUR 375.5 billion: EUR 244.3 billion for Infrastructure and Innovation Window (IIW) investments (514 approved projects) and EUR 131.2 billion in favour of SMEs (517 approved projects) under the SME Window (SMEW). More than 858 000 SMEs across all Member States are expected to benefit. Two-thirds of the EUR 375.5 billion raised come from private resources, meaning that the EFSI has also met its objective of mobilising private investment.

The EFSI has benefitted all Member States. At the end of 2018, the top beneficiary countries, in terms of EFSI investments mobilised relative to GDP, were Greece, Estonia, Portugal, Spain, Lithuania and Finland. This shows that the biggest impact is in countries that were hit hard by the crisis.

Although the EFSI is neither geographically nor sector-specifically earmarked, but demand driven, it has backed projects across all eligible sectors under the programme. The EFSI has enabled the EIB Group to support unserved markets and clients, for example for the IIW more than three quarters of the clients are new EIB counterparts.

The Investment Plan for Europe has contributed significantly to job creation and growth. It is estimated that EFSI operations have already supported more than 750,000 jobs with the figure set to rise to 1.4 million jobs by 2020. In addition, calculations show that the EFSI has already increased EU GDP by 0.6% and it is set to increase EU GDP by 1.3% by 2020.

European Investment Advisory Hub (EIAH)

Since its launch in September 2015, the EIAH offers project promoters a single point of entry for technical assistance, guidance and advice covering the entire project life-cycle. As of end-2018, the EIAH received a total of 1091 requests of which 918 were project-related and more than half of them came from the private sector. 190 requests are currently allocated to receive more detailed technical assistance from the EIAH and 95 are closed.

To date, 25 MoUs have been signed to date with national promotional banks and institutions (NPBIs) from 20 Member States. The memorandum allows the EIAH and NPBIs to establish synergies between their respective operations. The MoU foresees several areas of engagement for NPBIs, from participating in knowledge sharing activities to acting as a national / regional point of entry for advisory support and local delivery of advisory support.

The EIAH also offers funding support (EUR 7m) through a Call for Proposals from NPBIs, which is open since December 2017. The Call is offering co-funding in the form of grants for a wide range of programmes to support development of investable projects by participating NPBIs. The types of eligible activities include: (a) delivery of investment advisory services on behalf of the EIAH, (b) establishment or developing organisational capacity and (c) knowledge transfer for the development of a local advisory capacity. As of the end of 2018, 8 NPBIs have submitted their proposals under the Call.

The EIB signed an agreement with the EBRD on 20 March 2017 (amended on 18 September 2018) on delivering the EBRD Advice for Small Businesses (ASB) Programme in Bulgaria, Greece, Romania and Croatia under the European Investment Advisory Hub umbrella. It includes delivery of more than 250 advisory projects across Bulgaria, Greece, Romania and Croatia, of which at least 10% will be carried out with international advisers, depending on market needs. As of the end of 2018, 133 requests under this programme were receiving detailed advisory support.

European Investment Project Portal (EIPP)

The EIPP is the EU's online matchmaking platform which brings together investors and project promoters by providing an easily-accessible and user-friendly database, giving projects more visibility, enabling investors to find investment opportunities and helping them secure the financing they need to grow. In 2018, more than 500 projects were received and 270 projects were published. In total, as of end 2018, the EIPP provided 508 investment opportunities.

In Spring 2018, as part of the EIPP annual survey conducted among project promoters and investors, 18 projects were identified as having secured financing after being published on the EIPP and 80% of project promoters were contacted by investors. Several EIPP matchmaking events were organised in various Member States (SL, BG, LU and AT) and cooperation agreements with the Global Infrastructure Hub and EuroQuity were signed in 2018. The EIPP website was further improved with features such as a distinction between infrastructure/innovation and startup/SME projects, the creation of a Member State corner as well as the enhancement of content, such as the inclusion of success stories, testimonial videos and a newsletter subscription functionality.

Evaluations/studies conducted

In 2018, two EFSI evaluations have been completed: an independent external evaluation contracted by the Commission as well as an evaluation by the Operations Evaluation Division (EV) of the EIB. The independent evaluation assessed the extent to which the EFSI, the EIAH, and the EIPP are achieving their objectives. The EIB evaluation assessed the rationale and design of EFSI, results achieved with emphasis on additionality as well as complementarity and coordination of EFSI with other EU programmes. Both evaluations assessed operations under EFSI 1.0.

The evaluations found that that the EFSI has been relevant both in addressing investment gaps and market needs in terms of size, sector and geographical coverage. The independent external evaluation also found that through its scale, the EFSI has contributed to the reduction of the overall investment gap. The evaluations also noted that coherence of the EFSI with other centralised financial instruments has been ensured over time. Initial overlaps between the EFSI with other EU-level financial instruments offering similar financial products has been addressed promptly by re-focusing existing instruments on new market needs and segments.

The evaluations highlighted some areas for improvement. These mainly concerns the need to clarify the concepts of sub-optimal investment situations and additionality, on the reporting as well as design of key performance indicators. The EFSI 2.0 Regulation in fact already addressed most of these recommendations and identified areas for improvement. In addition, the relevant findings were addressed by updates of key governance documents like the EFSI Strategic Orientation, the EFSI Multiplier Methodology Calculation, and the Key Performance Indicators - Key Monitoring Indicators Methodology. The independent evaluation found that the services offered by the EIAH were highly relevant and critical in securing project development. It also confirmed the importance of the EIPP in increasing transparency of investment opportunities in the EU and render these opportunities known to a high number of stakeholders. The evaluation also highlighted some areas for improvement. In particular, it recommended to further improve awareness about the EIAH and to increase cooperation between the EIAH and the EIPP.

Forthcoming implementation (2019-2020)

The EFSI 2.0 implementation shall focus on the updated requirements like climate action, reinforced additionality, and in particular on reaching the revised target of at least half a trillion euros of investment mobilised by end 2020. For the upcoming EIAH implementation, annual specific grants agreements (SGAs) are concluded between the EU and the EIB. The work programme underlying the 2019 SGA should be finalised by April 2019.

As the EU's online matchmaking platform, the EIPP will continue to give EU-based projects more visibility enabling investors to easily find investment opportunities in Europe.

Outlook for the period 2021-2027

As part of the EU's Multiannual Financial Framework for 2021 to 2027, the Commission has proposed a new initiative to mobilise private and public investment – the InvestEU Programme. It consists of the InvestEU Fund (the successor of EFSI), the InvestEU Advisory Hub and the InvestEU Portal. The InvestEU Programme will bring together under one roof the multitude of EU financial instruments and advisory services currently available to support investment in the EU. It will make EU funding for investment projects in Europe simpler, more efficient and more flexible.

The InvestEU Fund shall focus on addressing the large investment gaps in key areas of the future through an EU budget guarantee of EUR 38 billion. It will thus further boost job creation and support investment and innovation in the EU. It expected to mobilise around EUR 650 billion of private and public investment across the EU by end-2027.

The InvestEU Advisory Hub will provide project development advisory support and capacity building throughout the investment cycle to foster the origination and development of investment projects and access to financing. The assistance will be provided in the InvestEU Programme's policy areas and will also ensure a central point of access for project promoters and authorities.

The InvestEU Portal will continue the current EIPP, a database providing visibility to investment projects for which EU-based project promoters seek financing and providing investors with information about investment opportunities available in Europe, but with a better linkage between the projects and a possible financing by the InvestEU Fund implementing partners.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments	2015 - 2020	

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Operational appropriations		1 360,5	2 128,9	2 661,1	2 038,3	186,9	172,9	8 548,5
Total		1 360,5	2 128,9	2 661,1	2 038,3	186,9	172,9	8 548,5

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	2 038,277	100,00 %	1 979,047	100,00 %	186,879	0,09 %	1 022,300	80,23 %
Authorised appropriations (*)	2 127,426	98,58 %	2 068,196	98,54 %	255,362	26,89 %	1 090,783	81,47 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Supporting growth-enhancing investments in line with Union priorities, especially in the areas of: (a) research, development and innovation; (b) development of the energy sector in accordance with the Energy Union priorities; (c) development of transport infrastructures, and equipment and innovative technologies for transport; (d) financial support through the EIF and the EIB to entities having up to 3 000 employees, with a particular focus on SMEs and small mid-cap companies; (e) development and deployment of information and communication technologies; (f) environment and resource efficiency; and (g) human capital, culture and health; (h) agriculture, fishery, aquaculture and (i) for less developed regions and transition regions, other industry and services eligible for EIB support.

Indicator 1: The cumulative volume of investment mobilised (EUR billion)

	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Estimated volume of funding raised (EUR billion, approved operations)	Actual results					500**
	60	164,1	256,3	375,5		

* The EFSI 1.0 target is to mobilise by July 2018 at least EUR 315 billion of additional investment.

** The EFSI 2.0 target is to mobilise at least EUR 500 billion of additional investment by 2020.

European Fund for Strategic Investments (EFSI)

The EFSI is established within the EIB in order to benefit from its experience and proven track record and in order for its operations to start to have a positive impact as quickly as possible. The work of EFSI on providing finance to small and medium enterprises and small mid-cap companies is mainly channelled through the European Investment Fund ('EIF') to benefit from its experience in these activities.

Specific Objective 1: Increasing the volume of European Investment Bank Group (EIB Group) financing and investment operations in priority areas

Indicator 1: The cumulative volume of investment mobilised (EUR billion)

	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Estimated volume of funding raised (EUR billion, approved operations)	Actual results					500**
	60	164,1	256,3	375,5		

* The EFSI 1.0 target is to mobilise by July 2018 at least EUR 315 billion of additional investment.

** The EFSI 2.0 target is to mobilise at least EUR 500 billion of additional investment by 2020.

Indicator 2: The number of projects to receive support under the EFSI initiative²⁰

	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Number of approved projects (cumulative figures)	Actual results					1000
	172	421	717	1031		

²⁰ IIW and SMEW

Indicator 3: The cumulative number of countries receiving EIB Group financing (approved operations) under EFSI						
	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Number of countries covered		20	26	28	28	28
	Actual results					
	18	28	28	28		

Indicator 4: The aggregated multiplier²¹ effect						
	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Multiplier effect		15	15	15	15	15
	Actual results					
	13.3	15.18	13.53	15.6		

The expected effective EFSI multiplier that can only be calculated at the end of the EFSI investment period, is around 15 in terms of the use of the EU guarantee compared to the total investment raised for the projects supported under the initiative and the terms of the transactions. As at end-2018, the IIW multiplier related to operations approved was estimated at 13.7x and the multiplier related to SMEW approved operations was assessed at 21.0x.

Indicator 5: The share of EFSI Financing under the IIW that supports project components that contribute to climate action*						
	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Share of climate action components (% signed operations)	N/A	N/A	N/A	40	40	40
	Actual results					
				35.9		

*Based on the EFSI 2.0, in line with the EU climate action and the Union commitments to the COP21 targets. EFSI financing under the IIW for SMEs and Small Mid-Cap companies is not included in the computation.

European Investment Advisory Hub (EIAH)

The European Investment Advisory Hub (EIAH) is a dedicated structure established within the EIB - building upon existing EIB and Commission advisory services - aiming at providing advisory support for the identification, preparation and development of investment projects and to act as a single access point to a comprehensive offer of advisory and technical assistance services.

Specific Objective 3: To provide advisory support for investment project identification, preparation and development to public and private counterparts, not necessarily linked to EFSI operations through the European Investment Advisory Hub (EIAH)

Indicator 1: The number of project for which the support have been requested

	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Number of projects (annual)		200	200	200	200	200
	Actual results					
	70	271	334	416		

Indicator 2: The number of project that have received the support

	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Number of projects (annual)		25	70	100	100	100
	Actual results					
	2	11	84	187		

The European Investment Project Portal (EIPP)

The European Investment Project Portal (EIPP) will be a publicly available web portal where EU based project promoters will be given the opportunity to boost the visibility of their projects to potential international investors. EIPP is independent from EFSI, EIAH or other EU/EIB financial and technical support initiatives and instruments. EIPP is the only strand among the three initiatives (EFSI, EIAH and EIPP) which is developed by the Commission without the involvement of the EIB.

²¹ This means that a multiplier effect should be generated by means of the provision of an EU guarantee to the EIB, so that EUR 1 of the EU guarantee under this initiative could generate approximately EUR 15 invested in projects.

Specific Objective 4: To create an publicly available web portal where EU based projects promoters will be given the opportunity to boost the visibility of their projects to potential international investors

Indicator 1: The number of project published on the EIPP

	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Number of projects (cumulative)		150	300	450	500	500
	Actual results					
	0	139	238	508		

Indicator 2: Number of countries covered (cumulative)

	Milestones foreseen					Target 2020
	2015	2016	2017	2018	2019	
Number of countries		20	25	27	28	28
	Actual results					
	0	25	28	28		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

The additional investments mobilised under EFSI should help support job creation/employment and demand and therefore boosting economic growth and would lead to an increase in the EU long-term growth potential. The 'new' EFSI should also support projects in accordance with the Union's energy, climate and efficiency targets laid down in the Europe 2020 strategy and in the 2030 Framework for climate and energy policies and which aim to meet the objectives of the Europe 2020 strategy for smart, sustainable and inclusive growth. The legal basis does not foresee any specific budget or targets for reaching the objectives of the Europe 2020 strategy. There are no sectoral or country specific quotas or pre-allocations in the Regulation.

Contribution to mainstreaming of climate action

The EFSI 2.0 Regulation, while recognising the demand-driven nature of EFSI, introduced a target of at least 40 % of EFSI financing under the Infrastructure and Innovation Window to support projects with components that contribute to climate action, in line with the COP21 commitments. The EIB uses its internationally agreed methodology, as part of its rules and procedures, to identify these climate action components or cost shares. A Key Monitoring Indicator (KMI) referring specifically to the contribution of EFSI financing under the IIW to climate action was also introduced in 2018. As of December 2018, this KMI (the share of climate action components) was 35.9%* for signed amounts.

* Provisional end of year data

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere: EFSI investment support for empowerment and economic advancement through micro-entrepreneurship, can further contribute to combatting poverty, reduced inequality and promoting peaceful and inclusive societies for sustainable development. Moreover, numerous important social housing projects have been undertaken, as for example in France, Spain, Poland, and Portugal.

SDG 3 Ensure healthy lives and promote well-being for all at all ages: EFSI investments is estimated to have ensured better health care for 30.6 million people, through contribution to the rehabilitation and expansion of health facilities and the support given to medical research.

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all: EFSI's support for social entrepreneurship and social infrastructure contributes strongly to health and wellbeing and inclusive and quality education. As of H1 2018, 99.07 Mio EUR of signed amounts were dedicated to education.

SDG 7 Ensure access to affordable, reliable, sustainable and modern energy for all: The quantitative goal (40%) on targeted climate change projects such as energy efficiency and clean transport under the IIW are set out in the EFSI 2.0 and strongly contribute to combatting climate change and its impact, and access to affordable, reliable and sustainable energy. In addition, dedicated efforts are made to ensure uptake of broader sustainable growth projects beyond the climate target, and to place a stronger focus on sustainable investments across sectors.

It is estimated that EFSI has facilitated the provision of renewable energy to approx. 7.4 million households. As of first semester 2018, the EFSI signed amounts for energy and environment and resource efficiency reached approx. EUR 10.5 billion and have mobilised an estimated EUR 56 billion of investment for energy capacity building from renewable energy sources, improving energy efficiency and supporting electricity network projects. It is worth noticing the promotion of major cross-border projects to increase interconnection and security of supply.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: EFSI investments can support meaningful advancements towards promoting sustained, inclusive and sustainable economic growth, and full and productive employment and decent work for all. EFSI investment support for empowerment and economic

advancement through micro-entrepreneurship and SME support, can further contribute to combatting poverty, reduced inequality and promoting peaceful and inclusive societies for sustainable development.

Several employment and start-up programmes have been signed contributing to the creation of a well-qualified workforce as needed by modern economies, as well as generating employment opportunities for young people.

For IIW, EFSI operations are expected to have both temporary and permanent employment effects, related to the implementation and respective the operational phase of the EFSI projects. In addition to the direct impact of EFSI, there is also an indirect or induced employment impact to be considered (for example, a project to develop new transport infrastructure might contribute to new job opportunities in the local economy).

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation: EFSI's strong support for transport, social and digital infrastructure contributes to inclusive and sustainable growth. In addition, EFSI's strong support for research, development and innovation projects helps foster innovation and contributes to sustainable industrialisation. Investment in transport infrastructure materialised in signed amounts of approx. EUR 4.4 bn, unlocking some EUR 18.2 bn to promote transport networks, cleaner fleets, to reduce congestions and bottlenecks. EFSI financing targeted also the development of the broadband infrastructure needed to keep different actors connected, as well as development of new technologies needed to promote Europe's long-term competitiveness.

SDG 10 Reduce inequality within and among countries: The EIAH is providing advisory support for investment project especially in countries where the financing via the capital market is the less developed.

SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable: EFSI's dedicated investments in economic and social infrastructure projects supports advancement towards promoting resilient and inclusive infrastructure, and further efforts to support service-rich integrated infrastructure projects would contribute to inclusive and sustainable cities. EFSI supported projects about water supply and sanitation, waste water and solid waste treatment and recycling. As well as sustainable urban and rural development.

SDG 12 Ensure sustainable consumption and production patterns: Further investment support to inclusive business practices and SME growth and development could also contribute to promoting sustainable production and consumption practices.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

HEADING 1A: Competitiveness for growth and jobs

Nuclear decommissioning assistance programmes in Bulgaria and Slovakia

Lead DG: ENER

I. Overview

What the programme is about?

When Bulgaria and Slovakia were candidate countries to join the European Union (EU), the closure and subsequent decommissioning of six Soviet-designed, first generation nuclear reactors at two nuclear power plant sites was made a condition for their accession. As part of the agreements the Union declared its willingness to provide financial aid and the Nuclear Decommissioning Assistance Programmes were established to assist the Member States concerned in implementing the decommissioning of Kozloduy units 1 to 4 and Bohunice V1 units 1 and 2 in accordance with their respective decommissioning plans, whilst maintaining the highest level of safety.

EU added value of the programme

Being confronted to early closure of their plants, it was not possible for Bulgaria and Slovakia to accumulate sufficient funds from operation of the plants. It is therefore in the interests of the Union to provide financial support for the seamless continuation of decommissioning in order to progress towards the so called decommissioning end state, in accordance with approved plans, while keeping the highest level of safety. This will contribute to provide substantial and durable support for the health of workers and the general public, preventing environmental degradation and providing for real progress in nuclear safety and security.

Implementation mode

Directorate-General for Energy (DG ENER) is the lead DG for the programme implementation. The programme is managed under the indirect management mode through the European Bank for Reconstruction and Development and the Slovak Innovation and Energy Agency, a public law body in Slovakia.

II. Programme Implementation Update

Implementation Status (2016-2018)

The Commission adopted the 2018 work programmes and associated financing decisions, allocating EUR 74,0 million for the implementation of the actions in Bulgaria and Slovakia. These funds sum up to EUR 287,4 million allocated from 2014 to 2018.

The Kozloduy programme (BG) has seen important waste management infrastructures become operational in 2018: a workshop for the size reduction and decontamination of dismantled equipment and a facility for high-performance volume reduction of radioactive waste (the Plasma Melting Facility). In parallel, construction works are underway for the National Disposal Facility, i.e. the low and intermediate level waste surface repository, which will receive large quantities of the decommissioned materials.

The Bohunice programme (SK) has substantially progressed in 2018. Decontamination & Dismantling (D&D) works in the turbine halls and auxiliary buildings were finalised in 2018 with the demolition of the four V1 NPP cooling towers. Furthermore, important D&D works have also been performed in the reactor building: in 2018, the decontamination of the spent fuel pools and other tanks in the controlled area was finalised, while the dismantling of large components of the reactor coolant systems started.

Key achievements

In order to benefit from experience already gained in Bohunice during the decontamination of the primary circuit which was successfully completed in December 2017, the decommissioning operator shared its experience in drafting the specifications for the call for tender organised for the Kozloduy programme in support of the preparation of the reactor building for the decontamination of the primary circuit. The sharing of very detailed knowledge between two similar decommissioning programme is reducing costs and risks as experience feedback can be directly transferred. More general subjects have been discussed in one knowledge sharing seminar organised between the responsible of the three decommissioning programmes in Bulgaria, Slovakia and Lithuania.

Kozloduy programme (BG): The successful commissioning and start of operation of a state-of-the-art waste volume reduction facility (Plasma Melting Facility) marks an important accomplishment as this facility provides very high performance compared to other similar facilities in the EU. The design and construction has been led by a consortium of leading European companies. The operational feedback will be of the highest interest to several radioactive waste organisations in the EU as they are confronted to similar challenges.

The approval by the safety authorities of the conceptual design for the dismantling of the primary circuit and associated components is now followed by the development of the detailed design that will open the way to the removal of large components from the reactor building of Unit 1.

Bohunice programme (SK): In 2018, several projects were successfully completed. The completion of the project “Decontamination of Spent Fuel Pools and Other Contaminated Tanks in the V1 NPP – Part 1” has greatly contributed to reducing the radiation burden of the personnel involved in the follow-up decommissioning activities. In May 2018, the project “Optimisation

of Electric Scheme” came to the end. During its implementation, the successful optimisation and reduction of electric scheme of the shutdown VI NPP was verified, while maintaining the full functionality of the remaining devices. The project “Integrated Computer System for VI NPP Decommissioning Logistic System” brought the system software is in full operation mode, managing and monitoring all materials generated in the process of VI NPP decommissioning. The project “Auxiliary Buildings System Removal – Stage 1” ended with the successful dismantling and removal of the equipment in the controlled area, the premises shall serve as temporary storage for VLLW, including interim RAW. Finally, the “Dismantling and Demolition of VI NPP Cooling Towers” achieved the complete demolition of all four cooling towers. The project was completed in November 2018 slightly ahead of schedule and at a lower budget than initially planned. The demolition attracted widespread attention of the public since it was a visible demonstration of the site's progress towards its clean-up.

Evaluation/studies conducted

The programmes were assessed in line with Article 9 of the relevant regulation and in June 2018, the Commission presented to the European Parliament and the Council the mid-term evaluation report on the implementation of the nuclear decommissioning assistance programme to Bulgaria, Slovakia and Lithuania .

Bulgaria and Slovakia have progressed effectively and efficiently in the decommissioning of their reactors in line with expectations set for the current Multiannual Financial Framework; there have been challenges and setbacks due to the programmes' complexity, but the management system has proven – especially in Slovakia - increasing ability to anticipate emerging issues and cope with them as needed.

The mid-term evaluation reviewed the governance setup applicable to the assistance programmes and concluded that it ensured effective and efficient implementation of the programmes. The key success factors include clear definitions of roles and responsibilities as well as a strengthened monitoring framework. In view of further improving the efficiency of the programme implementation, the adoption in 2019 of updated implementation procedures will be a key development that will lead to an update of the currently applied control strategy setting out the supervision needs, the objectives of the supervision activities, and the corresponding tools, working methods and procedures needed to achieve the supervision objectives and effective mitigation when deviations/risks are identified.

EU support to the decommissioning programmes in Bulgaria and Slovakia has provided additional value to the entire EU decommissioning industry in terms of knowledge and expertise. Knowledge sharing and capitalisation aspects of the programmes therefore serve as a basis for ensuring continued EU added value enhancing this way nuclear safety.

The Commission has also completed a thematic verification on procurement procedures under the management of implementing bodies. Based on a number of procurement files, it resulted that the implementing bodies fully supported the beneficiaries to achieve economy, efficiency, transparency and accountability in all processes, as well as uphold fundamental principles of good procurement practice.

Information about forthcoming implementation (2019-2020)

As the decommissioning operators in Kozloduy (BG) and Bohunice (SK) have got the relevant decommissioning licenses in the past years, the way to dismantle the core systems was opened. In the coming years, the clean-up of controlled areas will generate an increased flow of materials being removed from the nuclear installation. Moreover additional buildings will disappear from the sites, as the dismantling and demolition processes will progress.

Outlook for the period 2021-2027

The proposal for the future “Nuclear decommissioning assistance programme in Bulgaria and Slovakia” programme is included in the 2021-2027 MFF Heading 5 “Security and Defence” under the name “Nuclear Safety and Decommissioning (including for Bulgaria and Slovakia)”. The new programme addresses the decommissioning of nuclear facilities and the management of the arising waste under a common instrument to optimise synergies and knowledge sharing. This programme can bring additional EU added value through becoming a benchmark within the EU for safely managing technological issues in nuclear decommissioning and disseminating knowledge to Member States.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Council Regulation (Euratom) No 1368/2013 of 13 December 2013 on Union support for the nuclear decommissioning assistance programmes in Bulgaria and Slovakia, and repealing Regulations (Euratom) No 549/2007 and (Euratom) No 647/2010	2014 - 2020	518,4

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support								
Operational appropriations	69,7	71,1	72,6	74,0	75,5	77,0	78,5	518,4
Total	69,7	71,1	72,6	74,0	75,5	77,0	78,5	518,4

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	75,485	100,00 %	74,903	100,00 %	76,994	0,00 %	99,745	0,00 %
Authorised appropriations (*)	75,485	100,00 %	74,903	100,00 %	76,994	0,00 %	99,745	0,00 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To assist the Member States towards the decommissioning end state of Kozloduy units 1 to 4 (Bulgaria) and Bohunice V1 units 1 and 2 (Slovakia), whilst maintaining the highest level of safety

Indicator 1: Number of major components and systems dismantled in all the concerned nuclear reactors in accordance with the respective decommissioning plans

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Kozloduy programme	Plan						
- Preparatory works have started for the decontamination and dismantling activities in turbine halls and auxiliary buildings. - Dismantling of large components and equipment in the reactor buildings not yet started. - Facilities for the treatment and conditioning of waste are being put in place.	Decommissioning Licence for Units 1-2		Decommissioning Licence for Units 3-4				Ref. Detailed Decommissioning Plan 2014 The planned completion date for the decommissioning of Kozloduy units 1 to 4 is 2030.
	Actual results						
	Licence issued		Licence issued				
Bohunice programme	Results						
- Dismantling of V1 turbine hall has started. - Dismantling of external buildings (Phase 1) has started. - Preparation of decontamination of V1 primary circuits has started. - Stage 1 decommissioning waste management has started		Decommissioning licence 2nd (final) stage					Ref. Detailed Decommissioning Plan 2014 The planned completion date for decommissioning of Bohunice V1 units 1 and 2 is 2025.
	Actual results						
	Licence issued						

Specific objectives

Specific Objective 1: (Kozloduy) Performing dismantling in the turbine halls of units 1 to 4 and in auxiliary buildings

Indicator 1: Number and type of systems dismantled

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Decontamination and dismantling activities in turbine hall of units 1 and 2 have started	Systems dismantled out of 160 main and auxiliary systems						Units 1-4 turbine hall fully dismantled
				60%	83%		100%
	Metal dismantled – plan						Units 1-4 turbine hall metal dismantled 33 216 t
	5 772 t	11 544 t	17 316 t	23 088 t	28 088 t	29 326 t	
Metal dismantled - results						100%	
	4 854 t	10 901 t	16 697 t	18 968 t	27 430 t		

Expenditure related outputs

The total quantity to be dismantled equipment in the turbine hall has been re-evaluated to 33 216 tons of metals (instead of 40 400 tons). In the period between January 2014 and December 2018 the amount of dismantled metal was 27 430t, i.e. 83% of the target value by 2020.

Justification of changes to the financial programming and/or to the performance information

Dismantling in the turbine hall progressed at satisfactory pace. Following up on the mid-term evaluation, the detailed quantitative objectives of the Programmes have been re-evaluated while keeping the initial end dates.

Specific Objective 2: (Kozloduy) Dismantling of large components and equipment in the reactor buildings of units 1 to 4

Indicator 1: Number and type of systems and equipment dismantled

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Dismantling activities in reactor building not started	Milestones - plan						On-going dismantling activities in reactor building
			Start dismantling in reactor buildings				
	Milestones - results						
	Started						
	Metal dismantled – plan						1 200 t i.e. 100%
	0	200	400	600	800	1 000	
	Metal dismantled – results						
		147 t	299 t	326 t	525 t		

Expenditure related outputs

Dismantling activities inside the reactor building Units 1-2 have started. In the period between January 2014 and December 2018 the amount of dismantled metal was 525 t, i.e. 44% of the cumulative planned amount in 2020.

Justification of changes to the financial programming and/or to the performance information

Following up on the mid-term evaluation, the detailed quantitative objectives of the Programmes have been re-evaluated while keeping the initial end dates.

Specific Objective 3: (Kozloduy) Safely managing the decommissioning waste in accordance with a detailed waste management plan

Indicator 1: Quantity and type of safely conditioned waste

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Free release of materials start	Free release - plan						43 860 t
	5 762 t	11 318 t	19 998 t	23 998 t	31 054 t	38 054 t	
	Free release - results						
	4 791 t	7 923 t	15 954 t	18 827 t	28 725 t		
Treatment of historical radioactive waste	Production of final waste packages (RCC) plan						370
	30	51	231	249	290	320	
	Production of final waste packages (RCC) results						
	30	51	231	249	289		

Expenditure related outputs

As of December 2018 the quantity of material released from regulatory control (free release) has reached 28 725 t, i.e. 66% of the target in 2020. At the same date the production of final waste packages (i.e. Reinforced-Concrete Containers) for legacy waste and decommissioning waste was about 78% of the target in 2020.

Justification of changes to the financial programming and/or to the performance information

In its initial stages, the dismantling inside the reactor building progressed at a slower pace than planned. Consequently, the production of final radioactive waste packages has been lower than planned.

Specific Objective 4: (Bohunice) Performing dismantling in the turbine hall and auxiliary buildings of reactor V1

Indicator 1: Number and type of systems dismantled

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Dismantling in the turbine hall and auxiliary buildings of reactor V1 started	Milestones - plan						Dismantling in the turbine hall and auxiliary buildings of reactor V1 completed
	Auxiliary Circuit System for Secondary Circuit - Phase 2 100% dismantled	Electricity production system Auxiliary Circuit System for Secondary Circuit – Phase 1. Electric Power Supply System and Emergency Electric Power Supply System 100% dismantled	Secondary Circuit Cooling System 100% dismantled				
	Milestones - results						

	100%	100 %	0%		Secondary Circuit Cooling System 100% dismantled		
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Expenditure related outputs

Dismantling & Decontamination works in the turbine halls and auxiliary buildings are winding down, with the last task, i.e. dismantling of cooling towers well underway, completed in 2018.

Justification of changes to the financial programming and/or to the performance information

The dismantling of the cooling towers (i.e. the secondary circuit cooling system) completed in 2018. The delay of 1 ½ year compared to the original milestone does not affect the end-date of the Bohunice programme in 2025. The project implemented for less than 50% of the original cost estimation of EUR 22.5 m.

Specific Objective 5: (Bohunice) Dismantling of large components and equipment in the V1 reactor buildings

Indicator 1: Number and type of systems and equipment dismantled

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Reactor core and ponds defueling started	Milestones - plan						Nuclear Steam Supply System(NSSS) dismantled Auxiliary Circuit System for Primary Circuit dismantled
			Primary Circuit Equipment Insulation dismantled				
	Milestones - results						
			100 %				

Expenditure related outputs

In 2014 the milestones have been met: the reactor core and ponds are defueled. Additionally a milestone of 2015 has been slightly anticipated: the 2nd stage licence has been issued end of December 2014. The dismantling of insulation in the V1 NPP controlled area was finished in December 2016. Higher than originally estimated volumes of radioactive waste necessitated the extension of the project completion date by a couple of months. The project to achieve the 2018 milestone has been merged with the project 'Nuclear Steam Supply System' (original target date 2020) which is now expected to be implemented by the end of 2022.

Justification of changes to the financial programming and/or to the performance information

The Bohunice programme (SK) has reached a high level of maturity: the estimate at completion of the overall programme is slightly decreasing and supported by a state-of-the-art plan for risks and contingencies, which provides a high level of confidence to the estimations. In 2018 the decontamination of the spent fuel pools and other tanks in the controlled area was finalised, while the dismantling of large components of the reactor coolant systems started. It is worth noting that this process allowed to minimise the staff employed for dismantling the reactors and to maintain the programme end-date in 2025.

Specific Objective 6: (Bohunice) Safely managing the decommissioning waste in accordance with a detailed waste management plan

Indicator 1: The quantity and type of safely conditioned waste

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Conventional waste produced (tonne)	Plan						149 297 t
	23 151 t	74 632 t	74 752 t	86 298 t	146 152 t	147 617 t	
	Results						
	23 151 t	74 093 t	74 751 t	86 298 t	130 624 t		
Hazardous waste produced (tonne)	Plan						4 813 t
	54 t	174 t	183 t	4 608 t	4 611 t	4 618 t	
	Results						
	54 t	174 t	182 t	4 608 t	4 617 t		
Radioactive waste produced (tonne)	Plan						6 474 t
	387 t	909 t	1 440 t	1 608 t	2 003 t	4 026 t	
	Results						
	387 t	909 t	1 440 t	1 608 t	1 953 t		

Expenditure related outputs

As of June 2018 the quantity of material released from regulatory control (free release) has reached 110 149 t. The production of final waste packages (i.e. Fibre-Concrete Containers) was consistent with the generation of decommissioning waste.

Justification of changes to the financial programming and/or to the performance information Following up on the mid-term evaluation, the detailed quantitative objectives of the Programmes have been re-evaluated while keeping the initial end dates.

HEADING 1A: Competitiveness for growth and jobs**Nuclear decommissioning assistance programme in Lithuania****Lead DG: ENER****I. Overview*****What the programme is about?***

When Lithuania was a candidate country to join the European Union, the closure and subsequent decommissioning of two Soviet-designed, first generation nuclear reactors at Ignalina was made a condition for their accession. As part of the agreement the Union declared its willingness to continue to provide adequate additional Community assistance to Lithuania's decommissioning effort and the Nuclear Decommissioning Assistance Programme was established to assist Lithuania in implementing the decommissioning of Ignalina units 1 and 2 in accordance with an approved decommissioning plan, whilst maintaining the highest level of safety.

EU added value of the programme

Being confronted to early closure of its plants, it was not possible for Lithuania to accumulate sufficient funds from operation of the plants. It is therefore in the interests of the Union to provide further financial support for the seamless continuation of decommissioning in order to progress towards the so-called decommissioning end state, in accordance with approved plans, while keeping the highest level of safety. This will contribute to provide substantial and durable support for the health of workers and the general public, preventing environmental degradation and providing for real progress in nuclear safety and security.

Implementation mode

Directorate-General for Energy (DG ENER) is the lead DG for the programme implementation. The programme is managed under the indirect management mode through the European Bank for Reconstruction and Development and the Central Project Management Agency, a public law body in Lithuania.

II. Programme Implementation Update***Implementation Status (2016-2018)***

The Commission adopted the 2018 work programme and associated financing decision, allocating EUR 65,6 million for the implementation of the actions in Lithuania. These funds sum up to EUR 315,6 million allocated from 2014 to 2018. The 2018 work programme priorities included the completion of hot trials of the solid waste treatment and storage facility, the tendering for construction works of the near surface repository for radioactive waste and the implementation of further organizational changes, including the optimization of post-operation, radiological safety and radioactive waste management activities.

The removal of spent fuel assemblies from both reactor buildings (units 1 and 2) started in September 2016. The second reactor was defueled fully in February 2018 ahead of schedule. Both reactors are defueled and transfer operations of spent fuel from the ponds to the Interim Spent Fuel Storage Facility continue steadily. As at 31 December 2018, more than 50% of spent fuel assemblies were safely loaded into casks and put into storage. Moreover, works have started for the construction of the landfill facility for very low level waste and the call for tender for the construction of the near surface repository is ready to be launched in 2019.

In preparation for the dismantling and decontamination of the reactors' core zone to be started in the next MFF, the operator is developing an optioneering study, the relevant environmental impact assessment and a project for the temporary storage of irradiated graphite waste. A series of workshops in 2018 allowed to inform extensively more than 40 potential international contractors.

Key achievements

The Interim Spent Fuel Storage Facility is fully operational and guarantees the highest safety standards for spent fuel safe conservation. As at 31 December 2018, 7796 spent fuel assemblies have been safely removed from Units 1 and 2 spent fuel ponds, loaded into 86 casks and transported to the new facility. The Unit 2 reactor was completely defueled by 25 February 2018 - 9 months earlier than initially planned. The transfer of the nuclear fuel out of the reactor and the cooling pools into the safe dry storage facility is contributing to a substantial decrease in the level of radiological hazard and risk to the general public. The manufacturing of the last casks has continued and the casks' delivery to INPP is underway.

The waste management facilities are in use for management of solid radioactive waste since the start of the commissioning ("hot" trials) on 9 June 2017 under the operating license delivered by the safety authority.

Evaluations/studies conducted

Lithuania has progressed effectively and efficiently in the decommissioning of the reactors in line with expectations set for the current Multiannual Financial Framework; there have been challenges and setbacks due to the programmes' complexity, but the management system has proven increasing ability to anticipate emerging issues and cope with them as needed.

The mid-term evaluation reviewed the governance setup applicable to the assistance programmes and concluded that it ensured effective and efficient implementation of the programmes. The key success factors include clear definitions of roles and responsibilities as well as a strengthened monitoring framework. In view of further improving the efficiency of the programme implementation, the adoption in 2019 of updated implementation procedures will be a key development that will lead to an update of the currently applied control strategy setting out the supervision needs, the objectives of the supervision activities, and the corresponding tools, working methods and procedures needed to achieve the supervision objectives and effective mitigation when deviations/risks are identified.

EU support to the decommissioning programmes in Lithuania has provided additional value to the entire EU decommissioning industry in terms of knowledge and expertise. Knowledge sharing and capitalisation aspects of the programmes therefore serve as a basis for ensuring continued EU added value enhancing this way nuclear safety. This process might be further exploited in managing irradiated graphite, which is a technical challenge worldwide.

The Commission has also completed a thematic verification on procurement procedures under the management of implementing bodies. Based on a number of procurement files, it resulted that the implementing bodies fully supported the beneficiaries to achieve economy, efficiency, transparency and accountability in all processes, as well as uphold fundamental principles of good procurement practice.

Information about forthcoming implementation (2019-2020)

The next important steps in the Ignalina decommissioning process for the period 2019–2020 include:

- Request of the decommissioning licence and preparation of the updated decommissioning plan;
- Interim Spent Fuel Storage Facility: continuation of Units defueling and transfer of loaded spent fuel casks to the safe storage;
- Landfill Facility for Short-lived Very Low Level Waste: construction of infrastructure;
- Near Surface Repository (NSR) for Low and Intermediate Level Short-Lived Radioactive Waste: tender for main construction works, contracting of construction works;
- Detailed design for dismantling and decontamination of equipment in Unit 1 reactor upper and lower zones;
- Detailed design for optioneering and Environmental Impact Assessment on dismantling and decontamination activities of Units 1 and 2 reactors central zone.;
- Continuation of equipment isolation, dismantling and decontamination of equipment in Units 1 and 2;
- Taking out of service diesel generators;
- Initiate a knowledge management system intended for the systemization of knowledge and facilitation of its dissemination.

According to the schedule, the final batch of casks will be delivered to INPP in February 2021 and all spent fuel assemblies will be removed by July 2022.

Outlook for the period 2021-2027

The proposal for the future “Nuclear decommissioning assistance programme in Lithuania” programme is included in the 2021-2027 MFF Heading 5 “Security and Defence” under the name “Nuclear Decommissioning (Lithuania)”.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Council Regulation (Euratom) No 1369/2013 of 13 December 2013 on Union support for the nuclear decommissioning assistance programme in Lithuania, and repealing Regulation (EC) No 1990/2006	2014 - 2020	450,8

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Operational appropriations	60,6	61,9	63,1	64,4	65,6	67,0	68,3	450,8
Total	60,6	61,9	63,1	64,4	65,6	67,0	68,3	450,8

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	65,639	100,00 %	8,395	100,00 %	66,953	0,00 %	51,212	0,00 %
Authorised appropriations (*)	65,639	100,00 %	8,395	100,00 %	66,953	0,00 %	51,212	0,00 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To assist Lithuania towards the decommissioning end state of units 1 and 2 of the Ignalina nuclear power plant

Indicator 1: Number of major components and systems dismantled in all the concerned nuclear reactors in accordance with the respective decommissioning plans

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Ignalina programme	Plan						Ref. Detailed Decommissioning Plan 2014 The planned completion date for the decommissioning of Ignalina units 1 to 4 is 2038.
- Unit 1 reactor core is defueled, unit 2 reactor core is partially defueled into the spent fuel ponds. - The spent fuel ponds in units 1 and 2 are loaded to maximum capacity. - Facilities for waste management treatment and storage are being constructed. - Safe maintenance is performed without incidents. - Start of dismantling works in turbine hall of unit 1.	Ref. 2014 annual work programme	Ref. 2015 annual work programme	Ref. 2016 annual work programme	Ref. 2017 annual work programme	Ref. 2018 annual work programme		
	Results						
	2015 Annual work programme	Monitoring reports	Monitoring reports	Monitoring reports	Monitoring reports		

Specific objectives

Specific Objective 1: Defueling of the reactor core of unit 2 and the reactor fuel ponds of units 1 and 2 into the dry spent fuel storage facility

Indicator 1: Number of unloaded fuel assemblies

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
Unit 1 reactor core defueled, unit 2 reactor core partially defueled into the spent fuel ponds; in the ponds are used and unloaded fuel assemblies	Milestones foreseen						Complete defueling and transfer of all spent fuel assemblies to the dry spent fuel storage completed by end 2022
				Commissioning Spent Fuel Storage Facility		Removal of spent fuel assemblies from Unit 2 reactor core	
	Actual results						
			Commissioning Spent Fuel Storage Facility Removal from spent fuel ponds started		Removal of spent fuel assemblies from Unit 2 reactor core		

No removal of spent fuel assemblies is planned before the commissioning of the Spent Fuel Storage Facility.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Removal of spent fuel assemblies from Units 1 and 2 spent fuel ponds	F			0	2548	5096	7644	10192
	P			267	3519	7796		
Removal of spent fuel assemblies from Unit 2 reactor core	F				454	908	1134	
	P				887	1134		

Specific Objective 2: Safely maintaining the reactor units

Indicator 1: Number of registered incidents

Baseline 2013	2014	2015	2016	2017	2018	2019	Target 2020
Safe maintenance performed without incidents	Target						No incidents until complete defueling of units 1 and 2
	0	0	0	0	0	0	
	Actual results						
	0	0	0				

Expenditure related outputs

The installation has been maintained with the highest level of safety as indicated by the absence of registered incidents in 2014.

Specific Objective 3: Performing dismantling in the turbine hall and other auxiliary buildings and safely managing the decommissioning waste in accordance with a detailed waste management plan

Indicator 1: Type and number of auxiliary systems dismantled and the quantity and type of safely conditioned waste

Status 01/01/2014	2014	2015	2016	2017	2018	2019	Target 2020
	Target						
Dismantled equipment (tonne)	5 650 t	12 669 t	25 916 t	29 268t	34 900 t	40 658 t	47 277 t
	Actual results						
	5 790 t	14 335 t	21 384 t	30 294 t	35 397 t		
	Actual results						
Primary processed waste (m ³)	4 700 m ³	5 800 m3	14 872 m3	15 372 m3	25 392 m ³	35 234 m ³	42 314 m3
	Actual results						
	6 250 m ³	7 414 m3	12 179 m3	19 614 m3	26 969 m ³		

Quantitative milestones for waste production are fine-tuned in annual work programmes in function of the latest estimations of material inventories in installations to be dismantled. The values for 2015, 2016 and 2017 have been correspondingly updated.

Expenditure related outputs

The overall performance was satisfactory. The amounts of equipment dismantled and the overall quantity of radioactive waste processed and stored were slightly below the plan, although the performance for individual categories of waste varied above and below the estimates.

Justification of changes to the financial programming and/or to the performance information

Although not yet at planned pace, the performance is increasing and recovering towards the targets. Production capacities are suit for the decommissioning waste outputs.

HEADING 1A: Competitiveness for growth and jobs

The Framework Programme for Research and Innovation (Horizon 2020)

Lead DG: RTD

Associated DGs: EAC, CNECT, ENER, HOME, AGRI, MOVE, GROW, JRC

I. Overview

What the programme is about?

Horizon 2020 is the biggest EU research and innovation programme ever. It aims at improving EU citizens' life through more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market. Investment in research and innovation is essential for Europe's future and so they are at the heart of the Europe 2020 strategy for a smart, sustainable and inclusive growth. The goal is to ensure Europe produces world-class science and technology, removes barriers to innovation and makes it easier for the public and private sectors to work together in delivering solutions to big challenges facing the EU citizens and more globally our society.

Horizon 2020 is made up of three main pillars:

- **Industrial leadership** – boosting the EU's economic competitiveness;
- **Excellent science** – producing and promoting world-class science in Europe;
- **Societal challenges** – finding solutions to the big challenges facing our society.

It should be noted that research is an area where projects last several years, and the results often only emerge even after a project has been closed. Therefore, although some exciting results from Horizon 2020 have already been published, the vast bulk of them are expected to be delivered only after year 2020.

EU added value of the programme

In accordance with the principles of subsidiarity and proportionality set out in Article 5 of the Treaty on European Union, there is compelling evidence that Member States acting alone will not be able to make the required public intervention in the research domain in terms of achieving an appropriate, "critical mass" level of investment and battling fragmentation.

Horizon 2020 plays a central role in the delivery of the Europe 2020 strategy for smart, sustainable and inclusive growth by providing a common strategic framework for the Union's research and innovation funding, thus acting as a vehicle for leveraging private investment, creating new job opportunities and ensuring Europe's long-term sustainable growth and competitiveness.

The added value of investing in Research & Innovation at EU level is very large. Research & Innovation are public goods with a strong European dimension. EU investments in R&I leverage additional funds at the national level (without evidence of substitution).

Due to their scale, speed and scope, EU-funded projects would not have gone ahead with national funding alone. Below is a list of the benefits of investing at the EU level, compared to the national and regional level, together with concrete examples:

- boosting EU competitiveness through the creation of trans-national and multidisciplinary networks and markets, which lead to positive knowledge spillovers and technology transfers across the Union, and result in new products and services:
 - EU-funded R&I teams are 40 % more likely than non-EU funded teams to be granted patents;
- pooling public and private resources / knowledge to achieve the critical mass needed to tackle global challenges:
 - the work of the UN's IPCC on climate change relied extensively on EU-funded research;
 - only EU-level action can overcome the thin distribution of patients affected by rare diseases;
- strengthening scientific excellence through EU-wide competition and cooperation:
 - in the world's top 1 % most cited publications, four times more publications derive from Horizon 2020 projects than from any other source of funding (in relative terms);
 - EU-funded peer-reviewed publications are cited more than twice as often as the world average;
- increasing the EU's attractiveness as a place for education, research, innovation and business:
 - EU funding supports over 300 000 researchers and innovators;
 - the research impact of internationally mobile researchers supported by Marie Skłodowska Curie Actions is up to 20 % higher than for non-mobile researchers;
 - EU-funded teams grow faster and attract twice as many collaborations from outside the EU;
- leveraging private investment:
 - EU R&I projects give the impetus to the private sector to invest more of their own funds than they do under national funding schemes – Horizon 2020 has leveraged EUR 13 billion in private funds and mobilised EUR 29.6 billion via debt financing;

- having a positive structuring effect on the national R&I ecosystems:
 - the European Research Council has become a global beacon of excellence. This has in turn encouraged the national research institutions to evolve and improve in order to attract and retain grantees.

Implementation mode

Funding opportunities under Horizon 2020 are set out in multiannual work programmes, which cover the large majority of support available. The work programmes are prepared by the European Commission within the framework provided by the Horizon 2020 legislation and through a strategic programming process which integrates EU policy objectives in the priority setting. The main Horizon 2020 work programme is complemented by the separate work programmes for the European Research Council, Euratom, the Joint Research Centre and the Strategic Innovation Agenda for the European Institute of Innovation and technology (EIT).

Horizon 2020 supports **indirect actions** through one or several of the forms of funding, in particular grants, prizes, procurement and financial instruments. Financial instruments are the main form of funding for activities close to market under Horizon 2020. These instruments help companies and other types of organisations engaged in R&I to gain easier access to financing, in the form of risk-sharing (for loans and guarantees) and by providing risk finance (equity). The aim is to stimulate more investment in research and innovation, notably by the private sector. Horizon 2020 also supports **direct actions**, which are undertaken by the JRC.

Management and implementation of the Horizon 2020 programme is undertaken by 28 different bodies:

- Nine Commission DGs: RTD, CNECT, GROW, MOVE, ENER, HOME, EAC, JRC, AGRI;
- Four executive agencies: European Research Council Executive Agency (ERCEA), Research Executive Agency (REA), Executive Agency for SMEs (EASME), Innovation & Networks Executive Agency (INEA);
- Five public-public partnerships (Art. 185 TFEU bodies): Active and Assisted Living (AAL), European & Developing Countries Clinical Trials Partnership (EDCTP 2), European Metrology Research Programme (EMPIR), Research and Development Programme aimed at supporting research performing small and medium-sized enterprises (Eurostars 2), Partnership for Research and Innovation in the Mediterranean Area (PRIMA);
- Eight public-private partnerships, (Art. 187 TFEU bodies): Bio-based industries (BBI), Clean Sky 2, ECSEL, Fuel Cells and Hydrogen (FCH 2), the new High Performance Computing (HPC), Innovative Medicines Initiative (IMI 2), SESAR and Shift2Rail; complemented by nine contractual Public-Private Partnerships (cPPP);
- The European Institute of Innovation and Technology (EIT);
- The European Investment Bank (EIB) and the European Investment Fund (EIF).

The Commission has taken a number of measures to ensure a consistent and harmonised approach amongst the different implementing services. Thus, there are a range of strategic coordination mechanisms, including the strategic programming exercise that leads to the development of the Work Programme. For grant management, a Common Support Centre has been established, which provides common services to all members of the research family. There are also common rules for participation, with very few derogations, replacing the multitude of rules of the past.

II. Programme Implementation Update

Status of programme implementation (2016-2018)

The **2016-2017 Work Programme** was flexible and capable of addressing the topical issues that matter most to the European citizens. Important novelties were introduced:

- A new boost to **competitiveness** by accelerating innovation and collaboration, and by improving transparency and openness when it comes to research data, thus avoiding duplication of efforts. The current Open Research Data Pilot programme was extended to cover all the thematic areas of Horizon 2020, **making open research data the default setting**.
- In response to the **migration crisis**, funding was made available to help coordinate research communities and to make policy recommendations to facilitate migrants' integration into the labour market:
 - the EUR 11 million package of migration actions aims to bring together the relevant research communities to map and synthesise the migration research currently on-going in Europe;
 - the **Fight against crime and terrorism** part of the Security research calls, with a budget of EUR 49 million, will develop new ways of fighting and preventing organised crime and tackling terrorist ideas and beliefs, while at the same time guaranteeing fundamental rights and values.
- Key actions **supporting a forward-looking climate change policy**, such as the new '**Closing the water gap**' topic with a budget of EUR 10 million in the 'Greening the economy' call. This will reduce the fragmentation of water research and innovation efforts across Europe and contribute to the implementation of the Sustainable Development Goals (SDGs), as well as to the conclusions of the COP21 Paris Agreement on climate change.

In addition, Horizon 2020 continues to support a range of **cross-cutting initiatives**:

- “*Industry 2020 in the Circular Economy*” (EUR 325 million) to develop strong and sustainable economies;
- “*Smart and Sustainable Cities*” (EUR 115 million) to better integrate environmental elements, transport, energy and digital networks in the EU's urban environments;
- “*Technologies and standards for automatic driving*” (over EUR 50 million);
- the “*Internet of Things*” (EUR 37 million) to foster the take-up of digital technologies;
- other features such as the “*Widespread*” call (EUR 111 million) aiming to bring excellence to all corners of the EU.

Also, the 2018-2020 Work Programme invests **EUR 2.7 billion to kick-start the new European Innovation Council**, which will support break-through innovation in the EU.

In September 2018, the Council established another Public-Private Partnership; the **European High Performance Computing Joint Undertaking**²², to which Horizon 2020 will contribute (together with CEF). The HPC is a joint collaboration between European countries and the European Union, aiming to develop and support exa-scale supercomputing by 2022-2023.

By the end of 2018, 679 Horizon 2020 call deadlines had been concluded, with 191 731 eligible proposals submitted, requesting a total EU financial contribution of EUR 290.3 billion. Out of these, 23 250 proposals had been retained for funding, bringing the overall success rate of eligible full proposals in the first five years to 12.13%.

These retained proposals resulted in 21 599 signed grant agreements, with a total budget allocation of EUR 38.97 billion in EU funding. This amount is expected to grow even further, as some of the grants from the 2018 call planning will be signed only in 2019.

Key programme achievements to date (concrete examples of programme success stories / generated EU value added)

At this moment, relatively few Horizon 2020 projects have been completed, and therefore the results and impact of the projects are not quantifiable in a meaningful way. Nonetheless, EU funded projects already show advances in research and innovation. A selection of promising projects or results that may make a positive change in our daily lives are presented below.

Ground-breaking discovery by Horizon 2020-funded scientists - the first ever image of a black hole! The project Event Horizon Telescope (EHT) is an international scientific collaboration that, after years of preparations, has captured the first image of a black hole by creating a virtual Earth-sized telescope. **This major discovery provides visual evidence for the existence of black holes and pushes the boundaries of modern science.** EU funding through the European Research Council (ERC) has provided crucial support to the EHT and the lead researchers involved in the project. Watching the image being revealed in real time, one of the lead researchers in the project commented that “*It feels like looking at the gates of hell, the end of space and time*”.

Every year, the European Research Council (ERC) selects and funds the very best, creative researchers of any nationality and age, to run projects in Europe. From 2014 to 2018, **5250 top researchers at various stages of their careers have been funded by the ERC** via Horizon 2020. In 2018, 821 projects were selected for funding from more than 6200 applications. In 2018, ERC publications represented nearly 7 % of the highly (top 1%) cited papers. For example, Ana Caño-Delgado, who leads research groups on Brassinosteroids signalling in plant development, succeeded to enhance plant drought tolerance, but, due to the complex action of the brassinosteroids, these plants were much smaller than those not modified. Her strategy is the first to improve hydric stress resistance in plants without interfering with their development and growth. In 2015, she received **a Consolidator Grant from ERC which allows to develop these advances into benefits for agriculture**. In 2018 she discovered that by modifying brassinosteroid signalling in the plant vascular system, plants increase their resistance to water scarcity and grow normally.

The Future and Emerging Technologies (FET) strategy has produced many scientific and technological results, and some of them already have clear application paths. Examples of projects include the RECORD-IT project, which has developed a sensor that **detects** complex changes in behavior in ion concentrations. This finding has a potential for **early diagnosis of preeclampsia** (high blood pressure in pregnant mothers).

Horizon 2020 also funds **ambitious projects as part of the two FET flagships**, which invest in transformative frontier research and innovation with a high potential impact on technology, with a view to benefit our economy and society. **The Graphene Flagship enables a major push of graphene technologies** in areas such as automotive (cameras with night vision), aviation (coatings), electronics (optical sensors, single photon emitters, high-speed data communications) and filtration (e.g. water purification). Some of the new companies created as a direct result of the Flagship are Emberion (photonics and electronics) and Bedimensional (composite materials). **The Human Brain Project (HBP) Flagship contributes to a better understanding of the brain**, its diseases and its capabilities, by providing researchers worldwide with digital tools and platforms for sharing and analyzing large brain data sets. The first platforms have been released, such as a Brain Atlas, which is continuously enriched with human brain data on the different scales and levels. They are supported by supercomputing, to understand and link the function and behavior of the cellular and molecular organization of the brain. A new FET flagship initiative, **the Quantum Technologies Flagship**, was launched in October 2018. **It aims to place Europe at the forefront of the second quantum revolution, bringing transformative advances to science, industry and society.** The ramp-up phase of the Flagship (2018- 2021) is supported by Horizon 2020. During this phase, 20 projects are funded with a total of EUR132 million, focusing on four application areas – quantum communication, quantum computing, quantum simulation, quantum metrology and sensing – as well as the basic science behind quantum technologies.

²² Council Regulation No 2018/1488 of 28 September 2018.

The Marie Skłodowska-Curie Actions (MSCA) support leading researchers from across the world, providing them with high-quality training and experience across borders, sectors and disciplines. Under Horizon 2020 to date, *MSCA has funded 48 000 researchers* and is on track to meet the target of 65 000 by the end of the programme. Evidence shows that the MSCA is open to the world, with the programme accounting for over 50 % of all international cooperation under Horizon 2020. *Several MSCA researchers were rewarded prominent prizes in 2018*. An MSCA Innovative Training Network (ITN-DCH) received the first UNESCO Chair on Digital Cultural Heritage, while MSCA fellow Maria Giovanna Dainotti received the Chrétien International Research Grant from the American Astronomical Society for her research project on innovative development techniques in the field of energy astrophysics phenomena.

Bring researchers closer to the general public and demonstrate the impact of research on society and daily life - The annual **European Researchers' Night** attracted 1 500 000 visitors in over 370 cities right across Europe and stimulated, especially among young people, interest in research and related careers.

A better, more gender-inclusive way to teach science. The way sciences are communicated to young people, in and out of school, is not yet gender inclusive. Young Europeans, both girls and boys, still have very little idea of the variety of careers that are possible in science, technology, engineering and mathematics (STEM). The Hypatia team successfully delivered national action plans for individual countries on what can be done to make the project and its deliverables sustainable. For most of the partners, Hypatia has become a great accelerator in bringing about change in the way organisations can educate in a more inclusive way.

A EUR 10 million prize for an innovative and commercially viable solution offering low-cost launch services for light satellites. Space technology, data and services have become indispensable in the daily lives of Europeans and for Europe to pursue its strategic interests. Small, light satellites are crucial for improving space-based connectivity, internet services, Earth imaging and positioning. To make sure that the EU is able to launch these satellites independently, it needs to have its own dedicated launch services for small satellites. The Prize will contribute to the objectives of the Commission's [Space Strategy for Europe](#), which aims at reinforcing Europe's autonomy in accessing space and at encouraging the development of commercial markets for low-cost launch services.

The Bella project supports a new digital highway between Europe and Latin America. The construction from Portugal to Brazil has started. The cable will boost business exchanges and enable companies in Europe and Latin America to further develop a data economy, building on existing cooperation, for example in the fields of the Internet of Things and High Performance Computing. As a direct link between the two continents without intermediate connection points, it will also provide high levels of data privacy. The cable will have also a particular impact on Earth Observation services, especially the Copernicus programme, by allowing a much larger volume of Earth Observation data and information to be shared and at higher speed, thereby bolstering its uptake by users on both sides of the Atlantic.

Horizon 2020 actively supports SMEs by providing both direct financial support and indirect support to increase their innovation. Horizon 2020 has successfully stimulating innovation in SMEs and has contributed directly to the overall objective to boost Europe's industrial leadership and competitiveness. The interim evaluation of Horizon 2020 showed that *the overall target of 20% participation by SMEs in Horizon 2020 has been surpassed*, with almost 24 % of the total budget for Leadership in Enabling and Industrial Technologies (LEIT) and societal challenges going to SMEs.

These actions have attracted many proposals and initial budgets have been increased to meet the demand. For instance, the budget of the topic on 'Blockchain and distributed ledger technologies for SMEs' has been increased to fund three high-quality proposals instead of one as initially foreseen. The *Enterprise Europe Network (EEN)*, co-funded by the COSME and Horizon 2020 programmes *helps SMEs to enhance their innovation management capacity and grow internationally*. For instance, the EEN provides innovation-focused services to around 3,150 SMEs per year. The EEN also provides valued Key Account Management services to facilitate coaching services to beneficiaries of the European Innovation Council Pilot. These services have been extended in 2018 from beneficiaries of the SME Instrument to SMEs participating in the Fast Track to Innovation and FET Open projects.

The *Platinum Group Metals (PGMs) are among the least abundant of the Earth's elements and are classified by EC as critical raw materials (CRM)*. They combine a high economic importance to the EU with a high risk associated with their supply. Europe, in fact, is the first consumer of Platinum in industrial products and the second biggest consumer of Platinum in the world. The recycling of critical raw materials such as PGMs from waste is recognised by the European Innovation Partnership on raw materials as an essential pillar to mitigate the supply risk. It is therefore of uttermost importance to secure the supply of PGM materials and to reduce dependency on global supply chains. In this context, the PLATIRUS project aims at reducing the European deficit of Platinum Group Metals (PGMs), by upscaling to industrial relevant levels a novel cost-efficient and miniaturised PGMs recovery and raw material production process. *Due to its innovation - the platinum group metals recovery technique has the potential to be applied for recovery of high-impact elements such as cobalt (Li-ion batteries) and rare earths (magnets for efficient motors) - the Platirus project has been nominated for the Innovation Radar Prize 2018.*

Big Data prizes awarded to most accurate electricity grid flow prediction. On 12 november 2018 in Austria, The European Commission awarded the EUR2 million Big Data Technologies Horizon prize to three specialists for developing the most accurate predictions of electricity flow through a grid. The first prize of EUR1.2 million went to Professor José Vilar from Spain, while Belgians Sofie Verrewaere and Yann-Aël Le Borgne came in joint second place and won EUR400,000 each. The aim is that the winning solutions will be taken up by the energy sector and eventually lead to smarter, more economic and more reliable power

grids. They also have potential applications in other fields such as biology and healthcare, where reliable predictions are used to help diagnose and cure diseases as well as to allocate resources where they are most needed.

New laser tomograph for non-invasive early detection of cancers and eye diseases. Each year around 20,000 Europeans die from melanoma skin and eye cancer. Additionally, one in 30 Europeans are expected to develop sight loss. Besides taking a significant toll on the health of the individuals concerned these diseases also present a substantial burden to Europe's health infrastructure. The EU-supported LASER-HISTO project has contributed to the manufacture of a new diagnostic device that offers early warning of eye diseases and cancers. Without the need for physical biopsies, it increases patient wellbeing, as well as speed of diagnosis - leading to more successful therapy.

The bus of the future. By 2050, two thirds of the world's population will live in cities. Finding ways to improve mobility for these people has therefore become a priority. Studies show that the most efficient way to travel in densely populated areas in terms of urban space and energy consumption is by public transport. The EU-funded EBSF_2 project successfully combined research with demonstrators based on innovative technologies to provide intelligent, cost-effective, energy-efficient and customer-oriented bus systems for greater mobility in Europe's cities. The project provide answers to the need for cleaner and more efficient buses by validating innovative technological solutions as well as developing concepts, guidelines and standards to be adopted in tenders for bus fleet renewal. In Gothenburg, Sweden, project partners demonstrated the feasibility and potential of an 'indoor' bus stop, which provides a cosy-looking interior and shelter from the weather. This means that a specific destination like a library, a hospital, or a shopping mall could in the future act as a bus stop. Revolutionary changes in the design, operation and maintenance of buses will dramatically alter the way we use public transport.

Clearly, automated driving is one of the cutting-edge technologies that are reshaping our world. The number of related European patent applications has grown 20 times faster than other technologies. ***A new EPO study shows that Europe accounted for 37.2% of all patent applications related to self-driving vehicle technologies*** at the EPO between 2011 and 2017; ahead of China (3%), Japan (13%) and the United States (33.7%). The project L3Pilot tests the viability of automated driving as a safe and efficient means of transportation on public roads. It will focus on large-scale piloting of SAE Level 3 functions, with additional assessment of some Level 4 functions. Within one year, the project team ***developed automation technologies addressing a wide range of driving situations, including parking, overtaking on motorways and driving through urban intersections.*** The tests will provide valuable data for evaluating technical aspects, user acceptance, driving and travel behaviour, as well as impact on traffic and safety.

Efficient non-intrusive inspection (NII) of containerised freight is critical to trade and society. Freight containers are potential means for smuggling, drug trafficking, and transport of dangerous / illicit substances. NII technologies used today cannot cope with all targets under all circumstances with equivalent efficiency. The C-BORD project has developed ***prototypes for enhanced X-ray imaging and passive radiation detection***, as well as for new technologies not yet available on the market ***for large-volume cargo inspection***: Evaporation Based Detection, Tagged Neutron Inspection and Photo-fission. C-BORD has also demonstrated that the advanced technologies used in combination can provide more complete information to the customs analyst and improve non-intrusive inspection to stop the trafficking of dangerous or illegal goods.

Unlocking the research & innovation potential of EU's outermost regions. In November 2018, 24 partners representing all of the EU's outermost regions (Azores, Canary islands, Guadalupe, Guyane, la Reunión, Madeira, Martinique, Mayotte, Saint-Martin) signed a grant agreement for the FORWARD project, which will receive EUR4.3 million during the next three years from Horizon 2020, the EU's research and innovation programme. The grant will support outermost regions in boosting their research excellence and unlocking their innovation potential, so that they can participate successfully in European R&I projects. The FORWARD project will also support the collaboration and networking between different representatives (academia, industry, government and civil society) at regional and EU level.

Fighting Poverty & Exclusion through social investment - A European research perspective. The fight against poverty and social exclusion is at the heart of the Europe 2020 strategy for smart, sustainable and inclusive growth. With more than 120 million people in the EU at risk of poverty or social exclusion, EU leaders have pledged to bring at least 20 million people out of poverty and social exclusion by 2020. In the aftermath of the crisis, welfare states are called to address multi-level social risks while securing their financial sustainability. This Review presents evidence from Framework Programme research projects with a view to addressing the challenges of poverty and social exclusion. It puts forward policy recommendations that put the emphasis on social investment and protection and pave the way for upward convergence in employment and social issues.

How to discover, detect, analyse, and monitor potential terrorist-related activities and people. Money underpins all terrorist activities (without money propaganda, training, recruitment, and support are less effective or null). The disruption of terrorist financing activity is a key element in any fight against terrorism. To support counter-terrorism investigation work, helping prevent attacks and saving lives. The EU-funded DANTE project has delivered an integrated system to detect, collect and analyse huge quantities of terrorist-related web content. This integrated system has been demonstrated and validated for propaganda, training, and fund-raising.

In the scientific world, as the flood of knowledge increases, there is a greater need for reviewing and analysing this information. ***The JRC coordinates knowledge services (six knowledge centres and six competence centres) to process science-based evidence to inform policy-makers and to provide tools and services for all EU policy areas.*** Four of them were launched in 2018:

- The Knowledge Centre on Food Fraud and Quality: to provide and access to up-to-date scientific knowledge on food fraud and food quality issues.
- The Knowledge Centre on Global Food and Nutrition Security: to improve actions to reduce food insecurity and

malnutrition in food insecure third countries.

- The Competence Centre on Technology Transfer: a platform for policy support and capacity building in technology transfer at the EU, national, regional and local level.
- The Competence Centre on Foresight: a dynamic collaborative repository of information and resources on the main megatrends shaping our world.

The European Institute of Innovation & Technology (EIT) is an independent body of the European Union set up in 2008 to boost innovation and entrepreneurship across Europe. On top of the six existing Knowledge and Innovation Communities (KICs), the European Institute of Innovation and Technology (EIT) has designated its last 2 KICs under Horizon 2020 in the areas of *Urban Mobility and Added-value Manufacturing* which extend its portfolio to a total of 8 KICs. The two new KICs made up of leading universities, cities, business and manufacturing giants, address the pressing challenges of making Europe a competitive global actor in the manufacturing sector and building smarter transport systems across the continent. Through a first phase, they will start operating in 2019.

EIT's success in nurturing the most promising innovation talent has been recognised by the Forbes 30 under 30 lists with 9 members of the EIT Community included. This brings the total to 32 in the last 3 years. Among the successful companies supported by the EIT, Climeworks, which commercialises CO₂ removal technology, after graduating from EIT Climate-KIC Accelerator business incubator programme in 2013, raised 27 EUR million in equity funding in 2018. "

All the Commission's information on details of each EU-funded research project: the grant, the funding and participants, the projects' summaries, the latest results and links to specific publications and other documents are available on http://cordis.europa.eu/projects/home_en.html.

Relevant findings of evaluation and/or programme related studies

The Horizon 2020 interim evaluation was completed and published in May 2017 – see [link](#).

Information about forthcoming implementation (2019-2020)

On 27 October 2017, the European Commission presented **the last Work Programme for Horizon 2020**, covering the budget years **2018-2020** ([link](#)). The total remaining budget for the last three years of Horizon 2020 (2018, 2019 and 2020) is EUR 37.1 billion²³. An investment of around EUR 30 billion has been earmarked for new solutions to our societal challenges and for breakthrough innovation, including EUR 2.7 billion to kick-start a European Innovation Council.

The 2018-2020 Work Programme was built on the success of Horizon 2020 so far, and takes account of the extensive interim evaluation of the programme. It also paves the way for its successor programme.

A novelty in this Work Programme are the **four mutually reinforcing Focus Areas that cut across the programme boundaries** and are aligned to major European Commission's political priorities:

- Building a low-carbon, climate resilient future;
- the Circular economy;
- Digitising and transforming European industry and services;
- Boosting the effectiveness of the Security Union.

The new features include also measures to support **market-creating innovation through the first phase of a European Innovation Council (EIC)**, an emphasis on **better dissemination of results** and a focus on **open access to data**. As an end result, it is expected that Horizon 2020 will support EU competitiveness through the delivery of ideas, development of technology and processes and innovative solutions for society's challenges; thus creating businesses, building market share and generating employment in the short, medium and long term.

The Work Programme also includes measures to **increase simplification** (e.g. lump sum funding), to **widen participation** from less performing countries, and to address skills mismatches. In addition to these novelties, the Work Programme continues its support to Marie Skłodowska-Curie actions, Access to Risk Finance and the European Research Council.

Overall, the final Horizon 2020 Work Programme has the potential to make a real and sustainable difference to the quality of life in the EU, as well as the EU's position in the world, through the implementation of the Sustainable Development Goals (SDGs).

Outlook for the period 2021-2027

For the next long-term EU budget (2021-2027), the Commission is proposing to continue the programme under the name **“Horizon Europe”**. The budget proposed amounts to a total of EUR 97.6 billion (out of which EUR 3.5 billion will be allocated under the InvestEU Fund). See the [link](#) to the Commission's proposal for Horizon Europe.²⁴

Horizon Europe will introduce the following main new features:

²³ It should be noted that EUR 7.1 billion is not included in the last Work Programme, as it is managed through various public-private partnerships (EUR 3.6 billion), public-public partnerships (EUR 0.9 billion), the European Institute of Technology (EUR 1.4 billion) and the in-house activities of the Commission's Joint Research Centre (EUR 0.1 billion).

²⁴ COM/2018/435 final.

- **A European Innovation Council (EIC)** to help the EU become a frontrunner in market-creating innovation. It will complement the European Institute of Innovation and Technology (EIT).
- **New EU-wide research and innovation missions** focusing on societal challenges and industrial competitiveness. Under Horizon Europe, the Commission will launch new missions with bold, ambitious goals and strong European added value to tackle issues that affect our daily lives.
- **Increased collaboration with other EU programmes:** Horizon Europe will promote effective and operational links with other future EU programmes, like the Cohesion Policy, the European Defence Fund, the Digital Europe Programme and the Connecting Europe Facility, as well as with the international fusion energy project [ITER](#).

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC (OJ L 347, 20.12.2013, p. 104). Council Decision 2013/743/EU of 3 December 2013 establishing the Specific Programme Implementing Horizon 2020 - The Framework Programme for Research and Innovation (2014 - 2020) and repealing Decisions 2006/971/EC, 2006/972/EC, 2006/973/EC, 2006/974/EC and 2006/975/EC (OJ L 347, 20.12.2013, m. 965). Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments (OJ L 169, 1.7.2015, p. 1).	2014 - 2020	74 828,3

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	496,3	489,9	497,6	494,6	496,8	509,0	513,7	3 497,9
Operational appropriations	7 575,3	7 620,9	7 754,0	8 618,7	9 075,4	9 897,1	10 632,7	61 174,1
Executive Agency	99,9	114,2	124,5	138,3	145,1	155,5	164,7	942,3
Joint undertaking	625,2	1 060,6	916,7	872,0	1 103,6	1 293,8	1 376,1	7 248,0
Other bodies	226,4	253,8	249,6	300,4	396,2	456,1	496,7	2 379,3
Total	9 023,1	9 539,4	9 542,5	10 423,9	11 217,2	12 311,5	13 183,9	75 241,6

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	11 217,186	99,98 %	9 827,465	99,21 %	12 311,501	34,53 %	10 513,622	25,36 %
Authorised appropriations (*)	13 256,155	92,42 %	12 659,773	82,56 %	13 699,829	33,82 %	13 035,199	22,81 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to build a society and an economy based on knowledge and innovation across the whole Union, while contributing to sustainable development

Indicator 1: The Europe 2020 R&D target (3% of GDP)

Baseline (Eurostat, 2013)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2,02 %			2,5 %				3 % of GDP
	Actual results						
	2,03%	2,04%	2,03%	2,07%			

Indicator 2: Innovation Output Indicator

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
102,1	Actual results						The composite nature of this indicator is not particularly suited to establishing a target
	103,6	n.a.	n.a.	103,1			

Indicator 3: Share of researchers in the EU active population

Baseline (Eurostat, 2013)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1,14%	Actual results						1,33 %
	1,17%	1,20%	1,23%				

The General Objective contributes to the following Europe 2020 headline targets: By stimulating the generation of more sustainable growth and the creation of new jobs in the EU, it helps to raise the share of population employed. By contributing directly to R&D expenditure and leveraging public and private funds towards this sector, it helps raising the R&D investment in the EU. Finally, in order to promote sustainable development, support is provided to climate change and energy research. This has an impact on the reduction of emissions, the promotion of renewable energy sources and the increase of energy efficiency, thus making progress towards the 20/20/20 climate/energy targets.

So far, only one of these indicators is making steady progress towards reaching its target. The share of researchers in the EU active population is well on track towards the 1,33 % target by year 2020. This is a very positive development, in that it meets one of the basic conditions necessary for increasing the research and innovation activities in the EU. On the other hand, there is no significant progress towards reaching the spending target (3% of GDP). Member States and private enterprise have not increased their R&D budgets as expected, at least partly because of the difficult economic climate. It is expected that Horizon 2020's focus on financial instruments for R&D actions will have a significant impact on this indicator in the medium to long term, but even this element will not be sufficient to reach the 3 % target by year 2020.

Specific objectives

Specific Objective 1: Excellent science - European Research Council (ERC) - strengthening frontier research

Indicator 1: Share of publications from ERC-funded projects which are among the top 1 % highly cited per field of science

Baseline	Milestones foreseen						Target for Horizon 2020 ²⁵
	2014	2015	2016	2017	2018	2019	
New approach	Actual results						1,8 %
	n.a.	n.a.	n.a.	n.a.	7 %		

Expenditure related outputs

	Number	EUR million
Budget line 08 02 01 01 (RTD)		
Grants	1185	2150,3
Prizes		
Procurement	1	0,1
Financial instruments		
Experts	1	18,2
Others	1	1,4
Total		2170,0
of which, Climate-related expenditure		324,2

Specific Objective 2: Excellent science - Future and Emerging Technologies - strengthening research in future and emerging technologies

Indicator 1: Publications in peer-reviewed high impact journals

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						25 publications per EUR 10 million funding
	n.a.	n.a.	n.a.	590 publications 7 publications per EUR 10 million funding	1 397 publications 9,8 publications per EUR 10 million funding		

²⁵ The reference for this target is the year when the last actions financed under Horizon 2020 will be finished, i.e. several years after the formal end of the programme in 2020.

Indicator 2: Patent applications and patents awarded in Future and Emerging Technologies							
Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A						1	1 patent application per EUR 10 million funding
	Actual results						
	n.a.	n.a.	n.a.	3 patent applications	7 patent applications 0.2 patent application per EUR 10 million funding		

Expenditure related outputs

Output	Draft Budget 2020	
	Number	EUR million
Budget line 08 02 01 02 (RTD)		
Grants		
Prizes		
Procurement		
Financial instruments		
Experts		
Others ²⁶		
Subtotal		p.m
of which, Climate-related expenditure		
Budget line 09 04 01 01 (C-NET)		
Grants	168	425,3
Prizes		0
Procurement		0,2
Financial instruments		0
Experts		1,5
Others		20,0
Total of the Specific Objective		447,0
of which, Climate-related expenditure		64,3

Justification of changes to the financial programming and/or to the performance information

As regards the indicators for the number of publications and patents, research is an area where projects last several years, and publications and patents often only emerge even after a project has been closed. Therefore, the targets indicated for year 2020 are in fact targets for the end of the programme, i.e. several years later. The actual results for publications and patents will rise in 2019 and further in 2020, but the targets will not be reached in year 2020.

Specific Objective 3: Excellent science - Marie Skłodowska-Curie actions - strengthening skills, training and career development

Indicator 1: Cross-sector and cross-country circulation of researchers, including PhD candidates (cumulative number)

Baseline 2007 - 2013	Milestones foreseen						Target for Horizon 2020 (Cumulative figures)
	2014	2015	2016	2017	2018	2019	
50000 researchers (~10 000 PhD candidates)	7 500 (~3 000 PhD candidates)	16 500 (~6 000 PhD candidates)	25 000 (~10 000 PhD candidates)	34 000 (~13 000 PhD candidates)	43 500 (~17 400 PhD candidates)	53 500 (~21 400 PhD candidates)	65000 researchers (~25 000 PhD candidates)
	Actual results						
	7 700 (~3 400 PhD candidates)	15 400 (~6 800 PhD candidates)	25 000 (~ 11 000 PhD candidates)	36 000 (~14 000 PhD candidates)	48 000 (~ 18 000 PhD candidates)		

Expenditure related outputs

Output	Draft Budget 2020	
	Number	EUR million
Budget line 15 03 01 01 (EAC)		
Grants	1900	1021,3
Prizes		
Procurement	5	2,2
Financial instruments		

²⁶ For example: grants to named beneficiaries, Public-Public Partnership based on Article 185 TFEU.

Experts	360	1,0
Others		
Total of the Specific Objective		1024,5
of which, Climate-related expenditure		236

Specific Objective 4: Excellent science - Research infrastructures - strengthening European research infrastructures, including e-infrastructures

Indicator 1: Number of researchers who have access to research infrastructures through Union support

Baseline (FP7)	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
22000 (2013)					12000		20000
28559 (2014)	Actual results						
33741 (2015)				2253	7900		

Expenditure related outputs

Output	Draft Budget 2020	
	Number	EUR million
Budget line 08 02 01 03 (RTD)		
Grants	37	246,9
Prizes		
Procurement		
Financial instruments		
Experts		0,4
Other		
Subtotal		247,3
of which, Climate-related expenditure		59,1
Budget line 09 04 01 02 (C-NECT)		
Grants	9	73,2
Prizes		0
Procurement		
Financial instruments		
Experts		0,4
Others (SGA for the GEANT FPA)		
Subtotal		73,6
of which, Climate-related expenditure		0
Total of the Specific Objective		320,9
of which, Climate-related expenditure		59,1

Justification of changes to the financial programming and/or to the performance information

The Horizon 2020 target for the year 2020 has been calculated based on the 2013 FP7 figures. Although the overall budget for research infrastructures has increased in Horizon 2020 compared to FP7, the result for this indicator is expected to decrease since priority in Horizon 2020 is given to the new emerging infrastructures as well as to targeting new communities (starting communities) whose infrastructures are usually not able to provide as large an access as the advanced communities.

Also, at this stage, the indicator does not apply to e-Infrastructures projects. Figures for researchers accessing e-Infrastructures through Union support will be added as data become available. It has also to be noted that all the actions will be finished several years after the year 2020.

Specific Objective 5: Industrial leadership - boosting Europe's industrial leadership through research, technological development, demonstration and innovation in the following enabling and industrial technologies (information and communication technologies; nanotechnologies; advanced materials; biotechnology; advanced manufacturing and processing; space)

Indicator 1: Patent applications and patents awarded in the different enabling and industrial technologies

Baseline	Milestones foreseen							Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	2020	
ICT (FP7: 0,9 patent applications per EUR 10 million funding)						3		3 patent applications per EUR 10 million funding
NMBP (FP7: 2 patent applications per EUR 10 million funding)	Actual results							
Space (FP7 Cooperation projects: 0,3 patent applications per EUR 10 million funding)				136 applications, 52 awarded (0,3 per EUR 10 million funding)	210 applications 55 awarded (0,3 per EUR 10 million funding)			

Indicator 2: Share of participating firms introducing innovations new to the company or the market (covering the period of the project plus three years)

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						N/A
					11 609*		

*Total number of firms introducing innovations

Indicator 3: Number of joint public-private publications

Baseline	Milestones foreseen						Target for Horizon2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						N/A
				620	3 340		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 08 02 02 01 (RTD)		
Grants	100	593,3
Prizes	1	3,0
Procurement	0	0
Financial instruments	0	0
Experts	0	0
Others	0	0
Subtotal		596,3
of which, Climate-related expenditure		315,7
Budget line 08 02 07 33 (BBI JU) – Support expenditure ²⁷		1,3
Budget line 08 02 07 34 (BBI JU) ²⁸		9,8
Subtotal		11,1
of which, Climate-related expenditure		11,1
Budget line 09 04 02 01 (C-NECT)		
Grants	180	807,1
Prizes		0
Procurement		13,0
Financial instruments		
Experts		6,5
Others		50,8
Subtotal		877,4
of which, Climate-related expenditure		0
Budget line 09 04 07 31 (ECSEL JU) – Support expenditure		6,8
Budget line 09 04 07 32 (ECSEL JU)		199,1
Subtotal		205,9
of which, Climate-related expenditure		0
Budget line 02 04 02 01 (GROW)		
Grants	53	187,4
Prize	1	5,0
Procurement	5	3,2
Financial instruments	1	7,0
Experts		1,8
Other (Delegation Agreement ESA)	1	10,0
Subtotal		214,4
of which, Climate-related expenditure		26,0
Total of the Specific Objective		1905,1
of which, Climate-related expenditure		415,6

Justification of changes to the financial programming and/or to the performance information

For indicator 1, the detailed results per sector are not yet available. For indicators 2 & 3, it is not possible to set a target at this time.

²⁷ Part of the line is also included under Specific Objective 9.

²⁸ Part of the line is also included under Specific Objective 9.

Specific Objective 6: Industrial leadership - enhancing access to risk finance for investing in research and innovation							
Indicator 1: Total investments mobilised via debt financing and Venture Capital investments							
Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A				8			EUR 15 billion
	Actual results						
		17	22	32	47		

Indicator 2: Number of organisations funded and amount of private funds leveraged							
Baseline	Milestones foreseen						Target for Horizon 2020 ²⁵
	2014	2015	2016	2017	2018	2019	
Number of organisations funded: N/A				2 000			5 000
	Actual results						
		793	4 051	10 484	19 107		
Amount of private funds leveraged: N/A				15			EUR 35 billion
	Actual results						
		7,2	10,5	15,5	24,4		

Expenditure related outputs

Output	Draft Budget 2020	
	Number	EUR million
Budget line 08 02 02 02 (RTD)		
Grants	1	0,3
Prizes	6	30
Procurement	0	0
Financial instruments (InnovFin EIB, SMEG & IFE - including EIC blending instrument)	4	433,5
Experts		
Others	0	0
Total		463,8
of which, Climate-related expenditure		2,6

Specific Objective 7: Industrial leadership - increasing innovation in SMEs							
Indicator 1: Share of participating SMEs introducing innovations new to the company or the market (covering the period of the project plus three years)							
Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A			20 %				50 %
	Actual results						
					n.a.		

Indicator 2: Growth and job creation in participating SMEs							
Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A						to be developed	N/A
	Actual results						
					n.a.		

Expenditure related outputs

Output	Draft Budget 2019	
	Number	EUR million
Budget line 08 02 02 03 (RTD)		
Grants	1	0,3
Prizes		
Procurement	0	0
Financial instruments		
Experts	0	0
Others (mainly Eurostars 2)	1	58,4
Subtotal		58,7
Budget line 02 04 02 03 (GROW)		
Grants	117	49,2
Prizes	4	0,2

Procurement	2	1,2
Financial instruments	0	0
Experts	0	0
Others	0	0
Subtotal		50,6
Total of the specific objective		109,3
of which, Climate-related expenditure		12,4

Justification of changes to the financial programming and/or to the performance information

Since the indicator 1&2 are new and there are currently no comparable data for FP7, the target and the milestone will be established on the basis of the FP7 ex-post evaluation studies and/or the first significant project results under Horizon 2020.

Specific Objective 8: Societal challenges - improving the lifelong health and wellbeing of all

Indicator 1: Publications in peer-reviewed high impact journals in the area of health and wellbeing

Baseline (FP7, January 2017)	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
42 publications per EUR 10 million funding	Actual results						On average, 20 per EUR 10 million funding
	n.a.	n.a.	130 publications	722 publications 2,8 per EUR 10 million	1331 publications, 3,87 per EUR 10 million		

Indicator 2: Patent applications and patents awarded in the area of health and wellbeing

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A (FP7: 2 patent applications per EUR 10 million funding)	Actual results						On average, 2 patent applications per EUR 10 million funding
	n.a.	n.a.	14 applications	28 applications 19 patents awarded	42 applications 9 patents awarded 0,13 per EUR 10 million funding		

Indicator 3: Number of prototypes and testing activities

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						N/A
	n.a.	n.a.	n.a.	n.a.	5 208		

Indicator 4: Number of joint public-private publications

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						N/A
	n.a.	n.a.	n.a.	196	600		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 08 02 03 01 (RTD)		
Grants	80	446,9
Prizes	0	0
Procurement	10	1,5
Financial instruments (Fast-track to innovation)	2	34,8
Experts		2,0
Others (EDCTP2: 98,2, subscription to HFSPO: 5,3 + grant to identif. benef: 50; RIA grants without call / in case of Public Health Emergencies: 10)		163,5
Subtotal		648,7
of which, Climate-related expenditure		25,9
Budget line 08 02 07 31 (IMI 2JU) – Support expenditure		27,2
Budget line 08 02 07 32 (IMI 2JU)		249,9
Subtotal		277,1
of which, Climate-related expenditure		0
Budget line 09 04 03 01 (CNECT)		
Grants	35	176,3
Prizes	0	0
Procurement	4	2,0
Financial instruments		

Experts		1,5
Others ⁵		
Subtotal		179,8
of which, Climate-related expenditure		0
Total of the Specific Objective		1105,6
of which, Climate-related expenditure		25,9

Justification of changes to the financial programming and/or to the performance information

For indicators 3 & 4, it is not possible to set a target at this time.

Specific Objective 9: Societal challenges - securing sufficient supplies of safe, healthy and high quality food and other bio-based products, by developing productive, sustainable and resource-efficient primary production systems, fostering related ecosystem services and the recovery of biological diversity, alongside competitive and low-carbon supply, processing and marketing chains

Indicator 1: Publications in peer-reviewed high impact journals in the area of food security

Baseline (FP7, January 2017)	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
23 publications per EUR 10 million funding	Actual results						On average, 20 publications per EUR 10 million funding
	n.a.	n.a.	n.a.	180 publications 1,2 per EUR 10 million	292 publications 1,5 per EUR 10 million	20	

Indicator 2: Patent applications and patents awarded in the area of food security

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A (FP7: 1 patent applications per EUR 10 million funding)	Actual results						On average, 2 patent applications per EUR 10 million funding
	n.a.	n.a.	n.a.	10 patent applications 2 patents awarded	12 patent applications 3 patents awarded	2	

Indicator 3: Number of prototypes and testing activities

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						N/A
	n.a.	n.a.	n.a.	237 Prototypes 327 testing activities	972 Prototypes 3059 testing activities		

Indicator 4: Number of joint public-private publications

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						N/A
	n.a.	n.a.	n.a.	174	220		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 08 02 03 02 (RTD)		
Grants	36	236,1
Prizes	0	0
Procurement		7,0
Financial instruments		
Experts		0,3
Others (includes EUR 40 million to Art. 185 initiative PRIMA implemented under Specific Objective 12)		45,3
Subtotal		288,7
Budget line 08 02 07 33 (BBI JU) – Support expenditure ²⁹		7,3
Budget line 08 02 07 34 (BBI JU) ³⁰		55,5
Subtotal		62,8
Budget line 05 09 03 01 (AGRI)		
Grants		281,6
Prizes		0
Procurement		0

²⁹ Part of the line is also included under Specific Objective 5.

³⁰ Part of the line is also included under Specific Objective 5.

Financial instruments		
Experts		0,6
Others - PRIMA		40
Subtotal		322,2
Total of the Specific Objective		673,7
of which, climate-related expenditure		343,2

Justification of changes to the financial programming and/or to the performance information

For indicators 3 & 4, it is not possible to set a target at this time.

Specific Objective 10: Societal challenges - making the transition to a reliable, affordable, publicly accepted, sustainable and competitive energy system, aiming at reducing fossil fuel dependency, in the face of increasingly scarce resources, increasing energy needs and climate change

Indicator 1: Publications in peer-reviewed high impact journals in the area of secure, clean and efficient energy

Baseline (FP7, January 2017)	Milestones foreseen						Target for Horizon 2020 ²⁵
	2014	2015	2016	2017	2018	2019	
14 publications per EUR 10 million funding						On average,20	On average, 20 publications per EUR 10 million funding
	Actual results						
				183 publications 0,75 per EUR 10 million	347 publications 1,17 per EUR 10 million		

Indicator 2: Patent applications and patents awarded in the area of secure, clean and efficient energy

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A (For FP7: 2 patent applications per EUR 10 million funding)						On average, 2	On average, 2 patent applications per EUR 10 million funding
	Actual results						
				66 applications 19 patents awarded	69 applications 19 patents awarded 0,23 patent applications per EUR 10 million funding		

Indicator 3: Number of prototypes and testing activities

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A							N/A
	Actual results						
					7117		

Indicator 4: Number of joint public-private publications

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A							N/A
	Actual results						
				71	397		

Indicator 5: Share of the overall Energy challenge funds allocated to the following research activities: renewable energy, end-user energy-efficiency, smart grids and energy storage activities

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A			85 %				85 %
	Actual results						
	91 % ³¹	94 %	94 %	87,9 %	90,9 %		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 08 02 03 03 (RTD)		
Grants	60	325,8
Prizes	3	1,7
Procurement	4	0,8

³¹ For this calculation, signed grant agreements as well as main-listed proposals have been considered as projects. Analysis for bottom-up topics has been done at project level. As the counting of FCH has not been clarified in the Declaration, it is counted half for the 85% target. 'Other Actions' (e.g. procurements, grants to named beneficiaries) are not included in this analysis.

Financial instruments	1	50,0
Experts		0,2
Others		0,2
Subtotal		378,7
Budget line 08 02 07 37 (FCH 2 JU)– Support expenditure		8,0
Budget line 08 02 07 38 (FCH 2 JU)		51,2
Subtotal		59,2
Budget line 32 04 03 01(ENER)		
Grants	50	308,5
Prizes	0	
Procurement	50	38,1
Financial instruments		0
Experts		0,6
Others		50,7
Subtotal		397,9
Total of the Specific Objective		776,6
of which, Climate-related expenditure		776,6

Justification of changes to the financial programming and/or to the performance information

For indicators 3 & 4, it is not possible to set a target at this time.

Specific Objective 11: Societal challenges - achieving a European transport system that is resource-efficient, climate- and environmentally-friendly, safe and seamless for the benefit of all citizens, the economy and society

Indicator 1: Publications in peer-reviewed high impact journals in the area of smart, green and integrated transport

Baseline (FP7, January 2017)	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
2,1 publications per EUR 10 million funding						On average, 20	On average, 20 publications per EUR 10 million funding
	Actual results						
				55 publications 0,2 per EUR 10 million	149 publications 0,5 per EUR 10 million		

Indicator 2: Patent applications and patents awarded in the area of smart, green and integrated transport

Baseline	Milestones foreseen						Target for Horizon 2020 ²⁵
	2014	2015	2016	2017	2018	2019	
N/A (For FP7: 1 patent applications per EUR 10 million funding)						On average, 2	On average, 2 patent applications per EUR 10 million funding
	Actual results						
				29 patent applications 8 patents awarded	34 patent applications 8 patents awarded		

Indicator 3: Number of prototypes and testing activities

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A							N/A
	Actual results						
				734 prototypes 173 testing activities	1638 prototypes 1305 testing activities		

Indicator 4: Number of joint public-private publications

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A							N/A
	Actual results						
				279	393		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 08 02 03 04 (RTD)		
Grants	70	264,8
Prizes	0	0
Procurement	1	0,2
Financial instruments	0	0

Experts		1,0
Others		0,2
Subtotal		266,2
Budget line 08 02 07 35 (Clean Sky 2 JU) – Support expenditure		20,0
Budget line 08 02 07 36 (Clean Sky 2 JU)		284,1
Subtotal		304,1
Budget line 08 02 07 37 (FCH 2 JU) – Support expenditure		4,4
Budget line 08 02 07 38 (FCH 2 JU)		28,4
Subtotal		32,8
Budget line 06 03 03 01 (MOVE)		
Grants	18	51,0
Prizes		
Procurement	1	1,0
Financial instruments		
Experts		1,0
Others (FTI, EASA, TRIMIS, ELENA, Smart Airports)		29,3
Subtotal		82,3
Budget line 06 03 07 31 (SESAR 2JU) – Support expenditure		16,3
Budget line 06 03 07 32 (SESAR 2JU)		104,5
Subtotal		130,8
Budget line 06 03 07 33 (Shift2Rail) – Support expenditure		5,2
Budget line 06 03 07 34 (Shift2Rail)		74,7
Subtotal		79,9
Total of the Specific Objective		896,1
of which, Climate-related expenditure		459,6

Justification of changes to the financial programming and/or to the performance information

For indicators 3 & 4, it is not possible to set a target at this time.

Specific Objective 12: Societal challenges - achieving a resource - and water - efficient and climate change resilient economy and society, protection and sustainable management of natural resources and ecosystems and a sustainable supply and use of raw materials, in order to meet the needs of a growing global population within the sustainable limits of the planet's natural resources and ecosystems

Indicator 1: Publications in peer-reviewed high impact journals in the area of climate action, resource efficiency and raw materials

Baseline (FP7, January 2017)	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
27 publications per EUR 10 million funding						On average, 20	On average, 20 publications per EUR 10 million funding
	Actual results						
				167 publications 1,3 per EUR 10 million	331 publications 2,1 per EUR 10 million		

Indicator 2: Patent applications and patents awarded in the area of climate action, resource efficiency and raw materials

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A (For FP7: 0,3 patent applications per EUR 10 million funding)						On average 2	On average, 2 patent applications per EUR 10 million funding
	Actual results						
				22 patent applications 9 patents awarded	58 patent applications 40 patents awarded 0,6 patent applications per EUR 10 million funding		

Indicator 3: Number of prototypes and testing activities

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A							N/A
	Actual results						
					397 prototypes 820 testing activities		

Indicator 4: Number of joint public-private publications

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A							N/A
	Actual results						
				107	234		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 08 02 03 05 (RTD)		
Grants	25	276,8
Prizes	0	0
Procurement	0	0
Financial instruments	0	0
Experts	2	1,4
Others (Includes PRIMA Art. 185, "taxation" for call H2020-EIC-FTI-2018-2020, 2 grants to identified beneficiary, GEO subscription and a SLA with EEA)	5	57,6
Subtotal		335,8
of which, Climate-related expenditure		227,5
Budget line 02 04 03 01 (GROW)		
Grants	11	92,1
Prizes	0	0
Procurement	1	0,6
Financial instruments	0	0
Experts	1	0,1
Others	1	1,0
Subtotal		93,8
of which, Climate-related expenditure		49,3
Total of the Specific Objective		429,6
of which, Climate-related expenditure		276,8

Justification of changes to the financial programming and/or to the performance information

For indicators 3 & 4, it is not possible to set a target at this time.

Specific Objective 13: Societal challenges - fostering a greater understanding of Europe, provide solutions and support inclusive, innovative and reflective European societies in a context of unprecedented transformations and growing global interdependencies

Indicator 1: Publications in peer-reviewed high impact journals in the area of inclusive, innovative and reflective societies

Baseline (January 2017)	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
10 publications per EUR 10 million funding						On average, 20	On average, 20 publications per EUR 10 million funding
	Actual results						
				25 publications 0,6 per EUR 10 million			

Indicator 2: Patent applications and patents awarded in the area of inclusive, innovative and reflective societies

Not applicable

Indicator 3: Number of prototypes and testing activities

Not applicable

Indicator 4: Number of joint public-private publications

Not applicable

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 08 02 03 06 (RTD)		
Grants	14	112,4
Prizes	6	1,5
Procurement	5	7,0
Financial instruments		
Experts	3	0,7
Others (including 17 million of a Specific Grant Agreement - COST contribution)	1	18,0
Subtotal		139,6
Budget line 09 04 03 02 (C-NECT)		
Grants	20	49,5
Prizes	0	0
Procurement		1,0

Financial instruments		
Experts		0,5
Others (COST Contribution)		2,6
Subtotal		53,6
Total of the Specific Objective		193,2
of which, Climate-related expenditure		2,9

Specific Objective 14: Societal challenges - fostering secure European societies in a context of unprecedented transformations and growing global interdependencies and threats, while strengthening the European culture of freedom and justice

Indicator 1: Publications in peer-reviewed high impact journals in the area of secure societies

Baseline (FP7, January 2017)	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
1 per EUR 10 million funding	On average, 20						On average, 20 per EUR 10 million funding
	Actual results						
				31 publications	39 publications 0,5 per EUR 10 million		

Indicator 2: Patent applications and patents awarded in the area of secure societies

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	On average 2						On average, 2 per EUR 10 million funding
	Actual results						
				2 patent applications 3 patents awarded	1 patent application 3 patents awarded		

Indicator 3: Number of prototypes and testing activities

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	to be developed						N/A
	Actual results						
					337 prototypes 370 testing activities		

Indicator 4: Number of joint public-private publications

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A							N/A
	Actual results						
				165	182		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 09 04 03 03 (C-NECT)		
Grants	16	63,5
Prizes	0	0
Procurement		0,5
Financial instruments		
Experts		0,2
Others		
Subtotal		64,2
Budget line 18 05 03 01 (HOME)		
Grants	28	188,1
Prizes	0	0
Procurement		3
Financial instruments		0
Experts		1,4
Others		3
Subtotal		195,6
Total of the Specific Objective		275,1
Of which, Climate-related expenditure		21,3

Justification of changes to the financial programming and/or to the performance information

For indicators 3 & 4, it is not possible to set a target at this time.

Specific Objective 15: Spreading excellence and widening participation - fully exploiting the potential of Europe's talent pool and to ensure that the benefits of an innovation-led economy are both maximised and widely distributed across the Union in accordance with the principle of excellence

Indicator 1: Evolution of the publications in high impact journals in the relevant research fields

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						N/A
					Not yet available		

Expenditure related outputs

Output	Draft Budget 2020	
	Number	EUR million
Budget line 08 02 04 (RTD)		
Grants	127	119
Prizes		
Procurement		
Financial instruments		
Experts		
Others (WIRE, COST JPI UE)	37	14,2
Subtotal		133,2
of which, Climate-related expenditure		15,5

Justification of changes to the financial programming and/or to the performance information

Due to issues with data collection, the development of the baseline for the indicator has been delayed, with an knock on effect on the milestones and target. It is expected for progress to be made on this during 2019.

Specific Objective 16: Science with and for society - building effective cooperation between science and society, to recruit new talent for science and to pair scientific excellence with social awareness and responsibility

Indicator 1: Number of institutional change actions promoted by the programme

Baseline	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
N/A	Actual results						100 (cumulative figure)
				7	16	27	
				233	265		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 08 02 06 (RTD)		
Grants	14	63,1
Prizes	1	0,4
Procurement	5	4,4
Financial instruments		
Experts	2	1,0
Others	6	4,5
Subtotal		73,4
of which, Climate-related expenditure		1,1

Specific Objective 17: Non-Nuclear Direct Actions of the Joint Research Centre - providing customer-driven scientific and technical support to Union policies, while flexibly responding to new policy demands

Indicator 1: Number of occurrences of tangible specific impacts on European policies resulting from technical and scientific support provided by the Joint Research Centre

Baseline 2013	Milestones foreseen						Target 2020 ³²
	2014	2015	2016	2017	2018	2019	
248	Actual results						>330±15
	215±5			330±10			
	275	305	376	339	338		

³² Milestone and long term target for this indicator reflect two opposing trends: a slightly upward and fluctuating evolution regarding the total number of policy impacts identified on the one hand, and a continuous predictable downward trend in resources on the other hand. Policy support impact indicators count cases where JRC's support becomes part or even the basis of European policy, i.e. cases where JRC's work helped putting Commission priorities on a solid and robust scientific evidence base. Impacts are identified in the JRC's annual evaluation exercise performed by an internal peer group of experts on the basis of an ISO certified evaluation methodology.

Indicator 2: Number of peer reviewed publications in high impact journals							
Baseline (2010 – 2013)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
460	460±10			500±15			>500±20
	Actual results						
	465	518	553	515	538		

Expenditure related outputs

Output	DB 2020	
	Output (no.)	EUR million
Budget line 10 02 01		
Policy support deliverables	900	38,7
Total		38,7
of which, Climate-related expenditure		11,6

Specific Objective 18: The European Institute of Innovation and Technology - integrating the knowledge triangle of higher education, research and innovation and thus to reinforce the Union's innovation capacity and address societal challenges

Indicator 1: organisations from universities, business and research integrated in the Knowledge and Innovation Communities (KICs)

Baseline (2010 - 2012)	Milestones foreseen						Target for Horizon 2020
	2014	2015	2016	2017	2018	2019	
200 (with 3 KICs)	240	450	500	800 (revised)			1 200 (revised)
	Actual results						
	550	800	1 097	1 238	1257 (preliminary result)		

Indicator 2: collaboration inside the knowledge triangle leading to the development of innovative products, services and processes

Baseline (2010 - 2012)	Milestones foreseen						Target 2020 (cumulative figures)
	2014	2015	2016	2017	2018	2019	
33 start-ups and spin-offs	30	280	400	500			600 start-ups and spin-offs
	Actual results						
	181	250	286	356	407 (preliminary result)		
210 innovations	300	800	1500	2 200			6 000 innovations
	Actual results						
	1184	2145	3904	4471	4776 (preliminary result)		

Expenditure related outputs

Output	Draft Budget 2020	
	Number	EUR million
Budget line 15 03 05 (EAC)		
Others		
Subtotal		496,7
of which, Climate-related expenditure		162,0

Justification of changes to the financial programming and/or to the performance information

The “preliminary results” are the results currently available. As there is an important time lag in this reporting, the final result will only be reported in the following year.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
3% of the EU's GDP should be invested in R&D
The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Specific Objective - European Research Council	294,3	324,2
Specific Objective - Future and Emerging Technologies	63,8	64,3
Specific Objective – Marie Skłodowska-Curie actions	211,0	236,0
Specific Objective - Research infrastructures	67,4	59,1
Specific Objective - Enabling and Industrial Technologies	377,3	415,6
Specific Objective – Access to risk finance	2,4	2,6
Specific Objective - SMEs	11,1	12,4
Specific Objective - Health	26,2	25,9
Specific Objective - Food	261,3	343,2
Specific Objective - Energy	791,4	851,2
Specific Objective - Transport	440,0	459,6
Specific Objective - Resource efficient and climate change resilient economy	248,1	267,6
Specific Objective - Inclusive, innovative and reflective European societies	2,7	2,9
Specific Objective - Secure European societies	19,2	21,3
Specific Objective - Spreading excellence and widening participation	15,0	15,5
Specific Objective - Science with and for society	1,0	1,1
Specific Objective - Non-Nuclear Direct Actions of the Joint Research Centre	11,5	11,6
Specific Objective - European Institute of Innovation and Technology	228,1	162,0
Total	3 071,8	3 276,1

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
2 387,5	2 709,6	2 623,0	3 245,0	2 608,7	3 071,8	3 276,1	19 921,7

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The tracking approach used is based on the OECD ‘Rio Markers’ methodology. It distinguishes actions that have climate-related action as principal objective (marker = 100 %), as secondary objective (marker = 40 %) or that do not target climate change at all (marker = 0 %).

To obtain estimates for the years to come (2019 and 2020), we have calculated the share of the EU contribution (in % - the “tracking percentage”) for each of the specific objectives shown above for the period 2014-2018 (cut-off date: 13-02-2019), and we have then applied these percentages to the budget figures for 2019 and 2020. For the latter, we have only taken the operational expenditure into account (Joint Undertakings included, but all administrative expenditure excluded).

It should be noted that the “tracking percentages” mentioned above – as well as all calculations of climate contributions in past years – have been calculated exclusively on the basis of the climate contribution in grant agreements signed. This approach best reflects the reality of the research projects that are being implemented.

The Regulation establishing Horizon 2020 states that climate-related expenditure should exceed 35 % of the overall Horizon 2020 budget. According to our tracking methodology, Horizon 2020 has so far invested EUR 11,6 billion on climate change; about 30 % of the amount committed to the specific objectives. This does not include expenditure outside of these specific objectives, such as administrative expenditure. Despite a considerable increase compared to FP7, investment for climate action has not yet reached its target yet. Attaining the target will remain a challenge.

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Specific Objective - European Research Council	87,6	96,5
Excellent science – Marie Skłodowska-Curie actions - strengthening skills, training and career development	51,0	57,0
Excellent science – Research infrastructures	33,2	29,1
Industrial leadership - boosting Europe's industrial leadership through research, technological development, demonstration and innovation in the following enabling and industrial technologies	17,6	19,5
Societal challenges – to secure sufficient supplies of safe and high quality food and other bio-based products, by developing productive and resource-efficient primary production systems, fostering related ecosystem services, alongside competitive and low carbon supply chains	132,8	174,4
Societal challenges – to achieve a resource efficient and climate change resilient economy and a sustainable supply of raw materials	66,3	71,5

Non-Nuclear Direct Actions of the Joint Research Centre – to provide customer-driven scientific and technical support to Union policies, while flexibly responding to new policy demands	4,2	4,3
Total	392,7	452,3

Programming biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
354,7	352,6	392,2	359,6	434,1	392,7	452,3	2 738,2

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The tracking approach used is based on the OECD ‘Rio Markers’ methodology. It distinguishes actions that have climate-related action as principal objective (marker = 100%), as secondary objective (marker = 40%) or that do not target climate change at all (marker = 0%). To obtain estimates for 2019 and 2020, we have calculated the share of the EU contribution (in %) for each of the programme parts shown above for the period 2014-2018 (cut-off date: 13-02-2019) and we have then applied these percentages to budget figures for 2019 and 2020. We have only taken the operational expenditures into account (joint undertakings included, support expenditures excluded).

Gender mainstreaming

The 2018-2020 Work Programme includes five specific calls on gender topics, under Specific Objective 16 (“Science with and for Society”). Examples of the topics for these calls are to support research organisations to implement gender equality plans, and to analyse gender gaps and biases in the allocation of grants.

In Horizon 2020, the strategy on gender equality as a cross-cutting issue focuses on three main objectives:

- Fostering equal opportunities and gender balance in research teams, in order to close the gaps in the participation of women;
- Ensuring gender balance in decision-making, in order to reach the target of 40 % of the under-represented sex in panels and groups and of 50 % in advisory groups;
- Integrating the gender dimension in Research & Innovation (R&I) content, taking into account as relevant biological characteristics as well as social and cultural features of both women and men in research content (through sex and gender analysis).

These objectives are implemented through a series of Commission provisions which are integrated, as relevant, at various stages of the Research and Innovation cycle.

Gender balance in research teams: In the Work Programmes, applicants are encouraged to promote equal opportunities in the implementation of the action and to ensure a balanced participation of women and men at all levels in research and innovation teams. Up to January 2019 of Horizon 2020 the share of women participants in Horizon 2020 projects was 42 % of the total workforce, including non-researchers, while women represented 28 % of projects coordinators.

Gender balance in decision making: The share of contracts signed with women experts participating in evaluation panels was 41%, while in Horizon 2020 advisory groups women's participation was 55.2 %.

Gender dimension in research and innovation content: The gender dimension in research content continues being explicitly mentioned in several topics across the parts of the Work Programme and applicants’ attention is drawn to the relevance of taking into account the biological characteristics and/or the social/cultural features of both women and men in the content of their planned research. In the Work-Programme 2018-2019, 110 out of 473 topics for call for proposal had integrated an explicit gender dimension in their content. Since the launch of Horizon 2020, 32.4 % of grants took into account the gender dimension in the research and innovation content.

Gender equality in R&I in the European Research Area (ERA): Gender Equality in R&I, as one of the key priority in the European Research Area (ERA), addresses the same objectives as in Horizon 2020. In collaboration with Member States and research institutions, the focus is put on institutional change at the level of research performing organisations (RPOs) and research funding organisations (RFOs), including universities to:

- a) Remove cultural and institutional barriers that generate direct or indirect discrimination in scientific careers;
- b) Ensure gender balance in decision-making and;
- c) Integrate the gender dimension in research content.

As reported in the 2016 ERA Progress Report, while parity in the earliest stages of the research career seems at hand, the levels of parity diminish as researchers move up the ladder of career progression stages; furthermore, these decreases at more senior career stages show no signs of substantial change in recent years. Regarding gender dimension in research content, European research takes into account the biological characteristics as well as the social and cultural features of both women and men, and integrates a

gender dimension about as often as the global average. The increasing integration of the gender dimension in research in Europe is essentially moving in parallel with increases at the world level, and at a slightly lower rate.

5. Programme contribution to the Sustainable Development Goals

The EU is committed to development that meets the needs of the present without compromising the ability of future generations to meet their own needs. A life of dignity for all within the planet's limits that reconciles economic prosperity and efficiency, peaceful societies, social inclusion and environmental responsibility is at the essence of sustainable development. To create from these challenges opportunities for new businesses and new jobs, a strong engagement in research and innovation is necessary. Research and innovation policy sets the direction of travel, creates knowledge and solutions for the transformation towards sustainability, while improving our well-being and ensuring long-term prosperity. It also promotes systemic approaches beyond disciplines, sectors, conversations and policy areas.

The EU Framework Programme for Research and Innovation, Horizon 2020, addresses several of the Sustainable Development Goals (SDGs). This is expressed in the expectation that, overall, at least 60 % of the programme's budget should contribute to sustainable development. Ten SDGs have been identified as of particular relevance to guide present and future R&I work. They can be grouped in **six focus areas**:

- "Climate change and energy" (SDG 7, 13),
- "Natural resources and biodiversity" (SDG 6, 11, 14),
- "Food and nutrition security" (SDG 2, 15),
- "Circular and bio-economy" (SDG 12, 15),
- "Health" (SDG 3),
- "Enabling technologies" (SDG 9).

In the programme's budget, the following **Specific Objectives** are the biggest contributors to the respective focus areas:

- Focus area "Climate change and energy" – Specific Objective 10 (transition to a sustainable energy system);
- Focus area "Natural resources and biodiversity" – Specific Objective 12 (protection of natural resources and ecosystems);
- Focus area "Food and nutrition security" – Specific Objective 9 (high quality food);
- Focus area "Circular and bio-economy" – Specific Objective 9 (bio-based products);
- Focus area "Health" – Specific Objective 8 (improving lifelong health);
- Focus area "Enabling technologies" – Specific Objective 2 (future and emerging technologies) and Specific Objective 5 (industrial leadership).

In addition, the specific objectives not mentioned above also contribute to several of the focus areas.

The tracked expenditure of the Horizon 2020 budget for signed Grant Agreements indicates **an overall contribution of 69 % to Sustainable Development**. Within the Societal Challenges pillar, this contribution rises to 89 % overall, with some of its programme parts being close to 100 % (SC 1 "Health, demographic change and wellbeing", SC 2 "Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bioeconomy", SC 3 "Secure, clean and efficient energy" and SC 5 "Climate action, environment, resource efficiency and raw materials").

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

Financial instruments	Debt		Equity	Total
	Loans	Guarantees		
Horizon 2020 Budget (EUR billion)	1,1	1,1	0,5	2,7
EFSI & EIF Contribution (EUR billion)	0	0,9	0,5	1,4
Expected amount of financing leveraged (EUR billion)	12	17	6	35

Horizon 2020 funds contribute to a number of Financial Instruments under the "**InnovFin**" label. The Instruments are managed by the European Investment Bank Group (EIB and EIF). The Commission's maximum financial exposure is limited to the amounts paid to the EIB group.

In 2014, the European Commission and the European Investment Bank Group (EIB and EIF) launched a new generation of EU financial instruments and advisory services to help innovative firms access finance more easily. It is expected that the "InnovFin – EU Finance for Innovators" products will in Horizon 2020 (2014-2020) make available EUR 35 billion of financing for research and innovation (R&I) to small, medium and large companies and the promoters of research infrastructures. The final investments in R&I should reach more than 1,5 times the total amount invested.

"InnovFin – EU Finance for Innovators" consists of a range of tailored products – from guarantees to intermediaries that lend to SMEs, to direct loans to enterprises - helping support from the smallest up to the largest R&I projects in the EU and countries associated to Horizon 2020. InnovFin guarantees and loans will be backed by funds set aside under Horizon 2020 and by the EIB Group for the purpose of supporting R&I investment, which by nature is riskier and harder to appraise than tangible investments. All are demand-driven instruments, with no prior allocations between sectors, countries or regions. These debt instruments are complemented by a suite of equity instruments managed by the EIF. In total, some EUR 2.7 billion out of Horizon 2020's nearly EUR 77 billion budget support these financial instruments.

The EIB Group consists of the European Investment Bank and the European Investment Fund (EIF). The European Investment Bank provides loans to medium-size and larger companies, as well as guarantees to banks that lend to them. The EIF provides guarantees to banks that lend to small and medium-sized firms and – at a later stage – will invest in venture capital funds, which provide startups and fast-growing firms with equity.

1. Debt finance (*Loans Service for R&I ; SME & small midcaps R&I Loans Service; SME Initiative*)

Loans are provided through the EIB to large and mid-size companies, and to research infrastructures. In addition, products for energy and infectious diseases have been developed to address specific needs in these areas. The total foreseen budget for loans in Horizon 2020 amounts to around EUR 1 billion. This is expected to generate around EUR 12 billion of loans; the additional financing coming from commercial actors (the "leverage effect").

Guarantees provided to local financial intermediaries (mostly banks) through the EIF are specifically designed for innovative SMEs and small mid-caps. The overall budget in Horizon 2020 is about EUR 1 billion. Because of the high demand for this type of support, the EFSI fund has stepped in with a "top-up" of EUR 880 million, which allows a faster implementation. More than 100 financial intermediaries are currently implementing these guarantees. With the leverage effect, they are expected to generate over EUR 17 billion of financing to innovative SMEs and small mid-caps.

2. Equity finance (*Early stage finance for innovative enterprises; Pilot facility for technology transfer, the Pan-European VC Fund-of-Funds*)

On the **equity** side (i.e. financing own capital for companies), the financial instruments make available venture capital (VC) for the early stages of R&I-driven SMEs & small mid-caps. The overall budget for Horizon 2020 amounts to EUR 0,5 billion. This is done through the EIF, which supports risk capital funds that invest, on a predominantly cross-border basis, in individual enterprises.

Within the equity financial instrument, the **Pan-European VC Fund-of-Funds** is a priority action under the Commission's Capital Markets Union (CMU), and complements other actions to boost VC in Europe, notably proposed expansion of the European VC Funds (EuVECA) regulation and proposals to address the bias in the tax system towards debt over equity. The EU will provide cornerstone investments of up to EUR 300 million in one or more independently managed VC Fund-of-Funds, up to a maximum budget of EUR 400 million for all Fund-of-funds. The selected fund manager(s) must raise at least three times as much from other sources (the EU investment is capped at 25%). This means additional investments to VC of around EUR 1.6 billion, which is a major boost, as the total of VC funds raised last year in the EU was EUR 5 billion. The EU investment combines resources from Horizon 2020's InnovFin Equity scheme (up to EUR 200 million), EFSI (up to EUR 100 million) and COSME (where up to EUR 100 million is foreseen). The 2016 call for managers interested in applying to run the Pan-European VC Fund-of-Funds can be found on the [EIF's website](#). This call is now closed. All applications have been assessed by the Commission and the EIF. The Funds-of-Funds are under due diligence. 2 agreements have been signed in 2018.

HEADING 1A: Competitiveness for growth and jobs**Euratom Research and Training Programme****Lead DG: RTD**

Associated DGs: JRC

I. Programme Overview***What the programme is about ?***

The Euratom Research and Training Programme 2019-2020³³ ('the Euratom Programme') is an extension of the 2014-2018 Euratom Programme³⁴ in terms of research objectives and scope of supported activities. Its primary aim is to enhance the safety of nuclear technologies by supporting research on all aspects of nuclear safety. The Euratom Programme also supports research on the assessment and demonstration of the safety aspects of future fission technologies. Euratom-funded research should also reduce the risks associated with radiation exposures from industrial or medical applications and support emergency preparedness in relation to accidents involving radiation.

The Euratom Programme contributes to advancing solutions for the management and disposal of spent fuel and radioactive waste and for the decommissioning of nuclear facilities. The Euratom Programme provides scientific and technical support for the implementation of EU policies and strategies in the field of nuclear safeguards, non-proliferation and nuclear security. Funding is also provided for the basic research necessary for the development of reference measurements, materials and data.

The substantial increase in the deployment of nuclear fission technologies worldwide requires collaboration with and technical support to the main international institutions, such as IAEA, in the field of nuclear safety and, particularly, in the field of nuclear safeguards by developing techniques and methods aiming at reducing nuclear security risks and for supporting nuclear non-proliferation efforts.

The Euratom Programme focuses also on the development of fusion energy, a possible future option for low carbon electricity production. Its feasibility must be demonstrated and, if found to be a viable energy source, it could contribute significantly to the well-being of future generations. Fusion research is a long-term endeavour, and the potential deployment of fusion power plants cannot be realistically foreseen until the latter part of the century. However, fusion science and technology development has now reached a stage where one can plan the design of a demonstration reactor (a DEMO). Consequently, the Euratom Programme funds research on fusion electricity production, which includes exploiting existing (including the Joint European Torus, JET) and future fusion facilities, especially ITER, to assess the viability of fusion. Furthermore, the funding covers development of new materials, technologies and conceptual design activities, which are required to prepare for future fusion power plants.

EU added value of the programme

The European added value of the Euratom Programme is the mobilisation of a wider pool of excellence and multi-disciplinary expertise in fission and fusion research than is possible at the level of individual Member States. This added value has also been underlined by its stakeholders. Through cooperative research and innovation, the Euratom Programme enables a Europe-wide approach to the improvement of nuclear safety and radiation protection in all areas of application. The Euratom programme also enables a broader coordination throughout Europe of education and training, the use of research infrastructures and international cooperation. This is of particular benefit to smaller Member States that can take advantage of the economies of scale afforded by the Europe-wide pooling effect.

Through the JRC, the Euratom Programme also provides services which are not available elsewhere. The JRC provides support for standardisation, open access for EU scientists to unique nuclear facilities, training activities in nuclear sciences (including safeguards, forensics and decommissioning) and the operation of the Clearinghouse on Operational Experience Feedback.

The JRC provides the Commission with scientific and technical support in preparing, implementing and monitoring EU policies in several areas:

- nuclear safeguards (supporting nuclear inspections of Member States' facilities in compliance with international treaties);
- nuclear safety and waste management (monitoring the technical implementation of the Nuclear Directives - Safety, Waste and spent fuel, Basic Safety Standards);
- and radiation protection (monitoring and measuring of radioactivity on our environment).

In addition, via the Euratom membership in the Generation IV International Forum, the JRC coordinates the European research effort on advanced reactor technology, with contributions coming from the Euratom programme as well as from Member States.

Implementation mode

The Euratom Programme is implemented through two different modes:

³³ Council Regulation (Euratom) 2018/1563 of 15 October 2018 on the Research and Training Programme of the European Atomic Energy Community (2019–2020) complementing the Horizon 2020 Framework Programme for Research and Innovation, and repealing Regulation (Euratom) No 1314/2013

³⁴ Council Regulation (Euratom) No 1314/2013 of 16 December 2013 on the Research and Training Programme of the European Atomic Energy Community (2014–2018) complementing the Horizon 2020 Framework Programme for Research and Innovation

- "**Indirect actions**": Research and innovation activities carried out by the beneficiaries of grants, prizes, procurement and financial instruments³⁵ (all these instruments are managed by the Commission's Directorate-General for Research and Innovation);
- "**Direct actions**": Research and innovation activities that are directly carried out by the Commission's Joint Research Centre (JRC).

II. Programme Implementation Update

Implementation status (2016-2018)

Indirect actions: In total EUR 1 041 million was allocated to the indirect actions of the previous Euratom programme (2014-2018). Out of this amount, 70 % was assigned to fusion research and 30 % to fission research.

For fusion research, following an independent evaluation, in 2014 the Commission awarded a 5-year grant to the EUROfusion consortium³⁶ of national fusion laboratories and institutes³⁷ to implement a European Joint Programme based on the fusion roadmap³⁸.

In fission research, 2 000 applicants submitted 139 proposals to three calls in the areas of nuclear safety, waste management and radiation protection, requesting a Euratom contribution of EUR 501 million. Following the call 2014-2015 and the call 2016-2017, the Commission selected 48 projects³⁹ with a EUR 199 million Euratom contribution.

As confirmed by interim evaluation (COM(2017) 697, SWD(2017) 427), the scope of the 48 projects and other actions supported by Euratom addresses the objectives set by the Council Regulation in the specific area of fission research. The Euratom Programme's main objective is to continuously improve nuclear safety. This is reflected in the breakdown of 2014-2017 funding for fission research, where 41 % of the Euratom support was given to projects in this area. The second area of fission research in terms of Euratom expenditure (22 %) concerns support for research infrastructures. This is followed by funding for radioactive waste management (15 %), radiation protection (13 %), innovation (2 %), education and training (5 %), and other research (2 %).

Direct actions: *The work programme of the JRC covered research and training on the following areas:*

- nuclear safety, including safety of reactor, fuel and fuel cycle, nuclear waste management, environmental monitoring and emergency preparedness and response. About 40 % of the available resources were allocated to this area, and the work pursues **Specific objective 9** (corresponding to direct actions);
- nuclear safeguards non-proliferation and security, including combatting illicit trafficking and nuclear forensics. About 26 % of the resources were allocated to this area, in order to achieve **Specific objective 10**;
- basic science knowledge and standards and reference materials essential for nuclear safety, security and safeguards, including research on non-energy applications of nuclear science as medical and space applications. This consumed around 17 % of the available resources, and the work pursues **Specific objective 11**;

The research performed, and the experience accumulated, in the areas previously mentioned bring the necessary capacities to carry on knowledge management tasks and to provide education and advanced training in nuclear fields. The resources allocated to these tasks were around 9 %, and they contribute to achieve **Specific objective 12**. The work performed in the above mentioned areas, especially nuclear safety, safeguards and non-proliferation, security, the provision of standards and references, and knowledge management, allowed JRC to provide the requested scientific and technical support to the EU related policies (**Specific objective 13**). Finally, 9 % of the available resources were allocated directly to providing the requested support.

The research carried out contributed mainly to two Commission priorities: Energy Union in the areas of research, innovation and competitiveness as well as security of supply, and Europe as a stronger global actor in the areas of international cooperation, and nuclear security.

Key achievements

Given that the Euratom programme 2019-2020 is an extension of the previous programme, this section presents some examples of key achievement of the Euratom programme 2014-2018.

Indirect actions:

Artificial and natural radiation sources have a radiological impact on the public and the environment. Therefore, it is important to improve the methods for radiation protection. The 'CONCERT-European Joint Programme for the Integration of Radiation Protection Research', funded by the Euratom Programme, aims to **contribute to the sustainable integration of European and national research programmes in radiation protection to answer unresolved questions and reduce uncertainties in various fields such as dosimetry and nuclear medicine.**

CONCERT as a co-funded action strives to pool national research efforts in radiation protection with the Euratom research programme, in order to make better use of public R&I resources and to tackle common European challenges in radiation protection more effectively. CONCERT operates as an umbrella structure for the research initiatives jointly launched by the radiation

³⁵ Regulation 1311/2013, see [section 3.4](#)

³⁶ Euratom programme contributes 55% of the EUROfusion consortium funding.

³⁷ EUROfusion consortium, for more information see <https://www.euro-fusion.org/>

³⁸ Fusion Electricity – A roadmap to the realisation of fusion energy?, <https://www.euro-fusion.org/eurofusion/the-road-to-fusion-electricity/>

³⁹ Full list of all projects is available at <https://cordis.europa.eu/projects/en>

protection research platforms MELODI, ALLIANCE, NERIS and EURADOS. The main achievements of the project so far include: (1) Development of a joint Strategic Research Agenda (SRA) bringing together the SRAs of the Euratom Research Platforms in Radiation Protection as basis of the call texts of two open research calls; (2) two open transnational CONCERT Calls for Research Proposals (2016/2017) and funding of 9 research projects with in total 94 partners; (3) four E&T Call for Courses and funding of 35 courses; (4) exchange and training of junior scientists to strengthen European competence in radiation science; (5) the establishment of a Research Platform in the field of Radiation Protection in Medicine – EURAMED.

In the area of fusion research, *the EUROfusion consortium had achieved 84% of the project milestones foreseen in the work plan by 2018*. Examples of achievements are: the completion of neutron calibration in preparation of the JET Deuterium/Tritium experiment; the experimental campaigns in medium and small tokamaks, conceptual designs for EUROfusion support to the Japanese tokamak JT-60SA diagnostics and pellet injection systems; and a feasibility study for a tungsten diverter and the 2nd operational phase for the stellarator W7X (which resulted in a world record fusion triple product for such a device). Through EUROfusion, more than 900 researchers have had access to advanced research infrastructures. *Support from the programme has resulted in the publication of more than 800 articles in peer-reviewed, high impact journals and over 800 PhDs obtaining a post in fusion physics and technology projects.*

Among the research breakthroughs that are important for the preparation of ITER exploitation is the good level of agreement between the measured plasma response to Resonant Magnetic Perturbations (RMP) coils and the response calculated by advanced computer codes for the control of plasma instabilities and power losses. *This enhances the degree of confidence in the predictions made and is important for developing credible operational scenarios for ITER*. Furthermore, the operating space for RMP coils has been found to be wider than a model developed by researchers in the US, which is potentially good news for ITER.

Another key achievement is the continuation of work on the development of High Temperature Superconductors. The CROCO conductor, winner of the 2016 Euratom prize for innovation in fusion research and developed by the Karlsruhe Institute for Technology and Swiss Plasma Centre, can now be fabricated in 7m lengths. Several of these samples have been cold-tested at liquid nitrogen temperature and high current, relevant to fusion magnet conditions. *A licence for industrial exploitation has been granted, meaning that the production of these superconductors at an industrial scale can now start. There are promises of a wide range of applications from this breakthrough.* In fact, this could prove to be one of the biggest spin-offs from the fusion programme after the use of Nb₃Sn in Nuclear Magnetic Resonance apparatus.

Direct actions:

The JRC contributes to the development of codes, standards and test methods for the safety analysis of nuclear reactors and provides reference data, software tools and knowledge on the behaviour of nuclear fuel in normal and accidental conditions. An example is the operation of the Clearinghouse website and database and issue of periodic reports (supported by French and German Technical Support Organisations) to disseminate the operating experience of nuclear power plants to nuclear safety authorities. Using the experience gained, the JRC participated in drafting the new IAEA nuclear safety guideline on Operating Experience Feedback for Nuclear Installations. JRC has been contributing to the Collaborative International Evaluated Library Organisation project (CIELO), an OECD-NEA initiative, aiming at world-wide standardisation of evaluated nuclear data for harmonized safety assessments in nuclear energy. With the same aim, *JRC contributes to the OECD and IAEA nuclear data libraries.*

JRC actions also *support the assessment of ageing nuclear power plants for their long-term operation, contributing to ensuring the same level of safety*: JRC staff members participated in the Nuclear Safety Directive's Topical Peer Review on ageing management of nuclear power plants. The national reports of all participating countries of the TPR covering the different sub-topics were reviewed. The results were discussed at the TPR Workshop in Luxembourg in May 2018. *JRC supported the Belarus' Nuclear Stress Tests Peer Review for the implementation of the EU nuclear safety stress tests*, providing experts for the Peer review team.

The direct actions in the nuclear safeguards area *support the EU's strategic objective to reduce the risk of nuclear proliferation*. JRC provides new safeguards technologies, such as laser verification systems to facilitate the IAEA and DG ENER inspection of nuclear installations. To support the safeguards system in Europe, JRC *developed analytical techniques and operated the Euratom safeguards laboratories* and supported the yearly Physical Inventory Verifications in European fuel fabrication plants. *Training courses for Euratom inspectors to ensure an effective implementation of EU safeguards systems were also organised*. Similar support is provided to the IAEA through the Commission's safeguards support programme.

The direct actions of the Euratom programme *support the EU nuclear security strategies, providing training* at the EU nuclear security training center (EUSECTRA) and contributing to the enhancement of capacities in the EU Member States and neighbouring countries. Activities include nuclear forensics support to EU member states such as in analysing seized materials. In May 2018 a workshop on "Counter nuclear smuggling" was jointly organized with the US-DoS, bringing together 70 participants from 22 countries and 4 international organisations. In the framework of the EU CBRN Centres of Excellence network, two training sessions were provided (in partnership with US DOE NNSA) in Georgia and Moldova following a "virtual exercise" organized in 2017. In 2014-2018, JRC scientists *published 983 articles and conference contributions in peer-reviewed periodicals, 267 articles in monographs or other periodicals, 19 books with JRC editorship and 19 PhD theses*. The JRC organised 196 training courses for professionals and students from Member States and Commission services. In addition, JRC delivered reference methods and measurements, technical systems and scientific databases. Moreover, the JRC allows open access to its nuclear research infrastructures and offers complementary research possibilities to external users from EU Member States.

An example of important results obtained through the synergy of direct and indirect actions is PELGRIMM. PELlets versus GRANulates: Irradiation, Manufacturing & Modelling (PELGRIMM) was a Euratom indirect action, completed in 2018, with an important contribution from direct actions. Two of the three irradiation experiments within PELGRIMM were prepared and conducted with major JRC participation, including fuel samples preparation, conducting irradiation experiments in the HFR and performing post irradiation examinations. In addition, JRC contributed to the development of safety relevant fuel performance codes.

Evaluations/studies conducted

Pursuant to Article 22 of Regulation (Euratom) No 1314/2013, in 2017 the Commission carried out an interim evaluation of the 2014-2018 Euratom programme. Its report (COM(2017)697) sets out a strategic overview of the evaluation process and its responses to the recommendations of the independent expert groups. The accompanying Commission staff working documents (SWD(2017) 426 and 427) provide more details on the evaluation with regard to relevance, efficiency, effectiveness and European added value.

Key messages from the evaluation are as follows:

- a) Continue supporting nuclear research focused on nuclear safety, safeguards, security, waste management, radiation protection and development of fusion:
 - The interim evaluation concluded that the Euratom programme is highly relevant across the full scope of its activities. Actions continue to be instrumental in maintaining and using the highest standards of safety, security, waste management and non-proliferation. Given the research results achieved so far there is no need to revise the current programme's activities or mode of implementation for the years 2019-2020.
- b) Further improve, together with beneficiaries, the organisation and management of the European Joint Programmes in the nuclear field:
 - The interim evaluation of the Euratom programme 2014-2018 showed that the introduction of the European Joint programme (EJP) co-fund action was a success. The EJP instrument is designed to support coordinated national R&I programmes. It aims at attracting and pooling a critical mass of national resources on Euratom programme's objectives and at achieving significant economies of scales by bringing together related Euratom resources in a joint effort.
- c) Continue and reinforce Euratom education and training actions for developing competencies in the nuclear field which underpin all aspects of nuclear safety, security and radiation protection:
 - The interim evaluation underlined the importance of developing comprehensive actions for maintaining and developing nuclear skills in Europe, ensuring at the same time synergies with the EU Framework Programme's actions supporting education and training. The Euratom indirect actions in education and training should have more specific and measurable objectives. On the other hand, the Joint Research Centre (JRC) should continue, and where possible enhance, access to its research infrastructures and reinforce its education and training activities, in particular with hands-on practical training and work experience. It was proposed that students and researchers in the nuclear field become eligible for participation in the Marie Skłodowska-Curie Actions, which provide mobility grants and foster career development. In fusion research, the EUROfusion consortium should put more emphasis on training nuclear engineers and technologists for the next phase, the design of demonstration fusion power plant.
- d) Further exploit synergies between the Euratom programme and other thematic areas of the EU Framework Programme in order to address cross-cutting aspects such as medical applications of radiation, climate change, security and emergency preparedness and the contribution of nuclear science:
 - The interim evaluation concluded that the Commission should aim to develop joint research actions on the radiation protection aspects of medical practices as well as innovative nuclear medicines. Such research should not be developed by Euratom alone but supported jointly with the Health part of the EU Framework Programme. The Commission should also seek other synergies between nuclear and non-nuclear activities and nuclear science applications such as security of energy supply, public involvement in decision-making, security of supply of medical radioisotopes and nuclear sciences applications in support of the sustainable development goals.
- e) Further exploit synergies between direct and indirect actions of the Euratom programme:
 - The interim evaluation recommended that the Commission should implement a coherent programming of the direct and indirect actions of the Euratom programme, with a well-defined governance and decision-making processes. This will help to achieve maximum synergies between the indirect and the direct actions and fully exploit the potential for efficiency within the programme and effectiveness of its results.

Forthcoming implementation (2019-2020)

Given the research results achieved so far, the interim evaluation of the EURATOM Research and Training programme 2014-2018 concluded that there is no need to revise the current programme's activities or mode of implementation for the two years 2019-2020 during which the programme is extended. Therefore, the Euratom research and training programme to 2019-2020, is continuing

with the same scope and objectives as in the Euratom programme (2014-2018), in line with the original seven-year impact assessment.

Indirect actions:

Indirect actions will be implemented on the basis of the Euratom Work Programme (C(2018) 8412). The WP 2019-2020 will provide support of around EUR 134 million, through competitive calls for proposal that address important challenges in nuclear research:

- nuclear safety: focus on the safety of nuclear power plants and launch of a preparatory action for a joint European research programme in the area of nuclear materials;
- decommissioning of nuclear facilities: focus on closer-to-the-market activities improving existing technologies and gaining efficiencies;
- nuclear waste: create cross-fertilisation and interaction between national programmes to improve the pre-disposal phase of the management of radioactive waste for which industrially-mature processes currently do not exist;
- education and training: sustain nuclear competencies in Europe through innovation actions. In addition, for each Research and Innovation Action (RIA) of the WP, at least 5% of the total action budget will go to education and training activities for doctoral students, postdoctoral researchers and trainees.
- radiation protection: further integration of research in the EU, improving knowledge in the fields of human health effects of ionising radiation, radiation biology, epidemiology, dosimetry, emergency preparedness and radioecology;
- research infrastructures: maintain availability of high performance research reactors and retain stable supply of medical radioisotopes in Europe, optimising the use of European research reactors, notably the EC access rights to the Jules Horowitz Research Reactor in France.

Funding from this WP will also ensure continuation of the European Joint Programme in fusion energy (EUR 208 million) and exploitation of the Joint European Torus (EUR 120 million).

Direct actions: The Euratom research & training programme 2019-2020 has the same specific objectives as the previous one. The JRC will thus continue the research on the fields of nuclear safety, safeguards and security, providing dedicated reference measurements and materials, delivering education and training and managing the generated knowledge to provide sound scientific and technical support to the EU policies in the nuclear field.

Euratom direct actions will seek to further develop knowledge management, education and training and to exploit efficiently synergies with indirect actions in the area. To do so, three pilot projects are being developed together with nuclear fission indirect actions: JRC’s management of knowledge obtained by indirect actions in nuclear safety selected field; open access to JRC nuclear facilities; and road map of the access rights of the Jules Horowitz reactor. At the same time, JRC will seek for synergies between both the nuclear and the non-nuclear parts of its activities in areas as security of supply of medical radioisotopes and non-energy applications of nuclear science.

To improve the impact and tackle the challenges associated with nuclear safety and security, including training to maintain and develop the necessary skills, JRC will continue reinforcing the coordination with European research efforts, being in close liaison with stakeholders, to avoid duplication and ensuring the most efficient use of resources.

The programme will be implemented in agreement with JRC 2030 strategy, increasing the activities providing direct support to EU policies (Specific objective 13), resulting in a slight decrease of the total scientific productivity. The milestones for the period have been adjusted accordingly.

Outlook for the period 2021-2027

In 2018 the Commission adopted its proposal (COM(2018) 437) for the Research and Training Programme of the European Atomic Energy Community for the period from 1 January 2021 to 31 December 2025. The next Euratom programme will have an increased focus on non-power applications such as health care and medical equipment. It will also support the mobility of nuclear researchers under the Marie Skłodowska-Curie Actions, and incorporate access to research infrastructure.

The Programme has the following general objectives:

- (a) to pursue nuclear research and training activities to support continuous improvement of nuclear safety, security and radiation protection;
- (b) to potentially contribute to the long-term decarbonisation of the energy system in a safe, efficient and secure way.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Council Regulation (Euratom) 2018/1563 of 15 October 2018 on the Research and Training Programme of the European Atomic Energy Community (2019–2020) complementing the Horizon 2020 Framework Programme for Research and Innovation, and repealing Regulation (Euratom) No 1314/2013	2019 - 2020	770,2

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support						132,8	138,9	271,6
Operational appropriations						240,8	261,0	501,8
Total						373,6	399,9	773,4

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	352,870	100,00 %	289,812	93,53 %	373,575	37,79 %	366,210	13,96 %
Authorised appropriations (*)	388,511	94,85 %	357,654	86,10 %	394,709	36,56 %	414,384	14,85 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To pursue nuclear research and training activities with an emphasis on continuous improvement of nuclear safety, security and radiation protection, notably to potentially contribute to the long-term decarbonisation of the energy system in a safe, efficient and secure way.

Indicator 1: Reduction of greenhouse gas emissions at EU level compared to 1990

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
			20 %				21 %
	Actual results						
	23 %		22% ⁴⁰	22% ⁴¹			

Specific objectives

Specific Objective 1: The number of projects (joint research and/or coordinated actions) likely to lead to a demonstrable improvement in nuclear safety practice in Europe

Indicator 1: The number of projects (joint research and/or coordinated actions) likely to lead to a demonstrable improvement in nuclear safety practice in Europe

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
41		7				29	44 ⁴²
	Actual results						
		9		23	28		

Specific Objective 2: to contribute to the development of solutions for the management of ultimate nuclear waste

Indicator 1: The number of projects contributing to the development of safe long term solutions for the management of ultimate nuclear waste

Baseline Euratom, 2007-2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
15		5				12	14 ⁴³
	Actual results						
		5		10	11		

Specific Objective 3: to support the development and sustainability of nuclear competences at Union level

Indicator 1: Training through research - the number of PhD students and postdoctoral researchers supported through the Euratom fission projects

Baseline Euratom, 2007-2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
200		500					1 000
	Actual results						
	n.a.	n.a.	n.a.	n.a.	n.a. ⁴⁴		

⁴⁰ http://ec.europa.eu/eurostat/statistics-explained/index.php/Greenhouse_gas_emission_statistics_-_emission_inventories

⁴¹ <https://www.eea.europa.eu/data-and-maps/indicators/greenhouse-gas-emission-trends-6/assessment-2>

⁴² Target increased from 14 projects planned for 2018 due to extension of the Euratom programme (from 2014-2018 to 2014-2020) and an increased focus on the improvement of nuclear safety.

⁴³ Target increased from 8 planned for 2018 due to the extension of the programme from 2014-2018 to 2014-2020.

⁴⁴ Data will be available after release of final reports from all fission projects, expected after 2020.

Indicator 2: The number of fellows and trainees in the Euratom fusion programme

Baseline Euratom, 2007-2013	Milestones foreseen						Target 2020 (average/year)
	2014	2015	2016	2017	2018	2019	
27		30					50
	Actual results						
	17	28	31	33	27 ⁴⁵		

Specific Objective 4: to support radiation protection and development of medical applications of radiation, including the secure and safe supply and use of radioisotopes

Indicator 1: The number of projects likely to have a demonstrable impact on regulatory practice regarding radiation protection and on development of medical applications of radiation

Baseline Euratom, 2007-2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
33		1				4	6 ⁴⁶
	Actual results						
		1		2	3		

Specific Objective 5: to move towards demonstration of feasibility of fusion as a power source by exploiting existing and future fusion facilities

Indicator 1: The number of publications in peer-reviewed high impact journals

Baseline 2010 ⁴⁷	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
800			800	800			800 ⁴⁸
	Actual results						
	200	450	325	700	680		

Specific Objective 6: to lay the foundations for future fusion power plants by developing materials, technologies and conceptual design

Indicator 1: The percentage of the Fusion Roadmap's milestones established for a period 2014-2018 reached by the Euratom Programme

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
New approach ⁴⁹	13 %	31 %	54 %	75 %			90%
	Actual results						
	10 %	28%	47%	84%	n.a. ⁵⁰		

Specific Objective 7: to promote innovation and industrial competitiveness

Indicator 1: The number of spin-offs from the fusion research under Euratom Programme

Baseline Euratom, 2007-2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
4			5				6 ⁵¹
	Actual results						
	1	2	2	2	3 ⁵²		

Indicator 2: The patents applications generated and patents awarded on the basis of research activities supported by the Euratom Programme (average number per year)

Baseline Euratom, 2007-2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
3		3	4				4 ⁵³
	Actual results						
	1	2	1	3	n.a. ⁵⁴		

⁴⁵ Fellows (at post-doc level) and trainees (engineers) are selected on the basis of applications submitted following a call for proposals. Number and suitability of candidates varies from year to year.

⁴⁶ Target reduced from 25 planned for 2018, due to the establishment in 2015 of the European Joint Programme (EJP) in radiation protection research (<http://www.concert-h2020.eu/>) with a Euratom contribution of EUR 20 million. It should be noted that research projects launched within the framework of the EJP programme are not included in the statistics for this indicator, but only projects launched directly by the Commission are counted.

⁴⁷ Data from the Horizon 2020 impact assessment, SEC(2011) 1427, Annex 6, page 84.

⁴⁸ The baseline figure for the fusion peer reviewed articles published under Euratom FP7 (2007-2013) cannot be directly compared to the target, nor can it be compared to the actual figures produced by the EUROfusion consortium. The new indicator shows only the peer reviewed articles resulting directly from the implementation of the fusion roadmap, while the old indicator (the baseline) covered all peer reviewed articles published by any fusion association.

⁴⁹ The Fusion roadmap was adopted by the members of the European Fusion Development Agreement (EFDA) in 2012.

⁵⁰ Data not available yet – the Eurofusion report for 2018 will be submitted in 2019.

⁵¹ The target has been reduced from 10 planned for 2018. The new target is based on updated data on actual spin-offs from fusion research during 2014-2016.

⁵² All actual figures are cumulative. The spin-offs from research are unpredictable – per definition they are a by-product of the main research activities.

⁵³ No sufficient amount of meaningful data is expected for "patents awarded" before 2020, because of the time necessary for a patent to be awarded.

⁵⁴ Data not available yet – the Eurofusion report for 2018 will be submitted in 2019.

Specific Objective 8: to ensure availability and use of research infrastructures of pan-European relevance

Indicator 1: The number of researchers having access to research infrastructures through Euratom Programme support

Baseline 2008	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Ca. 800 ⁵⁵		800					1 200
	Actual results						
	872	958	1039	909	n.a. ⁵⁶		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Output – EURATOM Fusion	08 03 01 01		172,5
Output – EURATOM Fission	08 03 01 02		74,8
Total			247,3

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Output EURATOM Indirect Research Fusion	F	2	0	2	2	2	34**	34**
	P	2	0	2	2	2		
Output EURATOM Indirect Research Fission (estim.)	F	0	25	0	25	0	25	25
	P	0	23	0	25	0		

** the EUROfusion grant participants report on 33 work packages.

Specific Objective 9: to improve nuclear safety including: nuclear reactor and fuel safety, waste management, decommissioning, and emergency preparedness

Indicator 1: JRC policy support indicator – The number of occurrences of tangible specific impacts on Union policies resulting from technical and scientific policy support provided by the JRC

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
13		12±1	12±1	12±1	12±2	14±2	15±3
	Actual results						
	14	16	15	9	10		

Indicator 2: The number of peer reviewed publications

Baseline (average 2010 – 2013)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
72		72±4	72±4	72±4	72±8	60±8	50±8
	Actual results						
	90	80	45	62	72		

Specific Objective 10: JRC policy support indicator – The number of occurrences of tangible specific impacts on Union policies resulting from technical and scientific policy support provided by the JRC

Indicator 1: JRC policy support indicator – The number of occurrences of tangible specific impacts on Union policies resulting from technical and scientific policy support provided by the JRC

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
15		14±1	14±1	14±1	14±2	18±3	22±4
	Actual results						
	16	22	19	11	12		

Indicator 2: The number of peer reviewed publications

Baseline (average 2010 – 2013)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
16		16±1	16±1	16±1	16±2	19±3	22±4
	Actual results						
	20	16	21	20	11		

⁵⁵ The 2008 figure concerns researchers using mobility scheme under the Fusion Programme. The target and milestones are based on the assumption that exploitation of the Joint European Torus (JET) will continue until 2020.

⁵⁶ Data not available yet – the Eurofusion report for 2018 will be submitted in 2019.

Specific Objective 11: to increase excellence in the nuclear science base for standardisation

Indicator 1: JRC policy support indicator – The number of occurrences of tangible specific impacts on Union policies resulting from technical and scientific policy support provided by the JRC

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
15		14±1	14±1	14±1	14±2	13±2	12±2
	Actual results						
	10	9	6	12	11		

Indicator 2: The number of peer reviewed publications

Baseline (average 2010 – 2013)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
58		58±4	58±4	58±4	58±8	57±8	55±8
	Actual results						
	118	63	50	56	57		

Specific Objective 12: to foster knowledge management, education and training

Indicator 1: JRC policy support indicator – The number of occurrences of tangible specific impacts on Union policies resulting from technical and scientific policy support provided by the JRC

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
13		12±1	12±1	12±1	12±2	11±2	10±2
	Actual results						
	12	13	9	9	6		

Indicator 2: JRC scientific productivity indicator – The number of peer reviewed publications

Baseline (average 2010 – 2013)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
35		34±2	10±2	10±2	10±4	14±4	18±4
	Actual results						
	20	7	15	16	19		

Specific Objective 13: JRC policy support indicator - The number of occurrences of tangible specific impacts on Union policies resulting from technical and scientific policy support provided by the JRC

Indicator 1: JRC policy support indicator - The number of occurrences of tangible specific impacts on Union policies resulting from technical and scientific policy support provided by the JRC

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
7		6±1	6±1	6±1	6±1	12±2	18±2
	Actual results						
	11	7	13	7	11		

Indicator 2: JRC scientific productivity indicator – The number of peer reviewed publications

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Not applicable			10±5	10±5	10±5	9±4	7±3
	Actual results						
	n/a	15	7	8	4		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Output – EURATOM Direct research- JRC: Products and services for EU policy makers	10 03 01		13,7
Total			

Outputs	Number of outputs foreseen (F) and produced (P)								
	2014	2015	2016	2017	2018	2019	2020	Total	
– Output EURATOM Direct research- JRC: Products and services for EU policy makers	F	379	370	327	221±50	242±50	250	250	750 (2014-2018)
	P	408	312	268	256	213			500 (2019-2020)

The outputs from Direct Research actions are mostly products and services for EU policy makers resulting from the JRC's Work Programme. These refer to scientific and policy reports, reference materials, validated methods, technical systems, scientific information systems, databases, etc.

The total number of foreseen outputs has been adjusted with respect to the figures reported during the preparation of the Euratom programme: 150 per year for the period 2014-2018 (total = 750), and 250 per year for the period 2019-2020 (total = 500). At the time, the estimation of outputs was done on the basis of previous years (ex-post assessment). With the introduction of the new rolling Work Programme, the number of planned outputs can now be counted, ex-ante, from a central registry. Figures for 2017 onwards are made up in a format "baseline ± fluctuation rate", to account for a number of factors that may influence the production of policy support deliverables.

Concerning performance information, it should be noted that the increased demand for support to EU policies experienced in the last few years has led to a reorientation of the Direct Research actions conducted by the JRC. These results in an overall increase of indicator 1 (+33 %) accompanied of an overall reduction of indicator 2, as a consequence of a shift in resources. Nevertheless, the combined target grows from 224±8 in 2018 to 229±8 in 2020 (+2 %) as it can be seen in the table below:

JRC Indicators	Target 2018	Target 2020
1. JRC policy support indicator: Number of impacts on Union policies	58±4	77±4
2: JRC scientific productivity indicator: Number of peer reviewed publications	166±8	152±8
Total JRC Indicators	224±8	229±8

Justification of changes to the financial programming and/or to the performance information

Indicator 9 - Although the total amount of tangible impacts resulting from the support provided by JRC is satisfactory (64 so far), the results obtained in the last 2 years were slightly lower than the milestone because of the requests for direct support to EU policies, which led to an increased result for Specific Objective 13.

Indicator 10 - Although the total amount of tangible impacts resulting from the support provided by JRC is satisfactory (80 so far), the results obtained in the last 2 years were slightly lower than the milestone because of the requests for direct support to EU policies, thus increasing the results for Specific Objective 13. The reason for the reduction in the number of scientific publications released is the variation on the publication cycle. The total number in the considered period is on track.

Indicator 13 - The reduction on the results for indicator 2, scientific productivity, is linked to the increase for indicator 1, policy support for this Specific objective.

Policy support impact indicators count cases where JRC's work has policy-impact by incorporation of scientific and technical knowledge into policy proposals or by supporting the implementation of EU policies. Impacts are identified in the JRC's annual evaluation exercise performed by an internal peer group of experts on the basis of an established evaluation methodology within an integrated management system applying ISO standards.

The milestones and the long-term target reflect two opposing trends: an upward and fluctuating evolution regarding the total number of policy-impacts due to JRC increasingly gearing its research to support the immediate needs of the Commission, and a downward trend in resources. Following the adoption of the new JRC Strategy 2030, the JRC is reinforcing the area of knowledge management, mainly in nuclear safety, and will increase the support to EU policies, resulting in a different set of targets per specific objective.

The overall target across the five Specific Objectives of Direct Research (from SO9 to SO13) increases by 33% (from 58±4 expected in 2018 to 77±4 in 2020) to respond to the increase of demand (e.g. to support the implementation of Nuclear Directives) experienced in the last years. The table below presents the change in the targets for Indicator 1.

1. JRC policy support indicator: Number of impacts on Union policies	Target 2018	Target 2020
Specific Objective 9: to improve nuclear safety	12±2	15±3
Specific Objective 10: to improve nuclear security	14±2	22±4
Specific Objective 11: to increase excellence in nuclear science for standardisation	14±2	12±2
Specific Objective 12: to foster knowledge management, education & training	12±2	10±2
Specific Objective 13: to support nuclear safety and security policies	6±1	18±2
Total JRC policy support indicators	58±4	77±4

Scientific productivity indicators count the peer-reviewed articles published within a given year in journals, the titles of which are listed in the Thomson-Reuters Science Citation Index Expanded (SCI-e), Social Science Citation Index (SSCI), Clarivate index and/or the SCOPUS index. This indicator reflects the degree to which JRC publishes the results of its research. The reorientation of JRC activities towards knowledge management, education and training, mainly in nuclear safety, as the last milestones for the S.O. 12 show, results in a redistribution of the targets of each specific objective. The increase in the demand for support to EU policies results in a slight reduction (8%) of the overall target for publications (from 166±8 expected in 2018 to 152±8 in 2020) caused by shifting of resources. The table below presents the change in the targets for Indicator 2.

2: JRC scientific productivity indicator: Number of peer reviewed publications	Target 2018	Target 2020
Specific Objective 9: to improve nuclear safety	72±8	50±8
Specific Objective 10: to improve nuclear security	16±2	22±4
Specific Objective 11: to increase excellence in nuclear science for standardisation	58±8	55±8
Specific Objective 12: to foster knowledge management, education & training	10±4	18±4
Specific Objective 13: to support nuclear safety and security policies	10±5	7±3
Total JRC scientific productivity indicator	166±8	152±8

The reduction on the results of the indicator 2, scientific productivity, is linked to the increase on the indicator 1, policy support for this Specific objective.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
3% of the EU's GDP should be invested in R&D
The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)

Gender mainstreaming- the Commission implements and monitors the gender dimension as follows:

Indirect Actions: The Commission aims at improving gender balance in decision-making, in order to reach the target of 40% of the under-represented gender in panels and groups and of 50 % in advisory groups. To date, women make up 19% of experts in call evaluation panels and 52 % in advisory groups.

Direct Actions: JRC manages the European Human Resources Observatory for the Nuclear Energy Sector (EHRO-N) in order to ensure the availability of data on human resources, including gender balance. In its Strategy 2030, the JRC declares itself as an equal opportunities employer committed to the objective of being fully gender balanced. This has been further developed in 2017 by issuing a gender balance strategy. The JRC has set-up a talent management programme in order to provide career guidance and training, as well as individual coaching and mentoring support, to its staff with development needs ; these programmes were developed taking into consideration the female colleagues needs. In 2018, a dedicated leadership training programme will be offered to the recently appointed women managers.

HEADING 1A: Competitiveness for growth and jobs**Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME)**

Lead DG: GROW

I. Overview***What the programme is about?***

COSME is the EU programme for competitiveness and small and medium-sized enterprises (SMEs), with a total budget of EUR 2.3 billion over 2014-2020. It has four main objectives:

1. Access to finance (at least 60 % of the budget)
2. Access to markets (indicatively 21.5 % of the budget)
3. Promoting a favourable environment for businesses and competitiveness of enterprises (indicatively 11 % of the budget)
4. Promoting entrepreneurship (indicatively 2.5 % of the budget)

EU added value of the programme

The additional value for action at the Union level relies on the following four main sources:

- Strengthening the Single Market, by overcoming market fragmentation in areas such as venture capital investment, cross-border lending and credit enhancement as well as informational and organizational constraints which prevent SMEs from taking advantage of the opportunities that the Single Market offers.
- Demonstration and catalytic effects through the dissemination of industrial and policy best practices.
- Economies of scale in areas where it would be difficult for individual Member States to achieve the required critical mass. For instance, in the field of support to SMEs abroad, European added value is created by the bundling of national efforts and, by establishing services that would lack critical mass if provided at national level, like for intellectual property rights enforcement). Union intervention can also contribute to avoid duplication of effort, promote cooperation between Member States and coordination with relevant non-Member States.
- Coherence and consistency in national measures through the exchange of best practices at European level and benchmarking.

The European Investment Fund, entrusted with the implementation of the financial instruments, has a long experience in designing and implementing SME-friendly financing schemes. The Enterprise Europe Network has achieved tangible results by putting emphasis on promoting the internationalisation of SMEs (in the Internal Market and beyond) through providing information on Union matters as well as the possibility to feed into the decision making process.

Implementation mode

The COSME financial instruments are implemented by the European Investment Fund on behalf of the European Commission. The Delegation Agreement, signed with the European Investment Fund in 2014, ensures that the COSME financial instruments are accessible to a broad range of financial intermediaries. The European Investment Fund is responsible for evaluating and selecting the financial intermediaries in line with the Delegation Agreement based on a continuous call for expression of interest. The two related calls are published by the European Investment Fund⁵⁷.

Actions in the other three objectives are implemented via calls for proposals, ad hoc grants and all forms of procurement.

II. Programme Implementation Update***Implementation status (2016-2018)***

The financial instruments: The calls for expressions of interest launched by the European Investment Fund in 2014 in accordance with the COSME Delegation Agreement attracted great interest from financial intermediaries across the EU and non-EU countries participating in COSME, especially for the Loan Guarantee Facility. In the course of 2018, the European Investment Fund signed 36 agreements for loan guarantees for a total volume of EUR 387 million, of which 33 agreements were jointly backed by the European Fund for Strategic Investments and COSME Loan Guarantee Facility. These agreements together with those signed in the previous years, helped more than 381 000 SMEs already to receive more than EUR 20 billion of financial support by the end of September 2018.

Signing agreements for the Equity Facility for Growth took longer, as equity entails more complex due diligence and fund-raising processes. At the end of 2018, the European Investment Fund has invested through the Equity Facility for Growth in 14 funds (out of which 4 are conditional signatures at this stage), for a total amount of EUR 163,5 million. Of these, five are multi-stage funds combined with the InnovFin Equity Facility for Early Stage set up under Horizon 2020. These funds have so far invested in 38 SMEs in their growth and expansion stage in 12 countries.

⁵⁷ http://www.eif.org/what_we_do/equity/single_eu_equity_instrument/cosme_efg/index.htm
http://www.eif.org/what_we_do/guarantees/single_eu_debt_instrument/cosme-loan-facility-growth/index.htm

The Enterprise Europe Network: As in the previous years, about two thirds of the COSME budget for access to markets has been devoted to the Enterprise Europe Network (EEN), which helps SMEs to internationalise in particular with advisory services and by finding business, technology and innovation partners abroad. The EEN is present in 69 countries with 607 partner organisations. A total of 527 partner organisations grouped in 93 consortia cover 38 countries from EU Member States and countries associated to the COSME programme. Additionally, 6 Network partners covered 4 countries only associated to the Horizon 2020 programme. They signed seven-year framework partnership agreements and specific grant agreements for which the most recent one covers the activities for the year 2019. These "core Network partners" worked with 73 EEN Business Cooperation Centres grouped in 30 consortia covering 27 third countries.

Based on the positive results from its 10 years of experience with providing support to SMEs, the EEN continues its efforts to improve the quality, the efficiency and the relevance of its services for European SMEs. The EEN is preparing the implementation of its new strategic vision to adapt its services to changing business needs and to further increase the concrete positive impact on its SME clients' businesses. 'EEN Scale-Up Advisors' were put in place and are actively contributing to the European Commission's 'Start-up and Scale-up Initiative', to help start-ups overcome the barriers to growth and to fully support their ambition to scale.

The quality and efficiency of Network services was also reflected in the analysis of surveyed⁵⁸ SMEs on the expected outcomes of EEN delivered services; nearly 89% of them expect their market situation to improve thanks to Network support. Earlier findings on the impact evaluation of the Network (2008-2014)⁵⁹ concluded that the average net of effect for SMEs participating in the Network was approximately three percentage points increased annual growth (compared to SMEs not receiving EEN services).

Erasmus for Young Entrepreneurs: Erasmus for Young Entrepreneurs (EYE) holds annual calls for proposals resulting in EASME signing 24-month grant agreements and framework partnership agreements as of 2016. Not all projects that passed the evaluation could be funded in recent years due to budget constraints. In 2014 the budget was EUR 6.5 million, in 2015 EUR 7.8 million, in 2016 EUR 7.6 million, in 2017 EUR 9.4 million, and in 2018 EUR 10 million. Currently there are 194 local contact points in countries (in 27 EU Member States and 10 other COSME countries). In 2018, the scheme has reached the level of 7000 exchanges between new and experienced entrepreneurs since the start of the programme, and proved to be successful in addressing the needs of entrepreneurs in the European market. In order to strengthen the scheme, a longer-term Framework partnership agreement (2016-2021) was signed with experienced intermediary organisations (99) of the programme.

SME Policy: The COSME programme contributes to improve framework conditions for the competitiveness of EU enterprises, especially SMEs. The SME Performance Review reports were published and contributed to the Commission's analyses of SME issues. Different events were organised to discuss and share information on the SME situation in Europe and on the best initiatives to support entrepreneurs. They included the annual SME Assembly, attracting around 600 high level SME stakeholders, the Single Market Forum and the SME week events. The "Cluster Go international" Initiative, enabled the establishment of 25 EU cluster partnerships in 2018 supporting 134 clusters in Europe to go international for the benefit of their SMEs. Another aspect of improving the competitiveness related to the objectives of the startup/scale up initiative. The projects that have recently started aim to link startups and more traditional mid-size companies through open innovation collaboration. The programme also continued to support "EU added value" actions in the tourism sector and other activities such as the Intellectual Property Rights SME Helpdesks or projects promoting entrepreneurship.

Key achievements

By 30 September 2018, more than 381 000 SMEs in 27 countries already received financing for more than EUR 20 billion⁶⁰. Especially start-ups and smaller SMEs which find it hardest to access finance due to their perceived higher risk or lack of sufficient collateral. Loan Guarantee Facility continues making financial support available to SMEs with more than 89 % of SMEs having less than 10 employees and almost 50% being start-ups with an operational history of less than 5 years⁶¹.

The Enterprise Europe Network's services range from information on EU matters, company visits and awareness-raising campaigns to specialised advisory services, company missions and matchmaking and technology brokerage events. Numbers for 2018 are not available yet because of the 2-year duration of the grants, however it expected that about 250 000 SMEs received support in 2018. Some 3 000 network staff have been active in local events, provided specialised advisory services to 70 000 SMEs on access to finance, intellectual property rights, business and technology, resource efficiency services individual partnering support etc., about 75 000 meetings between SMEs were organized in matchmaking events. Since its renewal in 2015, the Enterprise Europe Network reached 11 231 partnership agreements between SMEs thanks to Network partnering services, while the new Network advisory support services gave already 5 580 clients a significant impetus to improve their competitiveness and innovation at European level; 89 % of SME served expect their market situation to improve thanks to Network support.

In 2018, Erasmus for Young Entrepreneurs (EYE) has reached the level of 7 000 exchanges between new and experienced entrepreneurs. Currently the programme is being implemented by a network of 194 local intermediary organisations in 37 countries (out of 39 participating). The mid-term COSME evaluation of the programme performed in 2017 concluded that the overall concept

⁵⁸ monitoring and reporting data surveyed from the Executive Agency

⁵⁹ <https://publications.europa.eu/en/publication-detail/-/publication/d4cf03ed-972c-11e5-983e-01aa75ed71a1>

⁶⁰ http://www.eif.org/what_we_do/guarantees/single_eu_debt_instrument/cosme-loan-facility-growth/implementation_status.pdf

⁶¹ Since 2015, as part of the Investment Plan of the Juncker Commission, funding opportunities under the COSME Loan Guarantee Facility are enhanced with the support of the SME Window of the European Fund for Strategic Investments. The initial front-loading mechanism of EUR 500 million was converted in 2017 into a permanent top-up of the COSME Loan Guarantee Facility budget by EUR 550 million from the European Fund for Strategic Investments. In 2019, the latter amount was increased by an additional EUR 220million to a total amount of EUR 770 million.

of the programme proved to be successful in addressing the needs of entrepreneurs in the European market. New entrepreneurs participating in the programme between 2014 and 2016 have created 251 new companies so far, and over 1 000 new jobs. Host entrepreneurs also confirmed the positive effects - as well as over 1 100 new jobs created on their side, 58 % of experienced entrepreneurs have seen an increase in turnover and 41% in increased employment⁶².

Evaluations/studies conducted

An evaluation supporting study carried out in 2017⁶³ has identified that COSME is operating at a reasonable level of efficiency. However, the fragmentation of the budget available has a negative effect on the potential for cost-efficiency in the programme implementation. The three main actions of COSME (financial instruments, Enterprise Europe Network and Erasmus for Young Entrepreneurs) represent 80% of the total programme. The remaining 20% are fragmented into a number of smaller actions. As identified in the evaluation supporting study, this fragmentation reduces the potential for impact and results. Consequently an effort will be made to streamline the Work Programme in order to reduce this effect by giving priority to more successful actions (ex. Enterprise Europe Network, Erasmus for Young Entrepreneurs scheme, Clusters) and those who demonstrate impacts and results (such as the IP SME Helpdesks). A budget will be allocated to allow new concepts and projects to be tested and to adapt to new priorities.

The supporting study has also identified that COSME lacks a centralised database of implementation data, and this will be a focus of the monitoring work. While no issues of overlaps were detected with other programmes or local/national actions, there is still room for improvement in relation to synergies.

Other evaluations (ongoing) include WATIFY campaign (awareness raising to stimulate the modernisation of European industry) and the IP SME Helpdesks).

Evaluation of financial instruments: The Loan Guarantee Facility of the COSME programme has been thoroughly assessed twice, by the European Court of Auditors in the context of a performance audit in 2017⁶⁴ and in the context of the COSME interim evaluation supporting study in 2017⁶⁵. These assessments have shown that the Loan Guarantee Facility is working very successfully. It is properly designed to help SMEs, which would otherwise struggle to obtain finance, to grow more in terms of total assets, sales and employees when compared to the general SME population. The Court of Auditors also remarked a need to carry out a comprehensive ex ante assessment of market needs and how the various EU guarantee instruments can best respond to these needs alongside nationally/regionally funded instruments, thereby ensuring EU added value. This remark was addressed by an assessment on access to finance for SMEs⁶⁶. However, it has been identified that the coherence between different EU-level financial instruments for SMEs and other EU initiatives should be strengthened, that synergies with national and regional initiatives should be better exploited, and that overlaps exist among the current SME financial instruments.

In order to address the identified issues, the Commission has proposed the establishment of a single European Investment Programme, InvestEU, which will have four distinct policy windows, including a dedicated window for SMEs. The successor facility to the COSME Loan Guarantee Facility will be established under the SME window of InvestEU.⁶⁷

Forthcoming implementation (2019-2020)

The work programme adopted for 2019 has a total budget of EUR 347 million of which some 60 % is allocated to financial instruments and some 20% to activities promoting enterprises' access to markets – the two main priorities of the programme. The work programme is structured according to the four action areas and linked to the Commission's policy priorities, in particular on promoting jobs, growth and investment, upgrading the single market and digital single market and implementing better regulation.

The financial instruments: The market demand for the Loan Guarantee Facility remains high and it is expected that available budget resources (including the current European Fund for Strategic Investments top-up) will not be enough to fully cover the demand until the end of the implementation period. With the amendment of the European Fund for Strategic Investments Regulation, which entered into force on 1 January 2018⁶⁸, provides for an increase of the Loan Guarantee Facility, with a EUR 220 Million top-up, bringing the total reinforcement of the Loan Guarantee Facility from the SME Window of European Fund for Strategic Investments to EUR 770 million. This increase materialised in early 2019. In the course of 2019, the Commission expects to launch a pilot scheme (as part of the COSME Loan Guarantee Facility) for the financing of digitalisation projects of those SMEs, which yet have to incorporate digitalisation activities into their business.

The Equity Facility for Growth is expected to meet market demand of geographical areas not covered by the equity expansion and growth sub-window of the SME Window of the European Fund for Strategic Investments, such as the Western Balkans. Furthermore, the implementation of the budgetary contribution towards the Pan-European Venture Capital Funds-of-Funds started in 2018, with the signatures of agreements with selected Funds-of-Funds managers. The primary purpose is to use public money in

⁶²According to COSME evaluation study - <https://ec.europa.eu/docsroom/documents/28084>

⁶³<https://ec.europa.eu/docsroom/documents/28084>

⁶⁴<https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=44174>

⁶⁵<https://ec.europa.eu/docsroom/documents/28084>

⁶⁶The results were published on 7 June 2018 via SWD(2018)320. All details are provided in sub-annex dedicated on access to finance for SMEs on pages 311-374:

https://eur-lex.europa.eu/resource.html?uri=cellar:97218bf4-6a31-11e8-9483-01aa75ed71a1.0001.03/DOC_2&format=PDF

⁶⁷https://ec.europa.eu/commission/publications/investeu-programme_en

⁶⁸REGULATION (EU) 2017/2396 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 13 December 2017 amending Regulations (EU) No 1316/2013 and (EU) 2015/1017 as regards the extension of the duration of the European Fund for Strategic Investments as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub

a smarter way to attract substantial amounts of private investment from investors who are not currently investing in European Venture Capital, because there is no appropriate vehicle. Funds-of-funds, acting as intermediaries, can bridge the gap between large institutional investors and smaller venture capital funds. In this way, they can provide access to larger pools of international capital and so enable more European small and medium-sized enterprises and start-ups to be financed as they grow and get support for longer periods of time.⁶⁹

Enterprise Europe Network: More than two-thirds of the COSME budget for access to markets will be devoted to the Enterprise Europe Network (EEN). The specific grant agreements for the EEN for the third operational period (year 2019) were signed with a continued focus on advisory services bringing real added value to SMEs. A new strategic vision for the EEN has been prepared to ensure that EEN delivers services that address SME's future needs. The implementation of this vision started in 2018 with the creation of action groups that will develop the operational plans addressing the vision's priorities for the years to come.

Erasmus for Young Entrepreneurs: The Erasmus for Young Entrepreneurs scheme (EYE) has signed longer term Framework partnership agreements (2016-2021) using specific grant agreements (2017-2019) with 99 experienced intermediary organisations of the programme in order to strengthen the scheme.

The COSME budget also continues to support the most successful actions such as the Cluster initiatives (the European Cluster Collaboration Platform, and the Cluster Excellence Programme). Further support is envisaged in tourism actions, procurement and access to markets.

Outlook for the 2021-2027 period

The Commission has proposed the establishment of a single European Investment Programme, InvestEU, which will have four distinct policy windows, including a dedicated window for SMEs. The successor facility to the COSME Loan Guarantee Facility and the Equity Facility for Growth will be established under the SME window of InvestEU.⁷⁰ The Commission has also proposed the Single Market Programme⁷¹, and as part of its overall EUR 4 billion proposed budget, an amount of EUR 1 billion is earmarked for COSME. This will enable the continuation of actions of concern to SMEs, such as the access to markets, competitiveness, improvement of business environment, modernisation of industry, competitiveness of sector and promotion of entrepreneurship. Successful actions to maintain include those such as the Enterprise Europe Network, the Erasmus for Young Entrepreneurs scheme, Clusters, and tourism.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC	2014 - 2020	2 298,2

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	4,2	3,9	2,8	2,6	3,5	2,8	3,1	22,9
Operational appropriations	243,4	292,2	302,2	337,9	341,3	354,5	399,5	2 270,8
Executive Agency	6,5	8,0	7,0	8,8	9,5	9,9	10,5	60,3
Total	254,1	304,1	311,9	349,4	354,2	367,2	413,1	2 354,0

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	354,241	100,00 %	206,291	98,57 %	367,177	52,82 %	218,492	54,74 %
Authorised appropriations (*)	401,902	97,25 %	303,411	82,44 %	379,866	51,27 %	272,926	45,95 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

⁶⁹www.europa.eu/rapid/press-release_MEMO-18-2764_en.pdf

⁷⁰https://ec.europa.eu/commission/publications/investeu-programme_en

⁷¹https://ec.europa.eu/commission/publications/single-market-programme-legal-texts-and-factsheets_en

General objectives

General Objective 1: to strengthen the competitiveness and sustainability of the Union's enterprises, particularly SMEs

Indicator 1: Performance of SMEs as regards sustainability

Baseline 2012	Milestones foreseen						Baseline 2012
	2014		2014		2014		
26 %	Share of EU SMEs producing green products (goods and services): 2013= 205	26 %	Share of EU SMEs producing green products (goods and services): 2013= 205	26 %	Share of EU SMEs producing green products (goods and services): 2013= 205	26 %	Increase the share of EU SMEs producing green products
	Actual results						
	26%		26%		26%		

Data from the Flash Eurobarometer 456 on SMEs, Resource Efficiency and Green Markets, December 2017. Next Eurobarometer scheduled for late 2019 or 2020.

Indicator 2: Changes in unnecessary administrative and regulatory burdens on both new and existing SMEs

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
5.4 working days to set up an SME and EUR 372 cost of start-up	3,5 days and EUR 313			4 days EUR 300 cost of start-up			Marked reduction of number of days to set-up a new SME*
	Actual results						
	3,5 days and EUR 335	3,6 days and EUR 339	3,5 days and EUR 320	3,1 days, EUR 311*	N/A **		

* In some countries there is a possibility to have a simplified or on-line registration to set up an SME under certain conditions. Taking electronic/ simplified registration into account, the results are 2.7 days, EUR 271.

** data for 2018 will be available by end March 2019.

A 2020 target of 3 days and EUR 100 is mentioned in the Industrial Policy Communication COM (2014) 14 of 22 January 2014. Figures for 2014 and 2015 were updates following a revision of data done by some Member States in 2016.

Indicator 3: Changes in the proportion of SMEs exporting within or outside the Union

Baseline 2009	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
25 % of SMEs export and 13 % of SMEs export outside the Union					29 % within the EU 17.5 % outside the EU		Increase in the share of SMEs exporting and increase in the share of SMEs exporting outside the Union
	Actual results						
	30% within the EU; 20% outside the EU*						

*Source: 2015 Eurobarometer survey on the internationalisation of SME, based on figures for 2014.

General Objective 2: to encourage entrepreneurial culture and to promote the creation and growth of SMEs

Indicator 1: Changes in SME growth: Total EU turnover (Gross Value Added)

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
In 2010 SMEs provided more than 58%	Annual increase of 4% in SMEs Gross Value-Added (GVA)	4 %	4 %	4 %	4 %	4 %	Increase of SME output (value added)
	Actual results						
	SME's value added grew in 2014 by 3.8% ⁷²	5.75 %	1.35 %	3.5 %	4.3%		

Data from the SME Performance Review 2018 based on figures for 2015. Figures for 2018 are now casted and 2019 forecasted. The data from last year for the reference year 2018 was EUR 4.3 Billion value added created by EU SMEs of the non-financial business economy. Data has been revised by Eurostat.

Indicator 2: Changes in SME growth: Employees

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Total number of employees in SMEs in 2010 = 87.5 million (67%)							Increase of SME employees Target number around

⁷² Figures from the SME performance review 2015: http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index_en.htm.

of private sector jobs in the EU)	Actual results						95.5 million jobs in 2020 (calculated from the base year 2014)
	90.35 million	90.84 million	92.94 million	94.67 million	96.21 million		
The annual growth of employees in SMEs in 2010 was -0.4% and 0.2% in 2011	Annual growth of employees in SMEs of 1%	1 %	1 %	1 %	1 %	1 %	
	Actual results						
	1 %	1 %	1 %	1 %	1 %		
	2.1 %	0.54 %	2.3 %	1.97 %	1.5%		

Data from the SME Performance Review 2018 based on figures for 2016/17. SME's value added grew in 2015 by 5.5% and employment by 0.54%. NB: data has been revised back in time by Eurostat.

Indicator 3: Changes in the proportion of Union citizens who wish to be self-employed							
Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
37%	Not available	Not available		50%			Increase in share of EU citizens
	Actual results						

No Eurobarometer on Entrepreneurship has been performed since 2012. To note that the Global Entrepreneurship Monitor measures every year the percentage of the adult population between the ages of 18 and 64 years who believe that entrepreneurship is a good career choice. According to the GEM report (2018) EU countries have in general a low belief in entrepreneurship as a good career with a few exceptions such as Cyprus, Poland and the Netherlands where more than 70% of adults interviewed considered entrepreneurship as a good choice⁷³.

Specific objectives

Specific Objective 1: to improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, including in the tourism sector

Indicator 1: Activities to improve competitiveness - Number of simplification measures adopted							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
3	4						At least 7
	Actual results						
	5	4			1		

(The indicator refers to the number of simplification measures adopted and accompanied by an impact assessment, and in 2018 this was carried out for Supplementary Protection Certificates in the area of patents and intellectual property)⁷⁴

Indicator 2: Activities to improve competitiveness – Making the regulatory framework fit for purpose							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Delivered in 2013: 1 Fitness Check 2 Cumulative Cost Assessments 1 Review 1 Legislative initiative	Delivered in 2014: 3 Evaluations 1 Legislative initiative 2 Withdrawals	1 Repeal 2 Fitness checks 4 Evaluations 1 Cumulative Cost Assessment	1 Fitness Check 3 Evaluations 2 Cumulative Cost Assessments	2 evaluations 2 Cumulative Cost assessments	5 evaluations		20 Fitness Check, Evaluations, cumulative Cost Assessment and Repeals to be delivered by 2016
	Actual results						
	8	6	6	4 evaluations	5 evaluations		

Indicator 3: Activities to improve competitiveness - Number of Member States using the competitiveness proofing test							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of Member States using the competitiveness proofing test: 0	1 Member State			7 Member States			Marked increase in the number of Member States using the competitiveness proofing test
	Actual results						
	6*						

Data from SBA Fact sheets and DG GROW internal sources, Q1 2015.

Indicator 4: Activities to improve competitiveness – Resource efficiency (which may include energy, materials or water, recycling, etc.) actions taken by SMEs

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	

⁷³ <http://www.gemconsortium.org/report> - please note that no aggregated results for the EU as a whole are available.

⁷⁴ https://ec.europa.eu/growth/industry/intellectual-property/patents/supplementary-protection-certificates_en

<p>93% of SMEs are taking at least one action to be more resource efficient, with the most common actions being to minimise waste, save energy (both 67%) and save materials (59%). At least half are also recycling by reusing material or waste within the company, or by saving water (both 51%).</p> <p>Eight out of ten SMEs are planning additional resource efficiency actions in the next two years, particularly saving energy (58%) and minimising waste (56%). Almost half (49%) plan to save materials, while 43% will save water and 41% will recycle within the company</p>				(Awaiting launch of European Resource Efficiency Excellence Centre)			<p>Increase in the share of Union SMEs that are taking at least one action to be more resource efficient (which may include energy, materials or water, recycling, etc.) compared to baseline (initial measurement)</p> <p>Increase in the share of Union SMEs that are planning to implement additional resource efficiency actions (which may include energy, materials or water, recycling, etc.) every two years compared to baseline (initial measurement)</p>
	Actual results						
	n.a.	87% of SMEs are taking at least one action to be more resource efficient	n.a.	90% of SMEs are taking at least one action to be more resource efficient	n.a.		
	71% of SMEs are planning additional resource efficiency actions in the next two years	n.a.	81% of SMEs are planning additional resource efficiency actions in the next two years				

Flash Eurobarometer 456 on SMEs, Resource Efficiency and Green Markets, December 2017. Next Eurobarometer scheduled for late 2019 or 2020.

Indicator 5: Developing SME policy - Number of Member States using SME test

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
15 MS	Around 18 Member States using the SME test			19 MS			Marked increase in the number of Member States using SME test
	Actual results						
	20 MS*		Not available	27 MS**	Not available***		

*2015 Report "EU member states reporting about their SME test", May 2015, http://www.eurochambres.eu/custom/Report_-_EU_member_states_reporting_about_their_SME-test-2015-00224-01.pdf.

**2017 Report "EU Member States about their SME-test 2017", December 2017,

<http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupMeeting&meetingId=2270>

*** no new report is foreseen at the current time

Indicator 6: Tourism – Participation in transnational cooperation projects

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
3 countries covered per project	4 countries per project (on average)			5 countries per project (and expected total of 57 projects)	4 countries per project (5-7 projects to be awarded)	4 countries per project (2-10 projects to be awarded)	Increase in the number of Member States participating in transnational cooperation projects and in the number of the transnational projects funded by the Programme
	Actual results						
	4 countries covered on average depending on project)	5 countries covered on average depending on project)	n/a (no call took place)	4 countries per project (6 projects awarded)	5 countries per project (7 projects awarded)		

Complementary information for the above indicator:

Baseline target in 2013 of 33 projects support under calls for proposals for transnational partnerships

In 2014, 42 transnational cooperation projects supported involving SMEs, 52 in 2015, 58 in 2017 and 65 in 2018.

2020 target will also aim for better integration of SMEs in transnational tourism products funded by COSME.

Indicator 7: Tourism - Number of destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
98 (on average 20 per year)	119						More than 200 destinations adopting the sustainable tourism development models promoted by EDEN (about 20 every year)
	Actual results						
	120	140	140	158	158		

From 2011 the selection of EDEN destinations takes place every second year in alternation with a year dedicated to the promotion of the awarded destinations

2019: planned +/-176 awarded EDEN destinations (ie +/-18 destinations expected to be awarded under the theme Health and well-being tourism)

Indicator 8: New Business Concepts - Number of new products/services in the market

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
New indicator therefore no current baseline				5	15		Increase in the cumulative number of new products/services (initial measurement)
	Actual results						
		10 projects under the call for proposals design-based consumer goods (published twice)	150 partnerships under the call for tender WORTH	40 start-ups under call for proposals European Incubator Networks for Creativity-driven innovation			

For 2018 30 partnerships planned under the call for tender "Light industries (textile/clothing, leather and footwear sectors) Innovation and Technology project"

For 2019 40 partnerships planned under the call "Accelerate and scale-up innovation applications for a sustainable and circular fashion industry"

Expenditure related outputs

*The procedure for drafting the work programme has just started. The figures will be available in April 2019

Outputs	F							
	P	70	*	*				
1.Activities to improve European Competitiveness - Studies, impact assessments, evaluations, conferences	F P	44 70	51 *	55 *	60	65	70	75
2.Activities to develop SME policy and promote SMEs competitiveness -Meetings, reports, databases	F P	102	115 *	120 *	122	128	130	132
3.Tourism - Projects, prizes, surveys, events	F P	10 27	16 52	16 28	18 37	20 34	22 35	25
4.New business concepts for consumer goods - Market replication-type projects	F P	8	11 10	12 150 partnerships	12 40	14 30	15 40 partnerships	15

Beyond launching financial instruments under COSME, the Commission took action in 2014 to support SMEs' access to finance (e.g., by monitoring national policies, raising awareness on the Late Payment Directive and disseminating information on how best using the European Structural and Investment Funds (ESIF) to support SMEs).

In addition, several reports on the competitiveness of enterprises across Europe, the SME Performance Review and the SBA Factsheets have been published.

Under the Green Action Plan for SMEs adopted on 2 July 2014, the Commission announced new specific actions to be implemented as from 2015 to boost resource efficiency in SMEs, in particular a guide on how to support resource efficiency in SMEs through ESIF and a resource efficiency self-assessment tool for SMEs which will be used to monitor the achievement of the related result indicator.

3. Tourism data:

2014: 22 projects under calls for proposals, 1 Eurobarometer survey, 1 tender, 1 contract under framework contract , 2 events

2015: 44 project under calls for proposals, 1Eurobarometer Survey, 2 ad-hoc grants, 1 direct contract, 1 tender, 3 events

2016: 18 projects (under EDEN ad-hoc grant scheme), 1 tender, 2 contracts under framework contracts, 1 ETC ad-hoc grant agreement, 6 events

2017: 18 projects (under EDEN ad-hoc grant scheme-selection), 7 projects (under calls for proposals), 5 contracts under framework contracts (two studies/reports, organisation of three events), 1 ad-hoc grant agreement with ETC, 6 workshops on collaborative economy and tourism.

2018: 14 projects under EDEN ad hoc grant scheme-promotion7 projects under call for proposals, 3 contracts under framework contracts (org. of ETD EDEN awards, EDEN Network meetings, 1 workshop, 1 conference (European Tourism Forum), 6 events and 2 actions in the framework of the EU-China Tourism Year

2019: Planned: 18 projects (under EDEN ad hoc grant scheme-selection), 2-10 projects to be awarded under call for proposals, 4 contracts under framework contracts (EDEN evaluation, awareness raising & promotion campaign), 3 events (Digital Tourism Network meetings; European Tourism Forum)

Consumer goods

2014: n/a

2015: 10 projects under the call for proposals consumer-based goods (published twice)
 2016: 150 partnerships under the call for tender WORTH
 2017: 40 start-ups under call for proposals European Incubation Networks for Creativity-driven Innovation
 2018: 30 partnerships under call for tender ‘Light industries innovation and technology project
 2019: Planned: 40 partnerships under the call “Accelerate and scale-up innovation applications for a sustainable and circular fashion industry”

Specific Objective 2: to promote entrepreneurship and entrepreneurial culture							
Indicator 1: Number of Member States implementing entrepreneurship solutions based on good practice identified through the programme							
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
22	Actual results						All MSs
	28	28	28	28	28*		

* All EU Member States have specific measures in place to increase the number of entrepreneurs and new companies, with most also having a strong focus on entrepreneurial education for both teachers and students. During 2017/1Q2018, over 75 policy measures were adopted/implemented under the entrepreneurship principle — a very similar level of policy activity compared with the previous reference period (2016-Q1/2017). As in previous years, most of the measures aimed to promote an entrepreneurial mind-set.

Indicator 2: Number of Member States implementing entrepreneurship solutions targeting potential, young, new and female entrepreneurs, as well as other specific target groups

Baseline 2013 ⁷⁵	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
12 Member States in the European Network of Mentors for Women Entrepreneurs 6 Member States and 2 regions have a specific strategy for Entrepreneurship Education 10 Member States have incorporated national objectives related to entrepreneurship education in broader lifelong learning strategies and in 8 Member States entrepreneurship strategies are currently under discussion		New data on entrepreneurship education anticipated in 2015		12 MS implementing new initiatives in this area (potential, young, new and female entrepreneurs)			Marked increase in number of Member States
	Actual results						

2015: Member States (MS) and 1 region have a specific strategy for Entrepreneurship Education
 14 MS and 2 regions have national objectives related to entrepreneurship education in a broader strategy
 2 MS have a specific strategy in development
 All MS implement specific actions for women entrepreneurs. Croatia has a national strategy for women entrepreneurship.
 The Women Entrepreneurship network (WES) is a policy network from national government or agencies working on women entrepreneurship and includes the 28 EU MS plus 3 COSME countries.
 All MS will join the European e-platform that the Commission is currently preparing by providing links to national/ regional one stop shops to assist women to start-up and grow their enterprises as well as to mentor and network.
 18 MS took part at the European Network of Female Entrepreneurship Ambassadors plus 4 COSME associated European countries
 12 MS took part at the European Network of Mentors for Women Entrepreneurs plus 5 COSME associated European countries
2016: 6 COSME countries⁷⁶ and 4 regions have a specific strategy for Entrepreneurship Education while 18 countries/regions have a broader strategy that is related to entrepreneurship education. All MS join the European e-platform for women entrepreneurs that the Commission launched in 2016, providing links to national/ regional one stop shops to assist women to start-up and grow their enterprises as well as to mentor and network.
 The new EU Women Business Angels Network covers 14 MS.
2017: Data on entrepreneurship education and on women entrepreneurship for 2016 remain valid
 In addition, 11 MS participate in projects to improve and extend support programmes for migrant entrepreneurs
2018: Data on entrepreneurship education and on women entrepreneurship for 2016 remain valid
 12 MS participated in projects on migrants entrepreneurs.

Expenditure related outputs

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014(*)	2015	2016	2017	2018	2019	2020
1.Studies,campaigns, events	F	6	10	11	11	12	12	12
	P	17	10	11	6			
2.Number of exchanges	F	663	800	1241	1398	1635	1806	1993
	P					1422+746		

⁷⁵ The main focus of EU action in entrepreneurship is on support to entrepreneurship education, as this is one of the areas showing the best return on investment and on Erasmus for Young Entrepreneurs (EYE). This programme gives new entrepreneurs know-how on starting and running a business through exchanges with experienced entrepreneurs in another Member State. It offers a unique opportunity for cross-border mobility with the goal of strengthening the business skills and knowledge of both new and experienced entrepreneurs. EYE has been evaluated positively in 2014 and is now being ramped up.

⁷⁶ <http://ec.europa.eu/DocsRoom/documents/21365>

* currently there has been an overall total of 7000 exchanges. Cycle 9 (implemented between 1/2/2017-31/1/2019 has delivered 2844 exchanges, cycle 10 (running from 1/2/2018-31/1/2020) has delivered 746 matches so far).

Specific Objective 3: to improve access to finance for SMEs in the form of equity and debt

Indicator 1: Number of firms benefiting from debt financing

Baseline 2013	Milestones foreseen						Target 2020 for COSME Loan Guarantee Facility ⁷⁷
	2014	2015	2016	2017	2018	2019	
As of 31 December 2013, EUR16.1 billion in financing mobilised, reaching 312,000 SMEs (CIP SMEG) ⁷⁸	Actual results for COSME Loan Guarantee Facility						Value of financing mobilised ranging from EUR 14.3 billion to EUR 21.5 billion; & number of firms receiving financing which benefit from guarantees from the programme ranging from 220,000 to 330,000
	Not applicable ⁷⁹	EUR 1.3 billion of financing mobilised & 53,433 SMEs financed*	EUR 5.5 billion of financing mobilised & 143,344 SMEs financed*	EUR 12.8 billion of financing mobilised & 274,964 SMEs financed*	EUR 20.3 billion of financing mobilised & 381,102 SMEs financed*		
	Actual results for CIP SMEG for informative purpose						
	EUR 19.3 billion	EUR 20.7 billion	EUR 21.1 billion of	EUR 21.4 billion of			
	368,000 SMEs financed**	381,592 SMEs financed**	385,772 SMEs financed**	390,027 SMEs financed**			

* European Investment Fund quarterly operational report for the COSME Loan Guarantee Facility as of 31 December for 2015, 2016 and 2017 and as of 30 September for 2018.

** European Investment Fund quarterly report for the SME Guarantee Facility (SMEG) under the 2007-2013 Competitiveness and Innovation Programme (CIP) as of 31 December for 2014, 2015, 2016 and 2017.

Indicator 2: Number of venture capital investments from the COSME programme and overall volume invested

Baseline 2013	Milestones foreseen						Target 2020 for COSME Equity Facility for Growth ⁸⁰
	2014	2015	2016	2017	2018	2019	
As of 31 December 2013, EUR2.8 billion in VC funding mobilised to 334 SMEs ⁸¹	Actual results for COSME Loan Guarantee Facility						Overall value of VC investments ranging from EUR2.6 billion to EUR3.9 billion; & number of firms receiving VC investments from the Programme ranging from 360 to 540
	Not applicable ⁸²	Not applicable ⁸³	EUR 0.06 billion to 12 SMEs*	EUR 0.2 billion to 28 SMEs*	EUR 0.3 billion to 38 SMEs*		
	Actual results for CIP GIF for informative purpose						
	EUR 3 billion in VC funding	EUR 3.1 billion in VC funding	EUR 3.1 billion in VC funding	EUR 3.1 billion in VC funding			
	446 SMEs**	514 SMEs**	550 SMEs**	595 SMEs**			

* European Investment Fund quarterly operational report for the COSME Equity Facility for Growth as of 31 December for 2016 and 2017, and as of 30 September for 2018.

** European Investment Fund quarterly report for the High Growth and Innovative SME Facility (GIF) under the 2007-2013 Competitiveness and Innovation Programme (CIP) as of 31 December for 2014, 2015, 2016 and 2017.

Indicator 3: Leverage ratio

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Leverage ratio for the SMEG facility 1:32	Actual results for COSME Loan Guarantee Facility						Debt instrument 1:20 – 1:30
	n.a.	n.a.	Target leverage 1:33	Target leverage 1:30	Target leverage from 1:28		
			1:12*	of 1:13*	1:17*		
Leverage ratio for GIF 1:6.7	Actual results for COSME Equity Facility for Growth						Equity instrument 1:4- 1:6 ⁸⁴
	n.a.	n.a.	Target leverage 1:5	Target leverage 1:3	Target leverage 1:3		
			1:0.2**	1:0.5**	1:1**		

⁷⁷ The instrument will run from 2014 until 2020.

⁷⁸ EIF quarterly report as of 31 December 2013 for the SME Guarantee Facility (SMEG) under the 2007-2013 Competitiveness and Innovation Programme (CIP).

⁷⁹ COSME Delegation Agreement signed on 22/07/2014. Call for expression of interest published on 04/08/2014.

⁸⁰ The programme will run from 2014 until 2020.

⁸¹ EIF quarterly report as of 31 December 2013 for the High Growth and Innovative SME Facility (GIF) under the 2007-2013 Competitiveness and Innovation Programme (CIP).

⁸² COSME Delegation Agreement signed on 22/07/2014. Call for expression of interest published on 04/08/2014.

⁸³ COSME Equity Facility for Growth: First fund agreements signed end of 2015

⁸⁴ EUR 1 from the Union budget will result in EUR 20-30 in financing and EUR 4-6 in equity investments over the lifetime of the COSME programme.

*European Investment Fund quarterly operational report for the COSME Loan Guarantee Facility as of 30 September for 2016, 2017 and 2018. The **target** leverage is the maximum amount of financing available to SMEs under the guarantee agreements signed as at 30 September divided by the total EU Contribution Committed towards the Loan Guarantee Facility at the same date. The **achieved** leverage is the actual amount of financing made available to SMEs as at 30 September under these guarantee agreements divided by the total EU Contribution Committed towards the Loan Guarantee Facility at the same date. For **2017** and **2018**, however, the total EU Contribution Committed is increased by the actual European Fund for Strategic Investments exposure (top-up of the COSME Loan Guarantee Facility backed by the European Fund for Strategic Investments).

European Investment Fund quarterly operational report for COSME Equity Facility for Growth as of 30 September for 2016, 2017 and 2018. The **target leverage is the maximum amount to be invested into final recipients under the fund agreements signed as at 30 September divided by the total EU Contribution Committed towards the Equity Facility for Growth at the same date. The **achieved** leverage is the actual amount invested into final recipients as at 30 September under these fund agreements divided by the total EU Contribution Committed towards the Equity Facility for Growth at the same date.

Indicator 4: Additionality of the EFG and LGF							
Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Additionality of the SMEG: 64% of final beneficiaries indicated that support was crucial to find the finance they needed.							Increase in the share of final beneficiaries that consider the Equity Facility for Growth or the Loan Guarantee Facility to provide funding that could not have been obtained by other means compared to baseline.
Additionality of the GIF: 62% of GIF final beneficiaries indicated that support was crucial to find the finance they needed	NA			COSME mid-term evaluation (December 2017): Loan Guarantee Facility: 63% of final recipients consider that funding provided could not have been obtained by other means Equity Facility for Growth: NA (due to limited number of final recipients no meaningful evaluation of additionality possible at the stage of the mid-term evaluation)	NA ⁸⁵		

Expenditure related outputs

*The figures will be updated in March-April, once the preparation of the COSME Work Programme for 2020 will be sufficiently advanced.

Outputs		Cumulative number of outputs foreseen (F) ⁸⁶ and produced (P)						
		2014(*)	2015	2016	2017	2018	2019	2020
1.No. of SME beneficiaries (loan guarantees)	F	25 905	51 952	78 136	106 501	139 198	176 195	220 649
	P	0	53 433	143 344	237 396**	381 102***		
Loan volume (EUR million)	F	1.684	3.377	5.079	6.923	9.048	11.453	14.342
	P	0	1.292	5.547	10.402**	20.302***		
No. of SME beneficiaries (equity)	F	42	85	128	175	228	289	362
	P	0	0	12	26**	38***		
EUR million leveraged (equity)	F	311	623	938	1.278	1.670	2.114	2.648
	P	0	0	64	148**	290***		

(*)The 2014 financial year focused on a smooth transition between the financial instruments under the former Competitiveness and Innovation Programme (CIP) and the new COSME programme. Financial instruments under the former CIP demonstrated their European added value over 2007-2013. They continued to deliver also after 2013 with an additional 390 027 SMEs having received EUR 21.4 billion of financing thanks to the CIP SMEG and an additional 595SMEs having profited from EUR 3.1 billion of VC funding between 2014 and 2018⁸⁷.

(**) As at 30 September 2017. (***) As at 30 September 2018.

Specific Objective 4: to improve access to markets, particularly inside the Union but also at global level

Indicator 1: International Industrial Cooperation – Number of cases of improved alignment between Union and third countries' regulations for industrial products

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
It is estimated that in regulatory cooperation with main trading partners (US, Japan, China, Brazil, Russia, Canada, India) there is an average of 2 relevant areas of	No data available yet		Regulatory co-operation with 3 of our main trading partners(China, Japan and USA) an average than 2 relevant areas of significant alignment of technical	3 relevant areas	More than 4 relevant areas		4 relevant areas of significant alignment of technical regulations with main trading partners (US, Japan, China, Brazil, Russia, Canada,

⁸⁵ COSME additionality will be measured in the context of the COSME final evaluation.

⁸⁶ The cumulative numbers related to 'outputs foreseen' are computed on the basis of the adopted 2014-2020 MFF figures for BL 02.0202, with an allocation of 52% towards the LGF and 48% towards the EFG, in accordance with the legislative financial statement accompanying the Commission proposal for the establishment of the COSME programme.

⁸⁷ As at 31December 2017

significant alignment of technical regulations			regulations				India)
	Actual results						

The indicator "Number of cases of improved alignment between Union and third countries" regulations for industrial products" should be measured with caution as we cannot require a third country - US, Japan, China, Canada - to align with our EU technical regulations. Actually, neither party can impose its system on the other. What we do with some of these countries is to have a regulatory cooperation/dialogue in view of seeking more convergence or compatibility in technical regulations and conformity assessment procedures. With respect to standards we promote greater acceptance of international standards.

Thus when it comes to specific results requested by the indicator there are not any specific achievements. Regulatory co-operation with trade partners have been more relevant with China, Taiwan, Japan.

In the case of **Japan**, our regulatory dialogues have contributed, in addition to previous sectors such as automotive, medical devices, cosmetics and chemicals to further alignment of technical regulations in the sector of robots and regulations related to the circular economy. In the case of **China** regulatory dialogues have been conducted to progress on the areas of industrial policy, conformity assessment, standardisation, motor vehicles' safety and emissions, pressure equipment, medical devices, cosmetics, SME policy, raw materials, energy efficiency and emissions reduction in industry, tourism and public procurement. We also have an industrial dialogue with **Taiwan**, covering digitalisation of industry /ICT, circular economy, SMEs internationalisation and cluster cooperation since 2015.

Indicator 2: Enterprise Europe Network - Number of partnership agreements signed							
Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2 475 (2012) 2 295 (2013)				7 500 (3Y)			2 500/ year
	Actual results						
	2 636	2 924	2 924	2 397	2 611		

Indicator 3: Enterprise Europe Network – Recognition of the Network amongst SME population							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
To be measured in 2015-2016		Milestone to be determined once baseline has been set in 2015-2016					Increase in the recognition of the Network amongst SME population compared to baseline
	Actual results						
		8% of SME have heard about EEN services (Eurobarometer 2015)	8% of SME have heard about EEN services (Eurobarometer 2015)	No measurement in 2017	No measurement planned for 2018	No measurement planned for 2019	

Indicator 4: Enterprise Europe Network – Clients satisfaction rate (% SMEs stating satisfaction, added-value of specific service provided by the Network)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
86% rated services as 'Good/Very good'	No data	No data	No data	80%	No data		>82%
	Actual results						
	No data	No data	No data	86%	No data*		

*Surveys are organized every 2-3 years only

Indicator 5: Enterprise Europe Network – Number of SMEs receiving support services							
Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
435 000 435,700 (2013) 490,000 (2012)							500 000/year (original calculation method) 275 000/year(revised calculation method)**
	Actual results						
	522 725	254 057	254 057	226 908	No data yet *		

* Numbers for 2018 are not available yet because of the final reports are still to be received and processed, however it is expected that about 250.000 SMEs received support in 2018. The result is lower than the originally target value because of a new method for calculating this indicator (and not because of lower service level from the Network).

** The revised calculation method follows the Network request to reduce the administrative burden, and asks the Network to report on high-value-added services only. Network partners keep on providing information services to large numbers of SME clients, but no longer need to record them.

Indicator 6: Enterprise Europe Network – Number of SMEs using digital services (including electronic information services) provided by the Network

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2 million SMEs	n.a.			2,2 million			2,3 million SMEs/year
	Actual results						
	n.a.	10.5 million	15.5 million	16.2 million	No data yet		

Expenditure related outputs

The figures will be available in April, once the Work Programme 2019 figures are submitted for individual projects.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014(*)	2015	2016	2017	2018	2019	2020
1. Enterprise Europe Network – Partnership proposals	F	5 697	5 793	5 901	6 041	6 122	6 337	6 576
	P	9169	7500	7750	6672	6 302		
2. Enterprise Europe Network – SMEs receiving support services (per 1000 SMEs)	F	403	250	250	260	265	270	275
	P	522	254	254	255	227		
3. SME business support in markets outside the EU - Studies	F	10	12	15	14	15	18	20
	P	11						
4. SME business support in markets outside the EU - SME centres; SME helpdesks	F	5	6	7	9	10	12	14
	P	5						
6. International Industrial Cooperation – Workshops, meetings	F	5	8	8	9	7	7	7
	P	6	7	7	7			

The actual final numbers for 2017-2018 for the EEN will become available with the final reporting in April 2019.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Equity facility for Growth	10,5	11,5
Enterprise Europe network	15,0	15,0
Total	25,5	26,5

Programmation climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
21,2	21,6	21,1	23,9	23,8	25,5	26,5	163,6

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

5. Programme contribution to the Sustainable Development Goals

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: Continuing work to encourage entrepreneurship, provide mentoring and best practice review. Support to the Single Market Strategy and the Single Digital Gateway. Social economy projects work to strengthen the links between traditional and social economy enterprises.

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation: Examples of projects include those improving digital skills, facilitating public procurement of innovation and the co-financing by innovation consortia. Other projects aim to accelerate the take up of sustainable and innovative applications in industry (in 2019 the focus will be on the fashion industry). The programme also continues to provide targeting financing for SMEs, and work on Cluster partnerships.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

Financial Instruments (trust funds n/a) https://ec.europa.eu/growth/access-to-finance/cosme-financial-instruments_en

HEADING 1A: Competitiveness for growth and jobs**The Union Programme for Education, Training, Youth and Sport (Erasmus+)****Lead DG: EAC****I. Overview*****What the programme is about?***

Erasmus+ is the EU's flagship programme to support and strengthen education, training, youth and sport in Europe. For over three decades, Erasmus+ and its predecessors have been offering opportunities to young people, students and adults to study, train, gain work experience, and volunteer abroad, in Europe or beyond. At the same time the programme promotes the understanding of European values and awareness, in particular solidarity and tolerance. What started as a modest mobility scheme for higher education students back in 1987 – with only 3 200 students in its first year – has developed into one of the most successful EU programmes, with a well-known brand name that projects a positive image of the Union, well beyond its borders.

Erasmus+ is aimed at increasing the quality and relevance of qualifications and skills, at improving employability, as well as at supporting the modernisation of education and training, youth and sport systems.

With a budget of EUR 16.2 billion for the 2014-2020 period, the programme helps participants to build resilience, adapt to the changing environment, seize new opportunities and make the most of their talents, reducing the perception of differences. Two-thirds of its budget is dedicated to award grant that allow more than 4 million people to study, train, work or volunteer abroad in the 2014-2020 period (compared to 2.7 million over the period 2007-2013).

In order to achieve its objectives, the Erasmus+ programme implements the following actions:

- In the field of Education and Training, and Youth:
 - Key action 1: Learning mobility of individuals;
 - Key action 2: Cooperation for innovation and exchange of good practices;
 - Key action 3: Support for policy reform;
- Jean Monnet activities promoting excellence in teaching and research in the field of European Union studies:
 - Jean Monnet actions
 - Operating grants to designated institutions
- Sport activities supporting collaborative partnerships, not-for-profit European sport events, initiatives strengthening the evidence base for policy-making in sport and the dialogue with relevant European stakeholders.

According to the annual report Erasmus + 2017, the programme has enabled almost 3 million mobilities since 2014, broaden their awareness of Europe and its values, and increasing young people opportunities in the labour market.

EU added value of the programme

Education and training are a key driver for innovation, competitiveness and resilience in the global economy in times of rapid technological progress and changes in the world of work.

Within this context, the EU added value of the programme is uncontested. No other programmes funding mobility and transnational cooperation offer comparable scale and scope, efficiency, coverage in terms of sectors and countries as Erasmus+. The stakeholders consulted strongly underlined the EU added value of Erasmus as compared to similar national schemes.

The main positive achievements and effects of the programme encompass the unique combination of actions targeted at the individual, organisation and system levels in education and training, youth and sport, the support for key competences, basic and transversal skills development, active citizenship, increased employability or career development, but also increased opportunities for networking and mutual learning for organisations involved. The programme is perceived as sufficiently flexible to allow for adaptation to emerging policy challenges, while its integrated architecture and management modes are considered appropriate and fit for purpose.

The Erasmus+ mid-term evaluation found that in absence of the programme, learners and staff mobility, as well as European cooperation in the sectors covered by the programme would be substantially reduced. Erasmus+ contributes to social cohesion in the Union. The current programme supports more disadvantaged young people than its predecessors - 11.5% of the total number of participants and up to one third in the Youth strand. The programme is also actively building positive attitudes towards the European Union and is contributing to the development of European identity across all sectors funded, while improving knowledge and understanding of the EU through the Jean Monnet strand. The mid-term evaluation found that a positive association between participation in the programme and the feeling of belonging to the EU across all sectors and all forms of participations.

In the area of **education and training**, the programme has broadly supported the mobility of learners and teachers in all sectors. It promoted quality and inclusive education, training and lifelong learning. It also increased the opportunities for all to develop key competences, to tackle skills gaps and mismatches. Erasmus reinforced the internationalisation of the participating institutions.

For example, in **higher education**, in the last three decades, the programme contributed to achieve major progress in harmonising university degree structures and increasing the compatibility of higher education systems. In school education, the programme strengthened the profile of the teaching professions, promoted competence-oriented teaching and learning, and reinforced leadership in education. It also provided the necessary tools and approaches for strong quality assurance systems. For vocational education and training the programme supported the set-up and implementation of internationalisation strategies for VET providers, increasing the quality of VET and the access to training and qualifications for all. The programme also supported high quality learning opportunities for adults for upskilling and reskilling, helping them to progress towards higher qualifications and helping their educators to improve their teaching methods.

The Erasmus+ fosters exchanges, quality and innovation in the field of **youth**. It supports young people, notably those with fewer opportunities, to increase their skills, intercultural awareness and active citizenship by taking part in activities outside formal education. The programme builds capacity of youth organisations providing them with tools and networking opportunities in Europe and beyond, improving the quality of youth work. Erasmus+ enables youth workers to increase their knowledge and skills and enhance their capacity to support young people in informal and non-formal learning settings.

Erasmus+ promotes the European dimension of **sport**. It promoted skills and innovative practices development in sport, and contributed to foster key aspects such as the integrity of sport, good governance, anti-doping. The particular focus on grassroots sport has proven its high potential to encourage social inclusion and to foster equal opportunities, as well as to fight discrimination and intolerance.

EU action on the ground is complementing the policy reforms in the Member States and supports important steps ahead in areas such as the automatic mutual recognition of qualifications, modernisation of education systems. Transparency of qualifications and skills for both learners and workers, and academic recognition throughout Europe has improved as well.

The Erasmus+ supports the delivery of the Skills Agenda for Europe and its key actions, including by opening up new opportunities and increasing the transparency of qualifications and skills for both learners and workers throughout Europe. Practical examples include the European Qualifications Framework, which makes qualifications easier to understand and compare across countries, and the Europass platform to allow people to better showcase their skills and facilitate recognition.

As a key motor of the Skills Agenda, Erasmus+ contributes directly to the political priorities of the European Social Pillar, notably the first principle: *“Everyone has the right to quality and inclusive education, training and life-long learning in order to maintain and acquire skills that enable them to participate fully in society and manage successfully transitions in the labour market”*.

Erasmus+ funded activities contribute to the achievement of the ambitious policy objectives stated under the 2020 Strategic Framework for Education and Training Cooperation, the European Pillar of Social Rights, the Key Competences for Lifelong Learning, the next EU Youth strategy 2019-2027, but also the Digital Education Action Plan, the Upskilling Pathways, and the Automatic Mutual Recognition Council Conclusions. Erasmus+ is also a key element in the implementation process towards a European Education Area by 2025, which reflects the Commission’s ambition to enable all young people to receive the best education and training, and find jobs across the continent, and ensuring that equal opportunities go hand in hand with top performance.

Implementation mode

The Directorate-General for Education and Culture (DG EAC), in co-operation with DG Employment Social Affairs and Inclusion (DG EMPL) for parts of the programme which concern skills and qualifications policy, adult learning and vocational education and training, is responsible for the running of the Erasmus+ Programme.

The following implementation modes are used:

- **Decentralised implementation (indirect management)**: under this mode, implementation is entrusted to **National Agencies** in the Member States, which implement around three quarters of the annual budget in the agreed Annual Work Programme⁸⁸. This qualitative approach enables Erasmus+ to remain driven by consistent objectives and goals at EU level, while remaining as close as possible to its beneficiaries, adapting continuously to new needs and to the diversity of national education, training and youth systems.
- **Centralised implementation (direct management)**: parts of the programme directly managed at EU level, where projects are allocated across Europe based on excellence, are implemented through the **Education Audiovisual and Culture Executive Agency (EACEA)**.
- **Indirect management through the European Investment Fund**: this mode enables the Erasmus+ Student Loan Guarantee.

II. Programme Implementation Update

Implementation Status (2016 -2018)

In 2018, while maintaining a high level of continuity, the Programme demonstrated its flexibility in addressing specific policy priorities through different actions. In particular, greater emphasis was put, across all actions of the Programme, on activities that **support social inclusion and equity in education, training, youth and sport** - in line with the March 2015 **Paris Declaration** on

⁸⁸ Tasks of National Agencies include, inter alia, project selection, support and life-cycle administration, monitoring and evaluation, guidance and information services, collaboration through programme-wide networks, enhancing visibility, dissemination and exploitation of the results at local and national level.

promoting citizenship and the common values of freedom, tolerance and non-discrimination through education, and with the Action Plan on integration of third country nationals adopted by the Commission in June 2016.

In the field of **higher education**, in 2018, priority was given to enhancing the quality and relevance of students' knowledge and skills, better use of ICT, better links between higher education institutions and employers or social enterprises. More than 325 000 higher education student mobilities were funded by the 2016 Erasmus+ call. The positive trend continued in 2017 with more than 330 000 mobilities reached⁸⁹. It is estimated that between 2014 and 2018 the programme funded around 1,5 million participants.

Erasmus+ also developed actions aimed at **training academic staff** in innovative pedagogies and curriculum design. As a result, in 2018, higher education institutions started to substantially support their teaching staff by dedicating more than a third of their Erasmus+ funded staff training mobility to this purpose.

Higher education institutions have also participated actively in **cooperation projects**: In the first five years of the programme, more than 930 strategic partnerships were funded. In 2018 in particular, the number of funded projects was 65 % higher than in 2014. These projects have a considerable institutional impact as they contribute to the realisation of the European Education Area goals and enable more active knowledge and innovation transfer, especially among project partners.

Through the framework of Erasmus+, with funding from Horizon 2020, traineeships in digital skills for students from all disciplines and all levels of higher education were supported. The latter were developed via the Digital Opportunity Traineeship initiative. As a result, already more than 1 000 Erasmus+ students improved their digital skills through Erasmus+ traineeships.

With regard to the **international dimension**, Erasmus+ continued to provide mobility opportunities for higher education staff, students, young people and youth workers between Europe and the rest of the world. In addition Erasmus+ offers capacity building support to universities around the world seeking to modernise and internationalise, in cooperation with European partners, and excellence grants for Masters students with the Erasmus Mundus programme. Erasmus+ also offers capacity-building opportunities for youth organisations worldwide seeking to enhance their organisation governance, innovation capacity and internationalisation.

In the field of **school education**, priority was given to strengthening the profiles of the teaching professions, promoting the acquisition of key competences e.g. by addressing underachievement in the basic skills of mathematics, science and literacy and supporting multilingual classrooms as well as affordable and high quality early childhood education and care. Access for schools to the Erasmus+ programme was facilitated through introducing a new form of school exchange partnerships into the programme in 2018; as a result, the number of awarded projects in the sector increased by 40%.

Regarding **vocational education and training (VET)**, the Erasmus+ programme gave priority to the implementation of the priorities set within the context of the so-called Copenhagen process (as set in the Bruges Communiqué and the Riga conclusions). It has also played a key role in developing VET business partnerships aimed at promoting work-based learning in all its forms, with special attention to apprenticeship training, by involving social partners, companies and VET providers. Long term mobility (i.e. 3-12 months duration) of VET learners has been promoted through introducing the ErasmusPro activity into the Erasmus+ programme as of 2018. Consequently, such mobility increased by more than 60% (average of 8 000 per year in the period 2014-2017, and almost 13 000 in 2018).

Furthermore, in the field of **adult education**, in 2018, priority was given to improving and extending the supply of high quality learning opportunities tailored to the needs of individual low-skilled or low-qualified adults so that they acquire literacy, numeracy or digital skills, including through the validation of skills acquired through informal and non-formal learning. Extending and developing educators' competences is also stressed as a priority for this sector.

Across education and training, Erasmus+ has supported the implementation of the European instruments, such as the **European Qualifications Framework and Europass**, making skills and qualifications more transparent and easier to understand, and thus helping people move throughout Europe.

Activities in the **youth** field were prioritised on promoting young people's empowerment (with a special focus on access to rights, autonomy, participation – including e-participation – and the active citizenship of young people, notably those at risk of social exclusion). Promoting quality youth work has been central to this, with a view to foster the inclusion and employability of young people with fewer opportunities and diverse backgrounds.

In 2018, the **Jean Monnet** activities supported modules, university chairs, networks, projects, centres of excellence and associations in the field of European studies taking place in 30 European Programme Countries and 69 countries inside and outside Europe. An important share of the Jean Monnet activities budget (some 70%) supports seven institutions⁹⁰ designated by the legislator as of European interest through operating grants.

Compared to the early years of the Erasmus+ program, since 2016, the **Sport** strand has shifted focus towards grassroots sport with the creation of small collaborative partnerships, and in general on all sport projects aimed at increasing the level of participation in sport and physical activity. The sport strand has continued to support initiatives to tackle cross-border threats to the integrity of sport, such as doping, match fixing and violence, as well as all kinds of intolerance and discrimination. It has promoted good

⁸⁹ These figures include International Credit Mobility (ICM), which enables European Higher Education Institutions (HEIs) to set up mobility agreements with partners around the world, to send and receive students and staff (from a Programme Country to a Partner Country or vice versa).

⁹⁰ the European University Institute (EUI) of Florence, the College of Europe, Bruges Campus, the College of Europe, Natolin Campuses, the Academy of European Law (ERA) in Trier, the Centre International de Formation Européenne (CIFE) in Nice, the European Institute for Public Administration (EIPA) in Maastricht, the European Agency for Special Needs and Inclusive Education (AED) in Odense.

governance in sport and dual careers of athletes and voluntary activities in sport, together with social inclusion, including refugees and migrants.

Key achievements

The **Erasmus+ Mobile App**, launched in June 2017, has already been downloaded more than 55 000 times. The Erasmus+ Mobile App continues to serve as a digital one-stop-shop for students and other young people, providing them with information, tips, notifications and other services to help make organising their periods of mobility easier. Discussions began on how to improve and broaden the range of online services for students undertaking a period of cross-border learning mobility, including potentially enhancing the app as part of a larger online single-point-of-entry for services for mobile students.

Other initiatives - such as the **Erasmus+ virtual exchanges** and network of **role models** – were implemented in 2018 with the aim of fostering intercultural dialogue and mutual understanding, preventing radicalisation and violence, and promoting active participation of young people in society. Erasmus+ Virtual Exchanges aim at reaching 200 000 participants by 2019. These exchanges will connect young people from Europe, the Southern Mediterranean, the Middle East and Africa, and provide a structured platform for sharing views and ideas, and collaborate on joint projects, all facilitated by trained moderators.

The **Digital Education Action Plan**, adopted on 18 January 2018 identifies three key priorities:

- Making better use of digital technology for teaching and learning
- Developing the relevant digital skills and competences of all citizens
- Improving education systems through better data analysis and foresight

The plan outlines how the Commission, through 11 initiatives, supports Member States' work in ensuring that education systems make good use of digital technologies and are prepared for future change. Actions also include support for high capacity broadband in all schools, creating a Europe-wide platform for digital higher education and enhanced cooperation. It involves training schemes on digital and entrepreneurial skills.

With the support of the ET2020 Working Group on digital education, a tool to help schools assess how they use technologies for teaching and learning (SELFIE⁹¹) has been developed and was launched in 24 languages on 25 October 2018. The tool – which can be tailored to meet the specific needs of upper primary, secondary and VET schools – helps schools assess through a series of questions to school leaders, teachers and students, where they stand with using digital technologies to support teaching and learning. SELFIE is currently available in 24 language versions with more to follow. Over 3000 schools have used the tool so far.

The Commission organised in partnership with the OECD the event “**HEInnovate: Make Innovation Work in Higher Education**” in Brussels on 27-28 February 2018. A new series of HEInnovate country reviews have started in Austria, Croatia, Italy and Romania. In parallel, a major revision of the HEInnovate tool has been undertaken to include a dimension on “**Digital transformation and capability**”.

University Business Fora are held every two years in Brussels and bring together universities and businesses to foster further ways to cooperate to bridge skills gaps and find innovative solutions for teaching and the world of work. In February 2018, the Commission, in the framework of the Bulgarian EU Presidency, organised in partnership with the Bulgarian Ministry of Education, a thematic University Business Forum in Sofia. One of the offshoots of the UB Fora has been the **Knowledge Alliances of Erasmus+** that aim to bring about innovation through the cooperation of business, university and research. In 2018, 31 such projects are being funded.

2018 has also been significant in reaching out to its stakeholders and in fostering cooperation for innovation and the exchange of good practices, with more than 60 000 registered users in the **School Education Gateway**, more than 47 000 registered users (+38% within one year) in **EPALE** (Electronic Platform for Adult Learning in Europe), and close to 640 000 registered users in **eTwinning** since its launch in 2005 and further expansion into the EU Southern Neighbourhood. Lebanon and Algeria joined eTwinning in 2018. The one-off action “**Move2Learn, Learn2Move**” initiative offered a limited number of young Europeans the opportunity to travel to other EU countries as a concrete expression of youth learning mobility through the eTwinning network under the Erasmus+ Programme and its implementation rate was 70%.

Since 2018, new actions and activities have been launched, such as for example the **School Exchange Partnerships**, with a view to increasing the number of mobility opportunities for school pupils, VET learners and apprentices.

The programme has provided support for the implementation of the action on “Making VET a first choice” that was foreseen in the Skills Agenda for Europe. The European Vocational Skills Week is one of the deliverables of this action, which has now become a well-established initiative. In 2018 it reached out to more than 2.4 million citizens and mobilising thousands of organisations across the EU and beyond. It aims to promote the attractiveness and excellence in VET, as a pathway that leads to high-quality jobs and increased employability.

In 2018, preparations started for the ninth edition of the **European Youth Week**, which will take place across Europe from 29 April to 5 May 2019, both in Brussels and locally. A big number of events will be organised, including workshops, information stands, round tables, bike tours, hikes, concerts, festivals and other activities involving thousands of young people. As the next edition will be back to back to the European elections, its theme will be ‘Democracy and me’ with a view to stimulating discussions about how young generations relate to elections and other forms of democratic participation. The European Youth Week 2019 will

⁹¹ SELFIE (“Self-reflection on effective learning by fostering innovation through educational technology”).

showcase easy-to-grasp examples from Erasmus+, the European Solidarity Corps and beyond to inform and inspire young people about what democracy means and how one can participate, while also emphasising the role of EU programmes and initiatives in engaging with youngsters, in particular the unaffiliated ones and those with fewer opportunities.

The **European Week of Sport** celebrated its 4th anniversary in 2018. Commissioner Tibor Navracsics officially declared it open on Saturday 22 September. The event took place in Vienna, in parallel with the Austrian national day of Sport. The initiative was further enhanced and strengthened as an important tool for promoting sport and physical activity among citizens and for raising awareness about their importance and benefits, as well as for developing cooperation with various European and international partners and sport organisations. In 2018, it was extended to the Western Balkans and Eastern Partnership countries. In total around 13 million people participated in more than 50 000 events across Europe. One of the main novelties was the **#BeActive night** organised on 29 September in all participating countries and regions.

The second ceremony of the **#BeInclusive EU sport** award took place on 27 November 2018. The #BeInclusive EU Sport Awards recognise sport organisations working with ethnic minorities, refugees, people with disabilities, youth groups at-risk, or any other group that faces challenging social circumstances. The three winners were awarded with a EUR 10 000 prize and the 6 finalists received a EUR 2 500 euro prize each. The Commission also continued to support evidence based policy in the field of sport through a New Eurobarometer on sport and physical activity published on 22 March. It shows the proportion of those who say they never exercise or play sport has slightly increased from 42% to 46% Europe-wide, and this is a continuation of a gradual trend since 2009.

Evaluations/Studies conducted

With its international comparison and country analysis, the **Education and Training Monitor** fuels the debate on priority themes for education and training and informs national education reform debates. The Monitor presents progress against mainly, but not only the quantitative indicators on education and training adopted under ET 2020 ('EU benchmarks'). "**Citizenship education**" was the lead theme of the Monitor 2018 edition, reflecting a broad understanding of the purpose of education for the individuals and for society as a whole. The Monitor highlights the major challenges that the EU's education systems face, first and foremost underachievement in basic skills. At the same time, it records important achievements in educational attainment, with more and more Europeans in education from the early years on to tertiary level. The lead theme for 2019 is "**teachers and teaching**", another crucial aspect in delivering quality education to all.

An **external evaluation** drew lessons from the **implementation of the European Week of Sports** carried out in 2015, 2016 and 2017. The evaluation elaborates on best practices and examples which could be used for future initiatives both at the EU level and in the EU Member States and provides suggestions on how to improve the organisational and communication aspects, as well as the collaboration with at national and local levels.

An expert review of good practice projects in **sport diplomacy** and a report on developments of the **transfer in the football market** since 2013⁹² were published in January and March 2018. A study on **Workplace physical activity programmes** is part of the European Commission's follow-up to the Tartu Call for a Healthy Lifestyle.

A mapping on access to sport of people with disability was published on 20 December.

Forthcoming implementation (2019-2020)

In 2019 the Programme will directly address, through different actions, specific policy priorities, in link with the recommendations from the Gothenburg Summit, of November 2017, followed up by the 2017 December Council conclusions to work **towards a European Education Area by 2025**: where learning mobility would be the norm, where universities can cooperate seamlessly across borders, where it is normal to speak two languages in addition to the mother tongue, where higher education and school leaving diplomas are automatically and mutually recognized and where Europe would become a continent of excellence in education and research.

In higher education, 2019 will see milestones for some of the Commission's flagship initiatives under the **European Education Area**, such as **European Universities** and the **European Student Card** and progress towards the transformation and modernisation of European higher education.

In 2019, the first European Universities will kick off. The first call under this initiative has resulted in applications from more than 50 alliances, involving more than 300 higher education institutions from 31 European countries including all EU Member States. The institutions include comprehensive and research-based universities, universities of applied sciences, technical universities, as well as art and medical schools. Around 80% of the proposed alliances have between five and eight partners, creating educational bridges across Europe, and ensuring broad geographical coverage. European Universities will boost ambitious cooperation between higher education institutions to build the universities of the future, developing European inter-university campuses to deliver excellent, innovative, multicultural and transdisciplinary education to young Europeans. They will increase the attractiveness and international competitiveness of European higher education, while at the same time being accessible and inclusive to a diverse student body.

The milestones for the European Student card project for 2019-2020 foresee the launch of the Inter-institutional Agreement Management tool that will allow higher education institutions to abandon paper-based agreements for the exchange of students, the

⁹² https://ec.europa.eu/sport/news/2018/publication-report-developments-transfer-market-2013_en

development of the Erasmus+ Mobile App to make it the single online entry point to all the services of the European Student Card and a robust testing of functionalities and collection of feedback from as many higher education institutions as possible.

In **School Education**, the programme will continue to reply to the great demand for cooperation between schools and embedded pupil mobility through the **School Exchange Partnerships**, as well as promoting teacher and staff mobility. Particular attention will also be given to activities supporting the policy goals enshrined in the Council Recommendations on **key competences** for lifelong learning that was adopted by the Council in May 2018. Similarly, attention will be given to activities supporting the policy goals put forward in the draft Council Recommendations on **high quality early childhood education and care**, and on the **teaching and learning of languages**, both proposed by the European Commission in the context of the creation of a European Education Area.

In **Vocational Education and Training (VET)**, the programme will continue to boost the demand for long duration mobility of VET learners in the context of the ErasmusPRO initiative. It will also continue to support the work to raise the attractiveness and image of VET through the **European Vocational Skills Week**. In 2019 and 2020, Erasmus+ will provide crucial support for piloting the flagship initiative on the “Centres of Vocational Excellence”.

In **Adult Education**, the programme will further strengthen its support for the implementation on the Council Recommendation on Upskilling pathways, aimed at providing opportunities for low-qualified adults.

In addition, in 2019 priority will be given to actions that promote internationalisation, tackle skills gaps and mismatches, promote and reward excellence in teaching and skills development, build inclusive higher education systems, consolidate and improve evidence-building on higher education and support the implementation of the EU student card. This is in line with the challenges identified in the **Renewed EU Agenda for higher education**, the Council Recommendation on tracking graduates, the Communication on Strengthening European Identity through Education and Culture and the Digital Education Action Plan.

In 2019, the Commission will continue promoting participation in **sport and physical activity**, including through the EU Work Plan for Sport, the European Week of Sport and the Tartu Call for a Healthy Lifestyle. The different actions will give visibility to the sport sector's contribution to Europe's economy in terms of job creation, growth and innovation, while also tackling cross-border challenges that impact the integrity of sport.

In school education and adult learning, new calls for tender will be published (in cooperation with EACEA): Central Support Services for **EPALE**, **eTwinning**, and **School Education Gateway**. Potential hand-overs will be done in parallel to continuous improvements. eTwinning will have a focus on the 2019 annual theme of democratic participation. The objective for EPAL is to maintain and develop its community with the aim to double the number of members by the end of 2021 (i.e. achieving 100 000 members). Further extending the offer of the School Education Gateway and its Teacher Academy to support school development and the professional development of school staff is a prime goal.

The new **Europass** portal will be launched in early 2020 and will allow users to manage their career and lifelong learning from a European perspective via a range of online tools and services, with continued on-the-ground support from national Europass centres.

Outlook for the period 2021-2027

As part of the "Investing in People" chapter of the EU's long-term budget proposal, the Commission presented its proposal for the new Erasmus programme for 2021-27 on 2 May 2018, proposing a doubling of the budget to EUR 30 billion, and making it possible to triple the number of participants. This was underpinned by an impact assessment, which drew on the findings of the mid-term evaluation of the current Erasmus+ programme and on a broad public consultation, as well as feedback received in the context of the 30 years of Erasmus events held throughout 2017.

The future programme will maintain the current basic architecture as an integrated programme that is based on the principle of lifelong learning and whose beneficiaries include school pupils, higher education students, trainees, teachers, trainers, youth workers, sports coaches, and also learners in vocational education and training and adult learning staff.

The aim of the new programme is to be more inclusive and accessible to people from all social backgrounds. The **DiscoverEU initiative** will give young people opportunities to discover Europe's cultural heritage and diversity, while the successful Jean Monnet actions will be extended beyond higher education, mainly secondary education, making it possible to reach younger generations with European studies education.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1288/2013 of the European Parliament and of the Council of 11 December 2013 establishing 'Erasmus+': the Union programme for education, training, youth and sport and repealing Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC	2014 - 2020	14 774,5

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	10,4	11,0	10,4	11,7	11,9	12,1	12,4	80,0
Operational appropriations	1 525,0	1 574,1	1 699,2	2 032,9	2 276,8	2 727,1	2 796,9	14 632,0
Executive Agency	23,4	23,0	25,1	25,6	25,8	27,2	26,1	176,1
Total	1 558,8	1 608,1	1 734,7	2 070,2	2 314,5	2 766,4	2 835,4	14 888,1
<i>Erasmus+ - Contribution from external instruments - operational appropriations (Heading 4)*</i>	231,9	223,5	247,4	259,8	224,0	235,5	233,7	1 655,8
<i>Erasmus+ - Contribution from external instruments to Executive Agency (Heading 4)*</i>	6,0	5,5	5,4	5,9	5,5	5,1	4,9	38,2
Total contribution from external instruments (Heading 4)*	237,8	229,0	252,9	265,6	229,4	240,6	238,6	1 694,0

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	2 314,549	100,00 %	2 248,965	99,69 %	2 766,425	62,08 %	2 561,789	2,18 %
Authorised appropriations (*)	2 705,061	95,11 %	2 659,864	88,95 %	3 010,783	59,91 %	2 962,129	3,96 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The Programme shall contribute to the achievement of the objectives of the Europe 2020 strategy, including the headline education target; the objectives of the strategic framework for European cooperation in education and training ("ET 2020"), including the corresponding benchmarks; the sustainable development of partner countries in the field of higher education; the overall objectives of the renewed framework for European cooperation in the youth field (2010-2018); the objective of developing the European dimension in sport, in particular grassroots sport, in line with the Union work plan for sport; and the promotion of European values in accordance with Article 2 of the Treaty on European Union.

Indicator 1: % of 18-24 year-olds with only lower-secondary education who are not enrolled in education or training

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Latest known situation 11,9%	11,7 %	11,4 %	10,8%	10,6%	10,4%	10,2 %	10 %
	Actual results ⁹³						
	11%	11%	11%	11%	11%		

Indicator 2: % 30-34 year-olds with completed tertiary or equivalent education

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Latest know situation 37,1%			39%		39,5%		At least 40 %
	Actual results ⁹⁴						
	38 %	39 %	39%	40%	41%		

Indicator 3: % of higher education graduates who have had a period of higher education-related study or training (including work placements) abroad

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2,9% of EU graduates qualified in a country other than the country in which they achieved their upper secondary diploma (degree mobility only) ⁹⁵		8 %		17 %			20 %
	Actual results						
		8 %	10.7% (7.6% Credit mobility and 3.1% Degree mobility)				

⁹³ Eurostat latest data available: http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=t2020_40&plugin=1, no data for 2018

⁹⁴ Eurostat latest data available: http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=t2020_41&plugin=1, no data for 2018

⁹⁵ The data collection is based on Commission Regulation 912/2013. The first full data transmission on learning mobility of tertiary graduates (degree and credit mobility) was scheduled under this Regulation for November 2017 and published in 2018, referring to the academic year 2015/16. In 2018 data on credit mobility were published for the first time and included in the new estimates for the academic year 2015/16. Graduates which are credit mobile during their studies include graduates who participated in the Erasmus+ EU programme.

Indicator 4: % of 18-34 year-olds with an initial vocational education and training qualification who have had an initial vocational education and training-related study or training period (including work placements) abroad

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2-3% ⁹⁶				4 %			6 % ⁹⁷
	Actual results						
	3,1% ⁹⁸						

Indicator 5: number of staff supported by the Programme, by country and by sector

Baseline 2013	Milestones foreseen ⁹⁹						Target 2020
	2014	2015	2016	2017	2018	2019	
- Higher education (HE): 46 Number in 1 000	49		50				70
	Actual results						
	43	45	46	55	65		
- Vocational education and training (VET): 9 Number in 1 000	23		11				15
	Actual results						
	20	17	18	18	20		
- Schools: 13 Number in 1 000	21		15				20
	Actual results						
	18	18	21	29	36		
- Adult: 2 Number in 1 000	6		3				5
	Actual results						
	5	4	4	6	8		
- Youth: 16 Number in 1 000	21	21	22	23	24	25	26
	Actual results						
	34	31	29	32	33		

Indicator 6: number of participants with special needs or fewer opportunities

Baseline 2013	Milestones foreseen ¹⁰⁰						Target 2020
	2014	2015	2016	2017	2018	2019	
Special needs or fewer opportunities 8 Number in 1 000	15			15			40
	Actual results ¹⁰¹						
	19	22	24	26	22 ¹⁰²		
Special needs or fewer opportunities (Youth) 18,7 Number in 1 000	47			21,6			37
	Actual results ¹⁰³						
	26	31	37	40	19 ¹⁰⁴		

Indicator 7: number and type of organisations and projects, by country and by action

Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Actions managed by National Agencies (in 1000) Projects: 11 / organisations: 32 Actions managed by EACEA (in 1000) Projects: 0,8 / organisations: 4	11-32						
	Actual results ¹⁰⁵						
	NAs: 18 / 68 EACEA: 0.7/2.2	NAs: 19/67 EACEA: 0.9/4	NAs: 20/73 EACEA: 1.1/5.6	NAs: 21/80 EACEA: 1.0/4.4	NAs: 22/89 EACEA: 1.3/5 ¹⁰⁶		

⁹⁶ Estimate on available data for annual participation in VET mobility under the Leonardo Da Vinci programme and from certain countries (SWD SEC (2011) 670 on the development of benchmarks on education and training for employability and on learning mobility).

⁹⁷ When the IVET mobility indicator was adopted there was no European harmonised data source that could provide data for the indicator. Eurostat set up a Task Force and a pilot data collection on learning mobility via household surveys. However, the results had low reliability for some countries. Based on the pilot data collection and discussions with Member State authorities, the Commission has drawn the conclusion that it was worth exploring the use of administrative data and review the feasibility of using such data for the benchmark on IVET mobility. The results of the feasibility study to be published in the end of 2019 should clarify whether administrative data are a reliable source for the benchmark.

⁹⁸ Weighted average for 16 EU MSs where data are available through a Eurostat pilot collection (BE, BG, EE, ES, IT, LV, LT, HU, NL, AT, PL, PT, RO, SI, SK, SE). The final results can only be provided when all the projects have been finalised.

⁹⁹ Detailed breakdown can be found in the Erasmus+ Annual Report. Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020. Actual results - EU28 preliminary results calculated for awarded projects in a given call year.

¹⁰⁰ Detailed breakdown can be found in the Erasmus+ Annual Report. Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020. Actual results - EU28 preliminary results calculated for awarded projects in a given call year

¹⁰¹ Calculation method has been improved in 2019 and is now based on realised mobility periods. All EU28 past values recalculated.

¹⁰² Mobility periods are ongoing for 2018, final values will be updated once all projects will be closed.

¹⁰³ Calculation method has been improved in 2019 and is now based on realised mobility periods. All EU28 past values recalculated.

¹⁰⁴ Mobility periods are ongoing for 2018, final values will be updated once all projects will be closed.

¹⁰⁵ Number of participants in EU33

¹⁰⁶ The final figures can only be provided when selections will be finalised

Specific objectives

Specific Objective 1: to improve the level of key competences and skills, with particular regard to their relevance for the labour market and their contribution to a cohesive society, in particular through increased opportunities for learning mobility and through strengthened cooperation between the world of education and training and the world of work;

Indicator 1: % of participants declaring that they have increased their key competences

Baseline 2012	Milestones foreseen ¹⁰⁷						Target 2020
	2014	2015	2016	2017	2018	2019	
81 % ¹⁰⁸		83 %		85 %			88 %
	Actual results						
	93%	93%	94%	92%	94%		

Indicator 2: The number of pupils, students and trainees participating in the Programme, by country, sector, action and gender

Baseline 2013	Milestones foreseen ¹⁰⁹						Target 2020
	2014	2015	2016	2017	2018	2019	
higher education (HE) : 260 (in 1000)	236	239	248	270	319	356	412
	Actual results						
	234	236	250	290	316		
Vocational education and training (VET):41(in 1000)	78	78	80	87	99	121	131
	Actual results						
	90	96	105	127	137		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Individual Mobility of Staff (HE – VET - Schools – Adult)	15 02 01 01	127 947	293.2
Students Mobility HE	15 02 01 01	356 074	741.0
Students Mobility VET	15 02 01 01	130 391	376.0
Erasmus Mundus Joint Masters	15 02 01 01	5 300	122.0
Masters (Student loan guarantee facility)	15 02 01 01	1 200	3.0
Operating grants for National Agencies	15 02 01 01	58	95.5
Total			1630.7

Outputs		Number of outputs foreseen (F) and produced (P) ¹¹⁰						
		2014	2015	2016	2017	2018	2019	2020
Individual Mobility of Staff (HE,VET,Schools,Adult)	F	71 541	72 474	76 326	90 191	97 876	113 654	127 947
	P	85 971	84 191	89 518	106 007	127 430		
Students Mobility HE	F	223 857	224 286	236 207	239 142	280 781	309 060	356 074
	P	233 967	239 474	255 551	289 889	313 333		
Students Mobility VET	F	77 554	77 650	81 777	87 227	99 328	121 200	130 391
	P	89 882	95 799	104 524	126 511	136 835		
Erasmus Mundus Joint Masters	F	1 608	2 800	3 400	4 000	4 600	5 300	5 300
	P	2072	2 289	2 466	2 876	3 183 ¹¹¹		
Masters (Student loan guarantee facility)	F	10 964	12 764	20 890	19 426	19 426	19 000	1 200
	P	0*	3 440	6 569	7 081	3 000 ¹¹²		
Operating grants for National Agencies	F	55	55	55	55	55	55	58
	P	55	55	56	57	58		

*The Facility has been established as from 2015

Justification of changes to the financial programming and/or to the performance information

As regard the Student Loan Guarantee Facility, DG EAC is keeping the implementation of the scheme under constant review with EIF (European Investment Fund), including on the long-term disbursement schedule, and may adapt to its budgetary needs

¹⁰⁷ Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020. Actual results - EU28 final figures can only be provided when projects are finalised. Data is extracted from completed participant surveys.

¹⁰⁸ According to the Erasmus impact study published in September 2014, "81% of Erasmus students perceive an improvement in their transversal skills when they come back".

¹⁰⁹ Detailed breakdown can be found in the Erasmus+ Annual Report. Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020. Actual results - EU28 preliminary results calculated for awarded projects in a given call year.

¹¹⁰ Result indicator: the final figures can only be provided when all projects will be finalised.

¹¹¹ The number of 3 183 students and mobile staff is a direct function of the Heading 1 and Heading 4 (international) funds available for the action, which have been implemented completely.

¹¹² Based on a close monitoring of the Student Loan Guarantee Facility uptake, the budget and targets are adapted along the year. The target of 19 000 loans relates to a commitment of EUR 50 million at the start of the 2018 budgetary exercise. This amount was subsequently downsized to EUR 18 million as part of the Erasmus+ Work Programme 2018 (estimated target of 7 081 loans). In practice, EUR 8 million have been committed, corresponding to approximately 3 000 loans). For 2019, a commitment of EUR 3 million (corresponding to around 1 125 loans) is envisaged.

accordingly. 2018 figures onwards have been updated to take on board the recalibration discussions with the EIF as regard the future implementation of the instrument.

Specific Objective 2: to foster quality improvements, innovation excellence and internationalisation at the level of education and training institutions, in particular through enhanced transnational cooperation between education and training providers and other stakeholders;

Indicator 1: The number of users of Euroguidance

Baseline 2013 ¹¹³	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018 ¹¹⁴	2019	
2 921 925 hits on Euro guidance websites				5 million			10 000 000
	Actual results						
	3 561 668	5 000 000 ¹¹⁵	2 983 273 ¹¹⁶				
11 411 participants in Euro guidance seminars/workshops	7 643			10 000			100 000
	Actual results						
	31 832	30 463					

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Strategic partnerships (School, HE, VET, Adult)	15 02 01 01	4 515	645.6
Knowledge alliances / Sector Skills Alliances / European Universities	15 02 01 01	72	120.0
Web platforms	15 02 01 01	2	16.8
Total			782.4

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Strategic partnerships (School, HE, VET, Adult) ¹¹⁷	F	1 739	1 780	1 863	3 026	3 545	3 916	4 515
	P	1 321	1 465	1 867	2 292	3 034		
Knowledge alliances / Sector Skills Alliances ¹¹⁸ / European Universities	F	13	20	42	48	48	42	72
	P	14	15	35	36	48		
Web platforms ¹¹⁹	F	4	4	4	4	4	4	4
	P	4	4	4	4	4		

Specific Objective 3: to promote the emergence and raise awareness of a European lifelong learning area designed to complement policy reforms at national level and to support the modernisation of education and training systems, in particular through enhanced policy cooperation, better use of Union transparency and recognition tools and the dissemination of good practices;

Indicator 1: % of participants who have received a certificate, diploma or other kind of formal recognition of their participation in the Programme

Baseline 2013	Milestones foreseen ¹²⁰						Target 2020
	2014	2015	2016	2017	2018	2019	
HE 100 %		100 %		100 %			100 %
	Actual results ¹²¹						
	100%	100%	100%	100%	100%		
VET 65 %		68 %		70 %			75%
	Actual results ¹²²						
	71%	74%	73%	76%	84%		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Support for policy reform	15 02 01 01	n/a	67.7
Total			67.7

¹¹³ Based on 2013 final reports.

¹¹⁴ Reporting method was changed to comply with DG EMPL's reporting standards, therefore the information related to the number of hits on the Euroguidance is not available.

¹¹⁵ According to Erasmus+ annual report. 2015

¹¹⁶ Cf. Euroguidance Synthesis report 2016

¹¹⁷ The number of strategic partnerships is lower than foreseen because the average grant size is higher than foreseen. Measures are being taken to reduce the average grant size in coming years.

¹¹⁸ The number of Knowledge Alliances/Sector Skills Alliances is lower than foreseen in 2015 and 2016 because the average grant size is higher than estimated.

¹¹⁹ The platforms counted as of 2020 are only those with budgetary impact for the given year. Due to 2-year contracts the number changes. Nevertheless, the following platforms are operated continuously every year: School Education Gateway, eTwinning, Electronic Platform for Adult Learning in Europe (EPALE).

¹²⁰ Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020.

Actual results - EU28 final figures can only be provided when projects are finalised. Data is extracted from completed participant surveys.

¹²¹ Result indicator: the final results can only be provided when all the formal recognitions have been delivered (year N=3).

¹²² Result indicator: the final results can only be provided when all the formal recognitions have been delivered (year N=3).

Specific Objective 4: to enhance the international dimension of education and training, in particular through cooperation between Union and partner-country institutions in the field of VET and in higher education, by increasing the attractiveness of European higher education institutions and supporting the Union's external action, including its development objectives, through the promotion of mobility and cooperation between the Union and partner-country higher education institutions and targeted capacity-building in partner countries;

Indicator 1: The number of partner country higher education institutions involved in mobility and cooperation actions

Baseline 2013	Milestones foreseen						Target 2020
	2014 ¹²³	2015	2016	2017	2018	2019	
1 000 ¹²⁴	0	1000	1 100		1 200		1 300
	Actual results ^{125 126}						
	1	902	1 049	893	910		

Indicator 2: The number of higher education students receiving support to study in a partner country, as well as the number of students from a partner country coming to study in a Programme country

Baseline 2013	Milestones foreseen						Target 2020
	2014 ¹²⁷	2015	2016	2017	2018	2019	
HE students and staff going to a partner country (in 1 000)	0	3,8	4	4,3	3,6	3	3,9
	Actual results ¹²⁸						
	0	9	13	16	18		
HE students and staff coming from a partner country (in 1 000)	0	15	16	17	14	15	15
	Actual results ¹²⁹						
	0	19	23	25	28		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
International Student and Staff Mobility	Heading 4 19 05 20; 21 02 20; 22 04 20; 22 02 04 02	32 300	107.0
Degree Mobility	Heading 4 19 05 20; 21 02 20; 22 04 20	232	20.9
International HE Capacity Building	Heading 4 19 05 20; 21 02 20; 22 04 20; 22 02 04 02	141	105.9
Total			233.8

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014*	2015	2016	2017	2018	2019	2020
International Student and Staff Mobility (credit mobility) ¹³⁰	F	14 363	15 718	17 906	30 000 ¹³¹	30 000	30 000	32 300
	P	0	28 167	36 136	40 918	46 016		
Degree mobility	F	228	228	280	279	228	238	232
	P	0	518	423	350	400		
International HE Capacity Building	F	135	139	159	168	136	143	141
	P	0	138	147	149	150		

* Implementation of the actions delayed for the subsequent year due to the late adoption of the legal basis of the external instruments.

Specific Objective 5: to improve the teaching and learning of languages and to promote the Union's broad linguistic diversity and intercultural awareness;

Indicator 1: % of participants in long-term mobility declaring that they have increased their language skills

Baseline 2010 ¹³²	Milestones foreseen ¹³³						Target 2020
	2014	2015	2016	2017	2018	2019	
HE: 94 %		95 %		96%	96%		98 %
	Actual results						
	97.6%	97.5%	97.2%	96.6%	97%		
VET: 81 %				87 %	87%		90 %
	Actual results						
	97.1%	96.3%	96.1%	95.5%	96%		

¹²³ International actions were only launched at the end of 2014.

¹²⁴ These figures come from the numbers of non EU HEIs having participated in Erasmus Mundus (EM) and Tempus from 2009 to 2013.

¹²⁵ Provisional figures, for centralized actions only, to be updated when all projects are finalized

¹²⁶ Figures reported centralised actions only.

¹²⁷ International actions were only launched at the end of 2014

¹²⁸ Only decentralised actions are reported here

¹²⁹ Only decentralised actions are reported here

¹³⁰ Number of mobilities based on call year

¹³¹ The original annual forecasts were low at around 16 000 individuals per year. The contracts signed in the second semester 2015 indicated a much higher number of individuals who would be supported with the funds available. . Consequently, 30 000 mobilities per year on average are expected.

¹³² In order to compare data, "long-term" mobility is considered here as from 2 months and over across all sectors.

¹³³ Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020.

Actual results - EU28 final figures can only be provided when projects are finalised. Data is extracted from completed participant surveys.

Specific Objective 6: to promote excellence in teaching and research activities in European integration through the Jean Monnet activities worldwide

Indicator 1: Number of students receiving training through Jean Monnet activities

Baseline 2007	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
120 000	215 000	235 000	260 000	285 000	310 000	335 000	360 000
	Actual results						
	246 000	267 000	286 000	307 000	311 000		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Jean Monnet activities	15 02 02	360	47.1
Total			47.1

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Jean Monnet activities (in 1000)	F	215	235	260	285	310	335	360
	P	246	267	286	248	246		

Specific Objective 7: to improve the level of key competences and skills of young people, including those with fewer opportunities, as well as to promote participation in democratic life in Europe and the labour market, active citizenship, intercultural dialogue, social inclusion and solidarity, in particular through increased learning mobility opportunities for young people, those active in youth work or youth organisations and youth leaders, and through strengthened links between the youth field and the labour market;

Indicator 1: % of participants declaring that they have increased their key competences

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Youth 75 %			77 %				80 %
	Actual results ¹³⁴						
	94%	94%	94%	94%	95%		

Indicator 2: % of participants in voluntary activities declaring that they have increased their language skills

Baseline 2010	Milestones foreseen ¹³⁵						Target 2020
	2014	2015	2016	2017	2018	2019	
87 %		90 %		92 %			95 %
	Actual results						
	97%	97%	96%	96%	¹³⁶		

Indicator 3: The number of young people engaged in mobility actions supported by the Programme, by country, action and gender

Baseline 2012 ¹³⁷	Milestones foreseen ¹³⁸						Target 2020
	2014	2015	2016	2017	2018	2019	
Youth: 59 (in 1000)	69	70	70	77	92	107	124
	Actual results ¹³⁹						
	84	92	102	111	103		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Participants in Youth Exchanges	15 02 01 02	109 600	72.4
Participants in European Voluntary Service projects*	15 02 01 02	0	0
Youth workers participating	15 02 01 02	26 300	19.4
Total			91.8

¹³⁴ The actual results are based on EU28. Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020. Actual results - EU28 final figures can only be provided when projects are finalised. Data is extracted from completed participant surveys.

¹³⁵ The actual results are based on EU28. Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020. Actual results - EU28 final figures can only be provided when projects are finalised. Data is extracted from completed participant surveys.

¹³⁶ There was no survey for this action following introduction of European Solidarity Corps.

¹³⁷ Total of outputs for two actions: Youth exchanges and European Voluntary Service.

¹³⁸ In line with DG EAC Strategic Plan 2016-2020.

¹³⁹ Figures correspond to EU 28 actuals results – participants in awarded projects.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Participants in Youth Exchanges	F	62 400	62 700	62 800	67 900	80 900	94 300	109 600
	P	77 058	78 217	86 500	92 354	96 556		
Participants in European Voluntary Service projects	F	7 100	7 200	7 200	12 000	4 500	0	0
	P	6 834	7 883	8 840	10 117	8 504		
Youth workers participating	F	21 000	21 300	21 600	22 700	23 800	25 000	26 300
	P	33 709	31 496	29 178	31 878	32 910		

Justification of changes to the financial programming and/or to the performance information

* Following regulation (EU) 2018/1475 covering the years 2018 to 2020 providing for a distinct EU funding instrument supporting volunteering activities, Erasmus+ European Volunteering Service (EVS) funding was discontinued in favour of the European Solidarity Corps Programme.

Specific Objective 8: to foster quality improvements in youth work, in particular through enhanced cooperation between organisations in the youth field and/or other stakeholders;

Indicator 1: The number of users of the Eurodesk network

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
140 000 information enquiries answered through the Euro desk network	140 000	140 000	140 000	140 000	140 000	140 000	140 000
	Actual results						
	258 500	266 000	338 381 ¹⁴⁰	338 116	141		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Strategic partnerships	15 02 01 02	2 780	61.0
Web Platforms	15 02 01 02	1	0.7
Total			61.7

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Strategic partnerships ¹⁴²	F	1 160	1 420	1 800	2 040	2 280	2 530	2 780
	P	1 677	2 016	2 027	2 568	2 019		
Web Platforms	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		

Specific Objective 9: to complement policy reforms at local, regional and national level and to support the development of knowledge and evidence-based youth policy as well as the recognition of non-formal and informal learning, in particular through enhanced policy cooperation, better use of Union transparency and recognition tools and the dissemination of good practices;

Indicator 1: % of participants who have received a certificate 'for example a Youthpass', diploma or other kind of formal recognition of their participation in the Programme

Baseline 2010	Milestones foreseen ¹⁴³						Target 2020
	2014	2015	2016	2017	2018	2019	
26 %		35 %		45 %			65%
	Actual results ¹⁴⁴						
	77%	78%	81%	83%	85%		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Structured Dialogue projects	15 02 01 02	169	5.9
Operating grants to European Youth NGOs	15 02 01 02	75	3.2
Support to Euro desk	15 02 01 02	36	1.9
European Youth Forum	15 02 01 02	1	2.2
Others	15 02 01 02	20	6.8
Total			20.0

¹⁴⁰ This figure has significantly increased because of the European Solidarity Corps kick off which generated a lot of interest and enquiries across the network.

¹⁴¹ Eurodesk will make data for 2018 available mid-March 2019.

¹⁴² Including Trans-National Cooperation activities.

¹⁴³ Milestones foreseen - In line with DG EAC Strategic Plan 2016-2020.

Actual results - EU28 final figures can only be provided when projects are finalised. Data is extracted from completed participant surveys

¹⁴⁴ Result indicator: the final results can only be provided when all the certificates will be received.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Structured Dialogue projects	F	150	153	157	160	163	166	169
	P	166	220	234	282	300		
Operating grants to European Youth NGOs	F	66	68	69	71	72	73	75
	P	60	70	77	88	90		
Support to Euro desk	F	35	35	35	35	35	35	36
	P	35	35	35	35	35		
European Youth Forum	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		
Others	F	20	20	20	20	20	20	20
	P	20	20	20	20	20		

Specific Objective 10: to enhance the international dimension of youth activities and the role of youth workers and organisations as support structures for young people in complementarity with the Union's external action, in particular through the promotion of mobility and cooperation between the Union and partner-country stakeholders and international organisations and through targeted capacity-building in partner countries.

Indicator 1: The number of youth organisations from both Programme countries and partner countries involved in international mobility and cooperation actions

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
5 300	5 500		5 600		5 800		6 000
	Actual results						
	9 179	6 179	7 371	8 198	5 648		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Capacity building projects	15 02 01 02	83	13.7
Total			13.7

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Capacity building projects	F	82	95	103	65	70	79	83
	P	60	61	56	82	93		

Specific Objective 11: to tackle cross-border threats to the integrity of sport, such as doping, match-fixing and violence, as well as all kinds of intolerance and discrimination;

Indicator 1: % of participants who have used the results of cross-border projects to combat threats to sport

Baseline 2009-2013	Milestones foreseen ¹⁴⁵						Target 2020
	2014	2015	2016	2017	2018	2019	
0% (new EU action, no baseline available)	6,6 %			50 %			75 %
	Actual results						
	55%	60%	65%	70%	¹⁴⁶		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Sport activities - cross-border projects to combat threats to sport	15 02 03	46	9.8
Total			9.8

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Sport activities - cross-border projects to combat threats to sport	F	8	8	12	40	42	42	46
	P	6	6	13	27	12 ¹⁴⁷		

Justification of changes to the financial programming and/or to the performance information

The indicators for Sport aim at measuring the improvement that the Erasmus+ programme brings in reaching relevant organisations, compared to the Preparatory Actions in the field of Sport (2009-2013). The baseline values are therefore computed

¹⁴⁵ In line with DG EAC Strategic Plan 2016-2020.

¹⁴⁶ Result indicator: the final results can only be provided when all the projects will be finalised.

¹⁴⁷ Priority given to projects promoting health enhancing physical activity in line with commitment n°1 of the [Tartu Call for a Healthy Lifestyle](#).

from these former Preparatory Actions in the field of sport. The thematic areas in the Preparatory Actions were different each year, but correspond over the whole 2009-2013 period to the specific objectives for Sport in Erasmus+.

Specific Objective 12: to promote and support good governance in sport and dual careers of athletes;

Indicator 1: % of participants who have used the results of cross-border projects to improve good governance and dual careers

Baseline 2009-2013	Milestones foreseen ¹⁴⁸						Target 2020
	2014	2015	2016	2017	2018	2019	
0% (new EU action, no baseline available)	9 %			50 %			75 %
	Actual results						
	40%	35%	45%	55%	¹⁴⁹		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Sport activities - cross-border projects to improve good governance and dual careers	15 02 03	82	16.3
Total			16.3

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Sport activities - cross-border projects to improve good governance and dual careers	F	14	16	23	39	40	70	82
	P	4	12	5	46	65		

Specific Objective 13: to promote voluntary activities in sport, together with social inclusion, equal opportunities and awareness of the importance of health-enhancing physical activity through increased participation in, and equal access to, sport for all.

Indicator 1: % of participants who have used the results of cross-border projects to enhance social inclusion, equal opportunities and participation rates

Baseline 2009-2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0% (new EU action, no baseline available) ¹⁵⁰				50 %			75 %
	Actual results						
	35%	45%	55%	80%	*		

Indicator 2: Size of membership of sport organisations applying for, and taking part in, the Programme, by country

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
% (new EU action, no baseline available)				30 %			50%
	Actual results						
	25%	25%	27%	30%	*		

Size of membership of sport organisations (% of small grassroots less than 1000 members in the projects)

*Result indicator: the final results can only be provided when all the projects will be finalised

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Sport activities - cross-border projects to enhance social inclusion	15 02 03	200	39.0
Total			39.0

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Sport activities - cross-border projects to enhance social inclusion	F	21	24	35	168	175	168	200
	P	26	30	117	120	177		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

The share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	1 493,9	1 690,7
Inclusive Growth (employment and skills, fighting poverty)	1 161,3	1 243,4
Total	2 655,2	2 934,1

¹⁴⁸ In line with DG EAC Strategic Plan 2016-2020.

¹⁴⁹ Result indicator: the final results can only be provided when all the projects will be finalised.

¹⁵⁰ In line with DG EAC Strategic Plan 2016-2020.

Contribution to mainstreaming of climate action

Europe's future will be built by young people. This is why they need to be empowered to develop the capacities and skills to help tackle climate change. Erasmus+ is offering young people the chance to join training and field projects on **environment, energy and climate change** as to respond to the important focus on getting the right skills and competences for the labour market of the future, especially in the growing sector of green jobs. This support can cover a wide range of activities, from training youth workers and young people, to connecting citizens to discuss topics such as economic developments and climate change; to Erasmus+ capacity building projects; and Sector Skills Alliances for implementing new strategic approaches with regard to i.a agricultural sustainability, management of natural resources and climate action. The Commission is proposing, with a double of funding for the Erasmus programme 2021-2027, a focus on promoting forward-looking study fields, giving more attention to study fields such as **renewable energy, climate change, environmental engineering, artificial intelligence or design**.

Erasmus+ has funded over 4 000 projects addressing environment and climate change in the period 2014-2018.

Gender mainstreaming

Equality between men and women is a broad EU objective, and is explicitly stated in the Erasmus+ programme. Erasmus+ aims at promoting equity and inclusion by facilitating the access to participants with disadvantaged backgrounds and fewer opportunities compared to their peers whenever disadvantage limits or prevents participation in transnational activities for reasons such as dissocial obstacles caused by discrimination on basis of gender. The participation to date shows excellent gender balance for the participants

In addition, Erasmus+ supports projects dealing with the issue of gender equality; e.g. focusing on changing mentalities through reflection and the exchange of best practices, sensitising children to gender and diversity, developing new and innovative methods to break down barriers for young girls in science and technology education, etc.

Erasmus+ has funded over 2 300 projects addressing gender equality in the period 2014-2018.

In the field of **Sport**, in addition to the regular activities, the programme contributed to cooperation with the Council of Europe, the United Nations Office on Drugs and Crime (UNODC), the World Health Organisation and the National Football Information Points (NFIP) network, with dedicated projects to tackle key issues such as gender equality, match-fixing and violence in sport.

After a very successful edition in Malta in 2017, the 2018 **EU Sport Forum** took place on 22 and 23 March in Sofia, Bulgaria. Different sessions and workshops addressed key questions such as the impact of the Olympic games on the environment, the role of sport in fighting climate change and the Paris agreement, the role of sport in promoting European values and promoting gender equality in sport.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere: Through its activities to achieve social inclusion through education, Erasmus+ contributes to achieving Goal 1 of the SDGs, in particular its target of reducing at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.

SDG 3 Ensure healthy lives and promote well-being for all at all ages: Through its education and training and sport activities, Erasmus+ promotes healthy habits and well-being, particularly among the youth, hence contributing to SDG 3, notably to its target on reducing by one third premature mortality from non-communicable diseases through prevention and treatment and promotes mental health and well-being. The **Tartu Call for a healthy life style** sets out a roadmap for promoting healthy lifestyles in Europe, particular among children.

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all: Much like the Sustainable Development Goal 4, the EU Strategic Framework for European Cooperation in Education and Training (ET 2020) is designed to support Member States in ensuring inclusive and equitable quality education and in promoting life-long learning opportunities for all, from early childhood education and schools through to higher education, vocational education and training and adult learning. The ET 2020 priorities, adopted by Council and Commission in November 2015, have a direct influence on the Erasmus+ Work Programmes, as Erasmus + provides funding to support initiatives such as social inclusion through education and training, addressing early school-leaving and underachievement in reading, mathematics and science; fostering employability of graduates and adult participation in learning, and enhancing democratic citizenship, social, civic and intercultural competences and the common EU values.

On the international scene, the EU has an active policy for cooperation in education and training with third countries by promoting peer-to-peer learning and comparison with education systems worldwide. In particular, the EU's Erasmus+ mobility and inter-university cooperation programme is an invaluable instrument for establishing lasting academic and cultural ties, also promoting the EU in partner countries. Overall Erasmus+ funding for third countries will support around 200 000 mobility exchanges of university students and staff, 1 000 capacity building in higher education projects and around 27 000 scholarships and teaching staff within Erasmus Mundus Joint Master Degrees, primarily for partner countries across the world. Support is also provided to higher education in Africa through the Joint Africa-EU Strategy.

SDG 5 Achieve gender equality and empower all women and girls: The Erasmus+ Programme aims at removing social obstacles for participation in it for people facing discrimination because of gender, among other reasons. Strategic partnerships in the field of

Youth give priority to projects that promote the empowerment of all young people, with a special focus on access to rights, autonomy and participation. The promotion of gender equality and equal opportunities is a specific objective in the field of sport.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all : All the actions of the Erasmus+ Programme contribute to increase the employability of the young people that participate in it, as shown by several studies. This is achieved through a combination of several outcomes, e.g. the acquisition of new skills, increased autonomy, increased knowledge of foreign languages, etc. The emphasis on inclusion aims to ensure that all can reap these benefits irrespective of disadvantage.

SDG 10 Reduce inequality within and among countries: In general, the Erasmus+ Programme aims at promoting equity and inclusion by facilitating access to it to participants with disadvantaged backgrounds and fewer opportunities compared to their peers. More specifically in the field of Youth, an Inclusion and Diversity Strategy has been designed as a common framework to support the participation and inclusion of young people with fewer opportunities.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: One of the aims as regards students, trainees, apprentices, young people and volunteers participating in any of the mobility activities supported under Erasmus+ is a more active participation in society.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

Launched in 2015, the Erasmus+ Master Loan Scheme is a guarantee facility established under the Erasmus+ programme. Its objective is to incentivise commercial and retail banks, promotional banks, student loan bodies and other financial intermediaries, such as higher education institutions, to extend loans on favourable terms to mobile students pursuing a full higher education degree (Masters' programme) in a country which is neither their country of residence nor the country in which they obtained their qualification granting access to the Master's programme. The incentive is provided through effective portfolio credit risk transfer (via a guarantee or a counter-guarantee) by the **European Investment Fund** on behalf of the Commission, through a delegation agreement.

The scheme is designed to support postgraduate students and protect them from student hardship with social safeguards including:

- No need for collateral from students or parents, ensuring equality of access;
- Favorable, better than market interest rates;
- Pay-back terms that allow graduates up to two years to find work before beginning repayment.

Building on the achievements and lessons learned from the Master Loan Scheme, it is intended for the future InvestEU investment programme to support (under its window on "Social Investment and Skills") a broad range of individual and institutional loan schemes targeting skills development including but going beyond the field of tertiary education.

HEADING 1A: Competitiveness for growth and jobs**European Union Programme for Employment and Social Innovation (EaSI)**

Lead DG: EMPL

I. Overview***What the programme is about?***

The Employment and Social Innovation (EaSI) programme is a financing instrument at EU level to promote a high level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions. The three axes of EaSI support the modernisation of employment and social policies (PROGRESS axis), job mobility (EURES axis), and access to micro-finance and social entrepreneurship (MF/SE axis).

EU added value of the programme

EaSI provides EU funds to coordinate the implementation of the employment and social objectives of the Europe 2020 Strategy for smart, sustainable and inclusive growth. EaSI creates added value to national policies by developing, coordinating and implementing modern, effective and innovative EU employment and social policies; for instance, with regards to the exchange of good practices, the social policy innovations, the cross-border partnerships, the support provided to social enterprises as well as regarding the provision of loans to vulnerable people.

The Programme focuses on key actions with high European added value such as:

- supporting the EU policy-making process and stronger EU policy-coordination/economic governance such as in the context of the European Semester;
- focusing on the transnational dimension of employment, social, working conditions and health and safety at work policy;
- ensuring development and proper application of EU laws in the field of employment, working conditions, health and safety at work and social protection;
- promoting EU governance, mutual learning, effective and inclusive information sharing and dialogue to consolidate cooperation between Member States and achieve EU goals;
- making knowledge and expertise accessible at EU level through policy experimentation and transferring best practices across Member States;
- promoting workers' EU geographical mobility by developing services for the recruitment and placing of workers (in particular young people and professionals) in employment through the clearance at European level of vacancies and job applications;
- increasing the availability and accessibility of microfinance, as additional funding is more likely to be attracted from third-party investors such as the European Investment Bank.

Implementation mode

Directorate-General for Employment, Social Affairs & Inclusion (DG EMPL) is the lead DG for the programme implementation.

The programme is mostly implemented through direct management:

- Calls for Proposals in EMPL's field of employment, social Affairs and inclusion;
- Awarding direct grants within the limits of the Financial Regulation (e.g. International Organisations, on account of their technical competence and high degree of specialisation);
- Public procurement;

It is also implemented through indirect management for the financial instruments part of the microfinance and social entrepreneurship axis.

II. Programme Implementation Update***Implementation status (2016-2018)***

In 2018, the PROGRESS axis concentrated on gathering evidence through studies, analysis and EU statistics to shape policy developments. In addition, it fostered shared understanding of policy options and solutions by providing for high quality, inclusive, and participatory policy debates. It also promoted the involvement of civil society through financial support for key Union level NGOs and implementation of the Social Investment Package¹⁵¹. Under social innovation, the support focused on access to social protection, national reform, but also innovative work-life balance strategies to facilitate reconciliation of professional and caring responsibilities. It also provided support for the deployment of skills assessments in the implementation of "Upskilling

¹⁵¹ The Social Investment Package was adopted by the European Commission in February 2013, <https://ec.europa.eu/social/main.jsp?catId=1044&langId=fr>

Pathways¹⁵². Enhancing administrative cooperation and access to information concerning the posting of workers as well as tackling undeclared work also were in this axis' limelight.

The EURES axis continued its support to the European job mobility portal, training courses on EURES services, as well as horizontal support to the member organisations of the EURES network. Cross-border partnerships supporting mobility for frontier workers in the cross-border regions along with targeted mobility schemes, following the preparatory action "Your First EURES job" were also supported.

Concerning the MF/SE axis, after the signature of the Delegation Agreement with the European Investment Fund in 2015, the implementation of the EaSI Guarantee continued in 2018. By the end of 2018, 101 operations (76 for Microfinance and 25 for Social Entrepreneurship) have already been signed in 29 countries for a total amount of EUR 178.6 million (129.2 million for Microfinance and 49.4 million for Social Entrepreneurship). The full absorption of the initial EaSI budget of EUR 56m for microfinance by late 2016, coupled with the strong pipeline for social entrepreneurship, consequently led to a EUR 100 million top-up from the European Fund for Strategic Investments (EFSI) in December 2017 which further on increased by an additional top-up of EUR 200 million from EFSI 2.0 in December 2018. In light of this, the initial total EU budget earmarked for the EaSI Guarantee instrument over 2014-2020 has been increased from EUR 96 million to EUR 396 million for both microfinance and social entrepreneurship.

With regard to EaSI Technical Assistance (TA), the programme offers a range of support activities to European microfinance institutions (MFIs), including capacity-building tailored trainings and training courses on the implementation of the European Code of Good Conduct for microcredit provision under the programme. The EaSI TA programme was launched in 2015 and is now in its third phase. Since March 2018, the EaSI TA programme is directly managed by the European Commission.

Key achievements

In pace with the overall political priority to boost youth employment, **EaSI-Progress** supported a project 'Make the Future...Today' strengthened the Youth Guarantee scheme in Portugal. The Youth Guarantee support services were initially concentrated in the group of young people 'not in employment, education or training' (NEET) but lately it was necessary to also reach out to NEETs not registered as unemployed. Besides reducing the number of young NEETs it also aimed to increase the number of registrations of those youngsters that are not registered in the Youth Guarantee database. As a result of the work the average time of response between a request submission and contact has dropped (from 100 days in the period 2014-2016 to some 20 days in the first quarter of 2018). Even though a direct cause-effect relationship is hard to establish, Portugal is achieving excellent performance in recent years. The youth unemployment rate (15-24 years old) dropped from about 42% in 2013 to levels below 20% and the NEET rate (15-34 years old) decreased from levels higher than 18% in 2013 to levels below 9% (Portuguese national statistics institute, 2018).

In the area of posting of workers, the Post Lab project enabled the administrative cooperation between inspection authorities and social partners in the construction sector in Italy, Romania, France and Spain. The project identified how cooperation between inspection authorities and social partners can produce relevant data and information, which can be eventually properly registered and shared at national and transnational level, with a view to reducing the administrative burden on employers while easing the protection of workers' rights.

EaSI EURES –Your First Eures Job- is an intra-EU job mobility scheme aiming at helping young nationals in the 18–35 age brackets to find a work placement - job, traineeship or apprenticeship - in another country than their country of residence. YFEJ is being implemented in the framework of EaSI as a 'targeted mobility scheme' (TMS). Since the start date of the YFEJ activities in February 2015, a total of 5465 placements were made (until end of June 2018). Due to the improved labour market context in Member States, the use of the EURES Job Mobility Portal is decreasing since 2017 but still remains important (0.9 million visits every month). In 2017, there were 7349 job placements resulting from consultations with jobseekers as a result of YFEJ and other TMS in total, with additional 1204 placements in the first six months of 2018.

MF/SE axis - EaSI financial instruments, in particular the Guarantee part of the scheme has started successfully in 2015 and continued in 2018. More specifically, the latest figures regarding transactions notified by EIF at the end of December 2018 suggest an expected leverage effect of EU contribution within the range of 5.5-30.4 with an estimated average leverage value of 12. This leverage effect is more than twice the Minimum Leverage Effect set in the Delegation Agreement (5.5) and suggests important gains in terms of effectiveness (improved results compared to initially foreseen) and in terms of efficiency gains (higher leverage effect and more efficient use of EU contribution). The 62 signed transactions under the Microfinance/Social enterprise axis for a total amount of EUR 105.1 million are expected to unlock more than EUR 1.3 billion of financing for micro- and social enterprises thanks to a leverage effect, already surpassing the initial target of EUR 528 million of financing set for the EUR 96 million initially earmarked for the EaSI Guarantee instrument over the whole programming period.

Evaluations/studies conducted

The findings of the mid-term evaluation confirm that the general and specific objectives of the EaSI programme continue to be relevant, in particular in light of the current challenging socio-economic context characterised by the aftermath of the financial and economic crisis, with positive but slow recovery.

¹⁵² See Council recommendation of 19 December 2016 on Upskilling Pathways: New Opportunities for Adults, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOC_2016_484_R_0001

The programme has achieved good quality outcomes, but in limited quantity given its limited resources. For instance, scaling-up of projects is hindered by lack of adequate follow-up to ensure their long-term sustainability. During 2019, using several events, the Commission will reflect with beneficiaries and stakeholders on ways to enhance the sustainability.

Even though the three axes seem to operate independently, options have been identified which could result in synergies between the different Progress projects but also between Progress and the Microfinance/Social Entrepreneurship axes. Moreover, the EURES and Microfinance/Social Entrepreneurship funding needs to be adjusted to meet the high demand and to ensure continuation of the support beyond the current programming cycle.

Despite the complementarities between EaSI and other EU instruments, further coherence is hampered by the variety of intervention logic and rules governing the funds. Specific mechanisms have to be put in place in order to improve synergies between EU funds, for instance enabling the social experimentation tested under EaSI to be scaled up or multiplied with ESF funding. Streamlining the rules could help to maximise the potential of such complementarities and synergies.

EaSI produced demonstrable EU added value in terms of scope and scale, compared to national and regional support. Other national or regional funding schemes cannot support policy experimentation across different participating countries and EU-level NGO networks as EaSI currently does. The programme is also an appropriate vehicle for EU-wide deliverables such as comparative databases, studies, mutual learning activities, and support for the social investment market and cross-border partnerships.

These recommendations were reflected in the Commission proposal for the ESF+ post 2020. As EaSI will become one of the pillars of the ESF+, establishing synergies, interactions and complementarities would be facilitated also by the new governance arrangements for managing the EaSI strand. *Relevant links*¹⁵³: <https://ec.europa.eu/social/home.jsp?langId=en>

Forthcoming implementation (2019-2020)

For the remaining years of the programme until 2020, EaSI will implement the European Pillar of social rights. Within the **PROGRESS axis**, a particular attention was also placed on the call for proposals on social innovation and national reforms in three lots: work-life balance, access to social protection and national reform support. These calls aim at funding projects to test and implement innovative strategies encompassing, among others, flexibility of work organisations, facilitating access to information on social protection entitlements, pension & social protection reforms. The projects under these calls are currently ongoing. However, the overall response to the Social Innovation calls did not justify a continuation in 2019 on an equal scale. Within the coming year the Commission will engage with the stakeholders and project beneficiaries to seek for ways to enhance the participation in EaSI and in particular social innovation/experimentation as well as a further upscaling of the EaSI projects under other financing schemes. For the first time in 2019, the Commission will organise an annual conference of the EaSI beneficiaries. This will bring together project implementers, ESF managing authorities and practitioners to discuss the sustainability of EaSI supported projects as well as their upscaling by the ESF.

The framework contracts for EaSI TA has become operational in 2018 and will continue to be used in the coming period, including the TA for social enterprise finance providers.

The EaSI EURES axis will continue to support the implementation of EURES Regulation 2016/589. Yet, with the adoption of the European Labour Authority regulation, some of the current EURES activities will be taken over by the new authority as of end 2019. This applies to the functioning of the EURES network and its trainings and communication.

The EURES Portal, managed by the European Coordination Office (ECO), holds 3 million job offers daily and over 400,000 CVs ready for matching. The introduction of the European classification of skills, qualifications and occupations, foreseen to be finished in 2021, will further contribute to a better digital job matching and targeted placements across borders. The main challenges for the EURES network remain to complete the implementation of the CV and job vacancy exchange with all Member States. The governance of the network has been reinforced through new monitoring and performance tools.

Concerning the **MF/SE axis** of EaSI, for the 2019/2020 period, the EaSI Guarantee for microfinance and social entrepreneurship will pursue its deployment with the additional resources provided by the European Fund for Strategic Investments (EFSI). The EaSI Guarantee will also include a grant pilot for funding business development services targeting refugees and migrants that will be implemented in 2019. Other instruments such as the EaSI capacity-building instrument and the EFSI Equity social impact pilots (social incubation facility and social business angel co-investment facility) will continue to be implemented. The EaSI Funded instrument (i.e. loans to primarily non-bank intermediaries) is expected to be launched in the course of 2019. In addition, a follow-up call for proposal for transaction cost support grants will be implemented in 2019 in order to continue supporting small investments of up to EUR 500,000 in social enterprises, complementing, among others, the support provided under the EFSI Equity social impact pilots for 2019/2020.

As in previous years, there is a strong pipeline under the EaSI Capacity Building investments window, aiming at building up the institutional capacity (i.e. modernisation) of selected financial intermediaries in Europe for both microfinance and social entrepreneurship, primarily through equity investments. Following the first operation signed in 2018, new operations are expected to be supported during 2019 and 2020. The same goes for the EFSI SME Window Equity Product social impact pilots, namely the social incubators/accelerators where new actions are expected to be financed in the next two years.

¹⁵³ As the publication of the mid-term evaluation is pending, the provided link is the one of the open public consultation in the context of the mid-term evaluation

Outlook for the period 2021-2027

In the Commission’s proposal for the next Multiannual Financial Framework, the current EaSI is integrated into the ESF+. The new proposal has a linear structure with a single set of operational objectives with no divisions based on axis. The financial instruments of the current third axis of the programme will continue under the InvestEU programme.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1296/2013 of the European Parliament and of the Council of 11 December 2013 on a European Union Programme for Employment and Social Innovation ("EaSI") and amending Decision No 283/2010/EU establishing a European Progress Microfinance Facility for employment and social inclusion	2014 - 2020	919,5

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	3,8	4,3	4,7	4,0	3,4	3,4	2,5	26,1
Operational appropriations	119,2	124,3	122,4	132,0	128,3	132,7	116,6	875,5
Total	123,0	128,6	127,1	136,0	131,7	136,1	119,1	901,6

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	131,712	98,20 %	116,118	98,38 %	136,061	7,34 %	118,400	27,10 %
Authorised appropriations (*)	140,716	95,41 %	125,807	94,52 %	150,256	7,87 %	132,324	26,39 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific objectives

Specific Objective 1: Support the development, implementation, monitoring and evaluation of the Union's instruments, policies (promoting a high level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions*) and relevant law and promote evidence-based policy-making, social innovation and social progress, in partnership with the social partners, civil society organisations and public and private bodies (PROGRESS Axis)

Indicator 1: Declared gain of better understanding of EU policies and legislation

Latest-known result	Milestones foreseen					Target 2020
	2014	2015-2016	2017	2018	2019	
92% of the respondents to the 2013 Annual Survey on PROGRESS ¹⁵⁴			> 85%			Maintain results over 85%
	Actual results					
	91%	87%	91%			

Indicator 2: Active collaboration and partnership between government institutions of the EU and Member States

Latest-known result	Milestones foreseen					Target 2020
	2014	2015-2016	2017	2018	2019	
91% of respondents to the 2013 annual survey on PROGRESS ¹⁵⁵			> 85%			Maintain results over 85%
	Actual results					
	86%	88.19%	89%			

Indicator 3: Declared use of social policy innovation in the implementation of social CSRs and the results of social policy experimentation for policy making

Baseline	Milestones foreseen					Target 2020
	2014	2015-2016	2017	2018	2019	
62% of respondents (2014 survey)			64%			> 66%
	Actual results					
	62%	49.2%	64%			

Source to be used: EaSI survey – every 2 years

¹⁵⁴ Question: Would you agree or disagree (scale 1 to 5 or NA) that the event you participated in helped you gain a better understanding of EU policies and objectives in the field that the event specifically addressed

¹⁵⁵ Question: Would you agree (scale 1 to 5 or NA) that there is a sense of collaboration and partnership between your organisation and the EU institutions?

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
PROGRESS Sub-objective no1: Develop and disseminate high-quality comparative analytical knowledge in order to ensure that Union employment and social policy and working conditions ¹⁵⁶ legislation are based on sound evidence and are relevant to needs, challenges and conditions in the individual Member States and other participating countries			
Analytical activities (eg. knowledge data base, EUROMOD, policy & legal experts' network, studies, skills panorama joint analysis with international organisations, preparatory studies for impact assessment, monitoring of policies and laws)	04 03 02 01	30	18.2
PROGRESS Sub-objective no 2: Facilitate effective and inclusive information-sharing, mutual learning and dialogue on Union employment and social policy and working conditions ¹⁵⁷ legislation at Union, national and international level in order to assist the Member States and the other participating countries in developing their policies and in implementing Union law			
Mutual learning, awareness and dissemination activities (eg. PES to PES dialogue, peer review, mutual learning seminars, joint projects with OECD, ILO, World Bank, international conferences, European level events, Presidency Conferences, Observatory on Personal and Household services)	04 03 02 01	36	21.2
Support for main actors (eg. exchange of Inspectors SLIC, visits, reports, European Employment Observatory, Heads of Public Employment Services Network, meetings)	04 03 02 01	5	4
PROGRESS Sub-objective no 3: Provide policy-makers with financial support to test social and labour market policy reforms, build up the main actors' capacity to design and implement social experimentation, and make the relevant knowledge and expertise accessible			
Analytical activities (eg. Financial support for social experimentation projects)	04 03 02 01	4	10.2
Support for main actors (eg. Research, methodological development analysis, training activities including through experts networks, community of practice, digital platforms)	04 03 02 01	4	3
PROGRESS Sub-objective no 4: Provide Union and national organisations with financial support to step up their capacity to develop, promote and support ¹⁵⁸ the implementation of Union employment and social policy and working conditions legislation			
Support for main actors (eg. running costs of EU NGO's networks, transnational cooperation between public authorities, civil society organisations and other relevant actors, technical assistance to microcredit providers)	04 03 02 01	10	21.8
Total		89	78.4

Outputs	Number of outputs foreseen (F) and produced (P) ¹⁵⁹							
		2014	2015	2016	2017	2018	2019	2020
*Note: output numbers for the DB year and beyond reflect the legal basis programmed over 7 years. Output numbers for 2014-2017 were adjusted on the basis of annual programmes.								
PROGRESS Sub-objective no 1: Develop and disseminate high-quality comparative analytical knowledge in order to ensure that Union employment and social policy and working conditions ¹⁶⁰ legislation are based on sound evidence and are relevant to needs, challenges and conditions in the individual Member States and other participating countries								
Analytical activities	F	29	30	22	25	30	29	30
	P	26	30	17 ¹⁶¹	11			
Mutual learning, awareness and dissemination activities	F			3	2			
	P			3	2			
Support for main actors	F		6	2	3			
	P		3	1	1			
PROGRESS Sub-objective no 2: Facilitate effective and inclusive information-sharing, mutual learning and dialogue on Union employment and social policy and working conditions ¹⁶² legislation at Union, national and international level in order to assist the Member States and the other participating countries in developing their policies and in implementing Union law								
Analytical activities	F		3	7	3			
	P		3	5	1			
Mutual learning, awareness and dissemination activities	F	31	19	22	15	35	35	36
	P	26	11	15	8			
Support for main actors	F	5	9	9	5	5	5	5
	P	4	8	7	1			
PROGRESS Sub-objective no 3: Provide policy-makers with financial support to test social and labour market policy reforms, build up the main actors' capacity to design and implement social experimentation, and make the relevant knowledge and expertise accessible								
Analytical activities	F	4	1		3	4	4	4
	P	4	1		1			

¹⁵⁶ The policy field "Working conditions" does cover both areas of « labour law » and « safety and health at work ».

¹⁵⁷ The policy field "Working conditions" does cover both areas of « labour law » and « safety and health at work ».

¹⁵⁸ The policy field "Working conditions" does cover both areas of « labour law » and « safety and health at work ».

¹⁵⁹ Unless stated otherwise, differences between planned and produced outputs result from shifts in priorities or other informed decisions (e.g. integration of several actions) and present no impact for the overall achievement of the supported specific objectives.

¹⁶⁰ The policy field "Working conditions" does cover both areas of « labour law » and « safety and health at work ».

¹⁶¹ The difference between the foreseen and produced outputs is due to redeployments within the programme to increase the budget of the call for proposals on social innovation 'integration of refugees in the labour market'

¹⁶² The policy field "Working conditions" does cover both areas of « labour law » and « safety and health at work ».

Mutual learning, awareness and dissemination activities	F	2			1			
	P	2			1			
Support for main actors	F	3	1	1	2	5	4	4
	P	3	1	1	1			
PROGRESS Sub-objective no 4: Provide Union and national organisations with financial support to step up their capacity to develop, promote and support the implementation of Union employment and social policy and working conditions ¹⁶³ legislation								
Analytical activities	F		1	1	1			
	P		1	3	1			
Mutual learning, awareness and dissemination activities	F			3	2			
	P			3	2			
Support for main actors	F	10	8	7	3	10	10	10
	P	10	6	5	2			

Specific Objective 2: Promote workers' voluntary geographical mobility on a fair basis and boost employment opportunities by developing high-quality and inclusive Union labour markets that are open and accessible to all, while respecting workers' rights throughout the Union, including freedom of movement (EURES Axis)

Indicator 1: Number of visits of the EURES platform (monthly average in million)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1,7 million				0.8 million			2 million
Indicator measured by Matomo*	Actual results						
	1,4	1,4	1,4	1,2	0,9		

* Use of the Matomo instrument recommended by the Commission (see enclosed note). Compared to previous years there has been a decrease in the number of visits since 2017, which is likely to be due to the improved labour market context in Member States.

Indicator 2: *Number of youth job placements achieved or supported under the Preparatory Action Your First EURES Job (YFEJ) as well as under Targeted Mobility Schemes (cumulative figures)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2013: 1 844 ¹⁶⁴		5 000	7 000				15 000
	Actual results						
	3 433	5 053	5 720	8 512	9 716*		

*Comment on evolution: Data on 2013 and 2014 refer to results achieved under the Your first EURES job (YFEJ) preparatory action. Data on 2015 covers both the preparatory action and part of the activities under the YFEJ Targeted Mobility Scheme (transitional period). As from the end of 2015, the indicators show a steady increase due to: a) the large size and long duration of the YFEJ projects and, b) the experience and increased delivery capacity of the implementing organisations. The reporting period for the 2018 indicator ends on 30.06.2018. Data to complete the year will only be available at the end of April 2019. The scheme is expected to achieve the 2020 target.

Indicator 3: Number of individual personal contacts of EURES advisers with jobseekers, job changers and employers

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1 055 936			1 200 000				1 400 000
	Actual results						
	947 489	1 058 874	1 131 002	1 524 280	798 136		

As from 2018, data collection is governed by the EURES Performance Measurement System (PMS) implemented on the basis of the EURES Regulation (EU)2016 /589. Numbers of contacts are now reported by EURES national coordination offices according Commission decision (EU)2018 /170.

Figure for 2018 only reports number of contacts during first semester 2018 (data for second semester are still incomplete because of a change in the monitoring system following Commission decision (EU)2018 /170).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
EURES Sub-objective no 1: Ensure that job vacancies and applications, and any related information are transparent for the potential applicants and the employers			
Actions to promote mobility of individuals in the Union (maintenance and development of the EURES Portal, communication activities, training activities for EURES, European Job Days)	04 03 02 02	2	3.0
EURES Sub-objective no 2: Develop services for the recruitment and placing of workers in employment through the clearance of job vacancies and applications at European level			
Actions to promote mobility of individuals in the Union (EURES cross-border partnership, support to EEA countries and to social partners and Targeted Mobility Schemes) ¹⁶⁵	04 03 02 02	9	19.5
Total		17	22.52

¹⁶³ The policy field "Working conditions" does cover both areas of "labour law" and "safety and health at work"

¹⁶⁴ Aggregated figure for previous years.

¹⁶⁵ We adjusted this to the number of supporting activities only. Results (in terms of job placements) are reflected by the new indicator on YFEJ

Outputs *Note: output numbers for the DB year and beyond reflect the legal basis programmed over 7 years. Output numbers for 2014-2016 were adjusted on the basis of annual programmes.	Number of outputs foreseen (F) and produced (P) ¹⁶⁶							
	2014	2015	2016	2017	2018	2019	2020	
EURES Sub-objective no 1: Ensure that job vacancies and applications, and any related information are transparent for the potential applicants and the employers								
Actions to promote mobility of individuals in the Union (maintenance and development of the EURES Portal, communication activities, training activities for EURES, European Job Days)	F	6	5	3	5	7	7	7
	P	6	3	3	1			
EURES Sub-objective no 2: Develop services for the recruitment and placing of workers in employment through the clearance of job vacancies and applications at European level								
Actions to promote mobility of individuals in the Union (EURES cross-border partnership, support to EEA countries and to social partners and Targeted Mobility Schemes)	F	8	6	7	8	10	10	10
	P	8	5	7	5			

Justification of changes to the financial programming and/or to the performance information

The EURES budget line is significantly impacted by the creation of the European Labour Authority and some activities traditionally implemented under EaSI will be shifted to the agency from 2020 on.

Specific Objective 3: Promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable people who wish to start up a micro-enterprise as well as for existing micro-enterprises, and by increasing access to finance for social enterprises (Microfinance Axis)

Indicator 1: Number of businesses created or consolidated that have benefitted from EU support

Baseline 2012	Milestones foreseen (cumulative figures)						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A (EaSI Microfinance) ¹⁶⁷				21 000 businesses			41 000 Businesses (note 1)
	Actual results (data as at 30/9/2018)						
	0	416	12 743	25 830	44 780		
EaSI Social Entrepreneurship (social enterprises): 0 (see note 2)				500 social enterprises			1 100social enterprises
	Actual results (data as at 30/9/2018)						
	0	0	61	250	864		

Note 1: The milestones and targets have been based on the past experience with Progress Microfinance. Milestone and target are both subject to change, as the final budget, the required leverage and the potential co-investments are unknown at this stage

Note 2: There was no such support offered by the European Commission to social enterprises in the past.

Indicator 2: Proportion of beneficiaries that have created or further developed a business with EU microfinance that are unemployed or belonging to disadvantaged groups

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A (EaSI Microfinance Guarantee financial instrument)				45 %			50%
	Actual results (data as at 30/9/2018)						
	na	30.3%	19.3%	16,96%	18,7%		

The indicator shows a downward trend over the 2016-2018 period in the proportion of recipients who were unemployed or belonging to disadvantaged groups. This is explained by the 18.6% fall in EU unemployment in the same period, since the indicator is influenced by the proportion of beneficiaries who were unemployed. The higher 2015 figure is likely to be an outlier, since it is based only on the 416 recipients that year (compare with 5,818 recipients in 2016), since the first agreement with a financial intermediary was only signed in October 2015.

¹⁶⁶ Unless stated otherwise, differences between planned and produced outputs result from shifts in priorities or other informed decisions (e.g. integration of several actions) and present no impact for the overall achievement of the supported specific objectives.

¹⁶⁷ For Progress Microfinance, the target is in microloans, not final recipients

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Microfinance Sub-objective no 1: Increase access to, and the availability of, microfinance			
Support to microfinance and social enterprises in particular through the financial instruments (microloans)	04 03 02 03	6 150	6.877
Microfinance Sub-objective no 2: Build up the institutional capacity of microcredit providers			
Support to microfinance in particular through funding for building up capacities (no. microcredit providers supported)	04 03 02 03	8	2.743
Microfinance Sub-objective no 2: Support the development of social enterprises			
Support to social enterprises in particular through funding and grants (no. social enterprises that obtained loans/equity)	04 03 02 03	202	6.115
Total		6 360	15.735

Outputs	Number of outputs foreseen (F) and produced (P) ¹⁶⁸							
		2014	2015	2016	2017	2018	2019	2020
Microfinance Sub-objective no 1: Increase access to, and the availability of, microfinance								
Support to microfinance and social enterprises in particular through the financial instruments (microloans)	F	410	2 870	6 150	8 200	9 020	8 200	6 150
	P	0	421	12 600	14 151	20 512		
Microfinance Sub-objective no 2: Build up the institutional capacity of microcredit providers								
Support to microfinance in particular through funding for building up capacities (no microcredit providers supported)	F	4	4	5	4	7	7	8
	P	0	0	4	0	1		
Microfinance Sub-objective no 2: Support the development of social enterprises								
Support to social enterprises in particular through funding (no social enterprises that obtained loans/equity)	F	13	95	203	270	297	270	202
	P	0	0	63	187	614		

*Please note that the yearly division and the total amount are only indicative as relevant variables such as co-investment, leverage rate and management mode are still subject to change. This is also the reason for the discrepancy with outputs indicated in the Commission’s proposal on the EaSI Regulation COM(2011) 609.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
The share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree
20 million less people should be at risk of poverty

Smart Growth: 12% of 04 03 02 01 + 51,36% of 04 03 02 02

Inclusive Growth: 71,6% of 04 03 02 01 + 16,28% of 04 03 02 02 + 96,72% of 04 03 02 03

Gender mainstreaming

The EaSI programme aims to promote equality between women and men as part of the horizontal principles of the programme. In designing, implementing and reporting on the activities, beneficiaries/contractors must address this issue and provide detail in the final activity report on the steps and achievements made towards this goal. In the second Performance Monitoring Report, the gender dimension was specifically monitored through two key performance indicators (KPIs) which were assessed on the basis of survey results. The results reported in the second Performance Monitoring Report 2015-2016 show that the integration of all EaSI horizontal issues has increased since 2014. Gender equality and non-discrimination remained well-integrated (~80 % agreed with this opinion). In addition to the quantitative KPIs, the third Performance Monitoring Report (2007-2008) will also provide qualitative examples of integration of horizontal objectives in the EaSI programme. The new indicator will complement this information by assessing integration of horizontal issues (including gender mainstreaming) into selected analytical activities, action grant projects and activities of EaSI-supported EU networks of NGOs.

With regard to the **Progress axis of EaSI**, beneficiaries are required to indicate the gender of participants when submitting the lists of participants in events as well as in the general stakeholder survey. The final technical implementation reports of projects and organisations also require beneficiaries to auto-evaluate their efforts to integrate horizontal objectives in the content of their activities.

¹⁶⁸ Unless stated otherwise, differences between planned and produced outputs result from shifts in priorities or other informed decisions (e.g. integration of several actions) and present no impact for the overall achievement of the supported specific objectives.

Concerning the **EURES indicators**, the Commission has launched a review of the performance measurement system for EURES to improve the reporting system and to cover also gender-disaggregated reporting. The new monitoring system is implemented as from 1st January 2018 (Commission implementing decision (EU) 2018/170). This should improve the quality of the information on EURES activities and allow the improvement of the EURES network.

As for the axis **EaSI: MF/SE**, the KPI 36. "Proportion of beneficiaries that have created or further developed a business with EU microfinance support that are unemployed or belonging to vulnerable groups" aims to assess the extent to which EU microfinance and social entrepreneurship support persons who are in a disadvantaged position to access the conventional credit market. Such vulnerable persons include women, the unemployed, those with no or only primary education, young and older people. Data such as age, gender, education level, etc. are collected only for natural persons applying for EU microfinance funding. This results in an incomplete picture, since a large number of applicants are legal persons (enterprises) and therefore their social data (e.g. the social data of a representative) are not being collected. For legal persons, only data on their employees are being collected and not on the owner or a legal representative. Data shows that among the natural persons supported by the Microfinance Window of EaSI around 35 % of them were women.

Gender equality is, however, a transversal objective of the programme and it is, therefore, not relevant to produce estimate of budget contributions.

5. Programme contribution to the Sustainable Development Goals

SDG 5 Achieve gender equality and empower all women and girls

This is achieved indirectly by the fact that EaSI, in pursuing its general objectives, aims to equally fulfil its horizontal objectives, one of them being targeted at promoting equality between women and men, including through gender mainstreaming and, where appropriate, gender budgeting.¹⁶⁹

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. EaSI work programmes contribute to the implementation of the Commission's political guideline "a New Boost for Jobs, Growth and Investment"¹⁷⁰. For instance, the EaSI work programs contributed to the implementation of a number of legislative and non-legislative measures such as the proposal for a Council Recommendation on Integration of the long term unemployment, the New Skills Agenda for Europe, the Labour Mobility Package, the review of the EU Health and Safety Legislation and to the Pillar of Social Rights.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

EaSI financial instruments, in particular the Guarantee part of the scheme has started successfully in 2015 and continued in 2018. Concerning the MF/SE axis, after the signature of the Delegation Agreement with the EIF in 2015, the implementation of the EaSI Guarantee continued in 2018. By the end of 2018, 101 operations (76 for Microfinance and 25 for Social Entrepreneurship) have already been signed in 29¹⁷¹ countries for a total amount of EUR 178.6m, (129.2 million for Microfinance and 49.4 million for Social Entrepreneurship). The full absorption of the initial EaSI budget of EUR 56m for microfinance by late 2016, coupled with the strong pipeline for social entrepreneurship, consequently led to a EUR 100 million top-up from the European Fund for Strategic Investments (EFSI) in December 2017, which was further increased by an additional top-up of EUR 200 million from EFSI 2.0 in December 2018. In light of this, the initial total EU budget earmarked for this instrument over 2014-2020 has been increased from EUR 96m to EUR 396m for the MF/SE axis. The 101 signed transactions alone are expected to unlock more than EUR 2bn of financing for micro-and social enterprises thanks to a leverage effect, already surpassing the initial target of EUR 528m set for the initial EUR 96m for the whole programming period.

As for the 2019/2020 period, the EaSI Guarantee for microfinance and social entrepreneurship will pursue its deployment with the additional resources provided by the European Fund for Strategic Investments (EFSI 1.0 and EFSI 2.0). Other instruments such as the EaSI capacity-building instrument and the EFSI Equity social impact pilots (social incubation facility and social business angel co-investment facility) will continue to be implemented. The EaSI Funded instruments (i.e. loans to primarily non-bank intermediaries) is expected to be launched in the course of 2019. In addition, a follow-up transaction cost support grant will be implemented in 2019 to continue support small investments of up to EUR 500.000 in social enterprises, complementing the support provided under the EFSI Equity social impact pilots.

¹⁶⁹ More information on gender mainstreaming can be found in the section 4.

¹⁷⁰ One of the political guidelines of the Juncker Commission as defined in the "Agenda for Jobs, Growth, Fairness and Democratic Change"

¹⁷¹ This figure includes EU Member States as well as candidate and potential candidate countries

HEADING 1A: Competitiveness for growth and jobs

European Solidarity Corps (ESC)

Lead DG: EAC

I. Overview

What the programme is about?

The European Solidarity Corps offers young people between the ages of 18 and 30 the opportunity to take part in a wide range of solidarity activities across the EU, with the aim of creating 100 000 opportunities by the end of 2020. Since December 2016, until the adoption of the European Solidarity Corps Regulation¹⁷² on 2 October 2018, eight different programmes were mobilised to give young people the chance to take part in a range of solidarity activities addressing challenging situations across the EU. Participation not only benefits young people's personal development, active involvement in society and employability, but also assists non-governmental organisations, public bodies and companies in their efforts to cope with societal and other challenges. As well as offering volunteering, traineeships and jobs, the European Solidarity Corps also offer participants the opportunity to set up their own solidarity projects or to volunteer as a group. The Regulation adopted on 2 October 2018 put the European Solidarity Corps on a firm footing, with a budget of EUR 375.6 million for the years 2018-2020.

EU added value of the programme

The European Solidarity Corps enhances the European dimension of solidarity, complementing existing public and private policies, programmes and activities without creating competition or substitution effects. The Corps addresses unmet societal needs, which cannot be addressed by the existing volunteering activities or by other types of solidarity programmes. The EU value added of the programme derives mainly from the cross-border character of the activities, in addition to those developed at national or regional levels.

Actions to tackle socio-economic problem areas are primarily the responsibility of the Member States and regions and must be taken closest to the citizen at national and sub-national levels. However, the EU has a role to play in identifying shared challenges, stimulating cooperation and transnational mobility, encouraging synergies, and promoting the sharing of good practices and mutual learning, and supporting a Europe-wide approach to social innovation, where there is clear value added for European solutions.

Implementation mode

The Directorate-General for Education and Culture (DG EAC) leads the programme, which is implemented through:

- **Decentralised implementation:** the implementation of some actions is entrusted to National Agencies in the Member States which, according to the agreed Annual Work Programme, implement part of the annual budget. The actions implemented through this mode include volunteering, traineeships, jobs, solidarity projects, decentralised networking activities and quality label, training and evaluation, and management of the European Solidarity Corps Resource Centres.
- **Centralised implementation:** this includes actions implemented directly by the Commission or with the support of the Education, Audiovisual and Culture Executive Agency (EACEA). The actions implemented through this mode include volunteering in high priority areas, insurance, general online training, online linguistic support, centralised networking activities and quality label, as well as the development and maintenance of the European Solidarity Corps Portal and related IT tools.

II. Programme Implementation Update

Implementation status (2016-2018)

Since December 2016, until the adoption of its Regulation on 2 October 2018, the European Solidarity Corps was implemented through eight different programmes, including the Erasmus+ Volunteering action. In addition to the coordination of the activities offered to young people under these eight programmes, this period focused on the design and development of the European Solidarity Corps. In particular, attention was given to the design of the Programme, in order to have it ready for implementation as soon as the Regulation was adopted. These activities included the preparation of all required implementation documents, including the Call for Proposals, Guide for organisations and participants and drafting the Annual Work Programme for 2018. Furthermore, efforts were directed as well at promotion and outreach, which helped reach over 80 000 young people registered in the Portal. This high number of registered young people represents a high demand that will help fill all the opportunities offered during the first call of the European Solidarity Corps (main deadline on 16 October 2018).

Key achievements

Several key milestones were reached by the end of 2018. These include:

- Regulation adopted: on 2 October 2018, the Regulation for the European Solidarity Corps was adopted. This provided the Corps with its own legal basis, facilitating the implementation of the programme and providing it with a self-standing budget.

¹⁷² Regulation (EU) 2018/1475 of the European Parliament and of the Council of 2 October 2018 laying down the legal framework of the European Solidarity Corps and amending Regulation (EU) No 1288/2013, Regulation (EU) No 1293/2013 and Decision No 1313/2013/EU (OJ L 250, 4.10.2018, p. 1–20).

- First call: launched with a deadline of 16 October 2018 (for decentralised actions), the first call of the Corps was a success. National Agencies received over **1 400 submissions**, including 255 submissions for solidarity projects to be implemented directly by the young people themselves. In total, the proposed activities could offer up to **13 000 opportunities for young people**.
- Participants: over **10 544 young people had already started** their activities by the end of the year, and the number of registered young people in the Portal had reached 96 428.

Evaluations/studies conducted

N/A

Forthcoming implementation (2019-2020)

The Annual Work Programmes for 2018 and 2019 were adopted after consultation with Member States. They provide details on the budget distribution per action, as well as country allocations per action, which will guide the National Agencies through their implementation of decentralised actions. In order to allow organisations and participants to participate in diverse activities, centered around specific issues on the ground, these decentralised actions did not have a specific focus.

In addition to these decentralised actions, the action Volunteering Teams in High Priority Areas will be implemented by EACEA. Its first call for proposals, published in 2018, focuses on European cultural heritage; integration of third-country nationals; and, response to environmental challenges.

As for centralised support actions, a tender for General Online Trainings will be launched in early 2019, aiming at delivering the first training modules by the end of the year.

Outlook for the period 2021-2027

For the next long-term EU budget 2021-2027, the Commission presented on June 2018 its proposal for a new programme for the European Solidarity Corps beyond 2020, with a budget of EUR 1.26 billion to broaden the opportunities it offers. The new programme will create at least **350 000 opportunities** for young people to **support communities in need** between 2021 and 2027 through **volunteering, traineeships and job placements**.

The proposal builds on the achievements of the Corps in its first years of existence and further consolidates efforts to have **one single entry point** for young people ready to engage in solidarity. In particular, the Corps will also include volunteering activities in support of **humanitarian aid operations in non-EU countries** where humanitarian aid activities and operations take place. This well-established EU scheme for humanitarian aid has so far operated under the name EU Aid Volunteers.

The European Solidarity Corps opportunities under the humanitarian aid strand will be similar to the ones offered under the current EU Aid Volunteers, and include tasks carried out by the participants such as **communication activities** (events, social media, etc.) or **administration activities** (budgeting, financial management, project management, etc.). In addition, these activities take place in countries that have been deemed safe for deployment by the Commission, and are carried out in experienced humanitarian aid organisations.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) 2018/1475 of the European Parliament and of the Council of 2 October 2018 laying down the legal framework of the European Solidarity Corps and amending Regulation (EU) No 1288/2013, Regulation (EU) No 1293/2013 and Decision No 1313/2013/EU	2018 - 2020	375,6

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support					4,2	3,6	3,0	10,8
Operational appropriations					38,2	138,8	162,2	339,2
Executive Agency					0,4	0,9	0,9	2,2
Total					42,8	143,3	166,1	352,2
<i>Contribution from other Programmes *</i>					5,3	3,5	3,5	12,3

*Contribution from the technical assistance allocated to the European Social Fund, the European Agricultural Fund for Rural Development, LIFE Programme, the Union Civil Protection Mechanism.

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	42,786	99,43 %	33,226	78,29 %	143,325	72,26 %	119,550	0,56 %
Authorised appropriations (*)	42,786	99,43 %	33,226	78,29 %	143,567	72,14 %	126,764	1,47 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to enhance the engagement of young people and organisations in accessible and high quality solidarity activities as a means to contribute to strengthening cohesion and solidarity in Europe, supporting communities and responding to societal challenges

Specific objectives

Specific Objective 1: to provide young people, with the support of organisations, with easily accessible opportunities for engagement in solidarity activities while improving their skills and competences for personal, educational, social, civic and professional development, as well as their employability and facilitating transition to regular employment

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Participants in volunteering	15 05 01 (EUR 109 million) ¹⁷³	28 900	94.5
Participants in traineeships and jobs		4 100	9.2
Participants in solidarity projects		7 300	8.8
Total			112.5

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Participants in volunteering	F					8 400	24 600	28 900
	P					2 759		
Participants in traineeships and jobs	F					3 200	3 900	4 100
	P					145		
Participants in solidarity projects	F					5 400	6 200	7 300
	P					1 016		

Justification of changes to the financial programming and/or to the performance information

The number of foreseen outputs have been revised following the provisions and the financial envelope included in the European Solidarity Corps Regulation¹⁷⁴ adopted on 2 October 2018. It must be also highlighted that the low implementation rate of 2018 is mainly due to the late entry into force of the Regulation, which translates also into a lower number of activities offered.

Specific Objective 2: to ensure that the solidarity activities that are offered to the European Solidarity Corps participants contribute to addressing concrete societal challenges and strengthening communities, and are of high quality and properly validated

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Participants receiving general online training	15 05 01 (EUR 46.3 million)	58 500	2.8
Participants in cross-border activities receiving specific trainings		21 900	21.9
Participants in cross-border activities receiving online linguistic support		13 300	0.6
Participants enrolled in the European Solidarity Corps insurance		30 200	7.5
Participants receiving a certificate		33 300	0.2
Organisations receiving quality label		3 900	1.8
European Solidarity Corps Portal		1	0.5

¹⁷³ Contributions from other programmes in 2020: LIFE Programme and the Union Civil Protection Mechanism look as follow: 07 02 07 (EUR 1 million), 34 02 05 (EUR 0,5 million), 23 03 01 03 (EUR 2 million).

¹⁷⁴ Regulation (EU) 2018/1475 of the European Parliament and of the Council of 2 October 2018 laying down the legal framework of the European Solidarity Corps and amending Regulation (EU) No 1288/2013, Regulation (EU) No 1293/2013 and Decision No 1313/2013/EU (OJ L 250, 4.10.2018, p. 1–20).

Resource Centre		1	0.3
National Agencies receiving a Management fee		28	10.8
Total			46.3

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Participants receiving general online training	F					0	50 700	58 500
	P							
Participants in cross-border activities receiving specific trainings	F					3 000	18 700	21 900
	P							
Participants in cross-border activities receiving online linguistic support	F					0	12 000	13 300
	P							
Participants enrolled in the European Solidarity Corps insurance	F					0	25 700	30 200
	P							
Participants receiving a certificate	F					16 700	33 300	33 300
	P							
Organisations receiving quality label	F					3 700	3 400	3 900
	P							
European Solidarity Corps Portal	F					1	1	1
	P							
Resource Centre	F					1	1	1
	P							
National Agencies receiving a Management fee	F					28	28	28
	P							

Justification of changes to the financial programming and/or to the performance information

Details about participants not available on February 2019 as the programme just started.

Specific Objective 3: to ensure that particular efforts are made to promote social inclusion and equal opportunities, in particular for the participation of young people with fewer opportunities, through a range of special measures such as appropriate formats of solidarity activities and personalised support

Expenditure related outputs

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Percentage of participants with fewer opportunities	F					25%	25%	25%
	P							

Justification of changes to the financial programming and/or to the performance information

Mobility data not available on February 2019 as the programme just started.

Specific Objective 4: to contribute to European cooperation relevant to young people and to raise awareness of its positive impact

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Participants in networking activities	15 05 01	34 500	6.9
Total			6.9

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Participants in networking activities	F					18 500	30 300	34 500
	P					2 037		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Gender mainstreaming: The European Solidarity Corps aims to promote social inclusion by facilitating the access to young people with fewer opportunities. Young people with fewer opportunities are young people who need additional support due to the fact that they are at a disadvantage compared to their peers because of various obstacles, such as discrimination because of gender.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere: Through its activities to achieve social inclusion through solidarity activities, the European Solidarity Corps contributes to SDG 1, in particular its target of reducing at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.

SDG 3 Ensure healthy lives and promote well-being for all at all ages: Through its solidarity activities and community building activities, the European Solidarity Corps promotes healthy habits and well-being, particularly among the youth, hence contributing to SDG 3, notably to its target on reducing by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all: The European Solidarity Corps aims, amongst other things, at developing the skills and competences of participants for professional, social and civic development. In addition, given its strong focus on inclusion, this is also achieved for young people with fewer opportunities, including young people with disabilities.

SDG 5 Achieve gender equality and empower all women and girls: The European Solidarity Corps aims at removing social obstacles for participation in it for people facing discrimination because of gender, among other reasons.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all : All the actions of the European Solidarity Corps contribute to increase the employability of the young people that participate in it, as shown by several studies. This is achieved through a combination of outcomes, e.g. the acquisition of new skills, increased autonomy, increased knowledge of foreign languages, etc. Furthermore, solidarity projects can help further the entrepreneurial and innovative spirit of young participants. Finally, the emphasis on inclusion aims to ensure that all can reap these benefits irrespective of disadvantage.

SDG 10 Reduce inequality within and among countries: Special attention is paid to ensure that activities supported by the European Solidarity Corps are accessible to all young people, notably the most disadvantaged ones. To this end, special measures are in place to promote social inclusion, the participation of disadvantaged young people, as well as to take into account the constraints imposed by the remoteness of the outermost regions of the Union and the Overseas Countries and Territories. Similarly, the participating countries should endeavour to adopt all appropriate measures to remove legal and administrative obstacles to the proper functioning of the European Solidarity Corps. These include resolving, where possible, and without prejudice to the Schengen acquis and Union law on the entry and residence of third-country nationals, administrative issues that create difficulties in obtaining visas and residence permits.

SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable: The European Solidarity Corps will also support strengthening efforts to protect and safeguard Europe's cultural heritage, as well as improving participants cultural development.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: The European Solidarity Corps has created a one-stop-shop for all solidarity opportunities funded by the European Union, which increases the effectiveness of the use of public funds. Thorough monitoring and evaluation of the programme also guarantees the results are transparent and accessible to all. Finally, through the review of open consultations, fora and dedicated meetings, the Commission regularly consults key stakeholders, thus supporting participatory and inclusive decision-making.

The projects implemented under the European Solidarity Corps may also contribute to other SDGs depending on its objectives. This will be monitored throughout the programme period.

HEADING 1A: Competitiveness for growth and jobs**Action programme for customs in the European Union (Customs 2020)****Lead DG: TAXUD****I. Overview*****What the programme is about?***

Customs 2020 aims to support and improve the proper functioning and modernisation of the customs union. It focuses on supporting customs authorities in protecting the financial and economic interests of the union and of the Member States, including the fight against fraud and the protection of intellectual property rights, increasing safety and security, protecting citizens and the environment, improving the administrative capacity of the customs authorities, and strengthening the competitiveness of European businesses. The vast majority of programme funding (approx. 80 %) goes into the operation of European Information Systems, followed by the organisation of the joint actions, the cooperation and collaboration side (around 15 %), and the training activities (around 5 %).

Strengthening security and protection of citizens while facilitating legitimate international trade, pursuing customs modernisation as well as developing and managing an effective and efficient EU customs union have been part of the Union's priorities in Customs Policy. The programme supports the achievement of these priorities, mainly through the setting-up of a paper-less customs environment. This environment improves both the trade facilitation and the effective enforcement of rules for protection of EU financial, safety and security interests. The European Information Systems supported by Customs 2020 play a vital role in interconnecting customs authorities.

Regarding operational cooperation, the programme funds expert teams, which are a structured form of cooperation, pooling expertise to perform tasks in specific domains or carry out operational activities, possibly with the support of online collaboration services, administrative assistance and the pooling of infrastructure and equipment facilities.

The programme finances also the development of eLearning courses on topics of common interest in collaboration with customs administrations and representatives of trade. Moreover, the collaboration between customs officials is a key sustainable success factor for implementing customs policy in Europe. This collaboration improves the understanding and the implementation of the customs law. It ensures the exchange of best practices and knowledge and creates the framework for joining efforts when IT solutions are developed. It also enhances the administrative capacity of participating countries.

EU added value of the programme

The customs union is an exclusive competence of the Union. The implementation of Union legislation is however a national competence. The Union legal framework in itself does not ensure sufficiently the proper functioning of the customs union. It should be complemented by supporting measures as provided by the Customs programme in order to ensure that EU customs legislation is applied in a convergent and harmonised way at national level.

Many of the activities in the customs area are of a cross-border nature, involving and affecting all 28 Member States, and therefore cannot be effectively and efficiently delivered by individual Member States. The Customs 2020 programme, implemented by the Commission, offers Member States a Union framework to develop activities through cooperation amongst national customs officials, on the one hand, and IT cooperation and capacity building, on the other hand.

In this regard, it provides financial sustainability of the interoperable and interconnected European Information Systems, which implement with greater economies of scale and efficiency inter alia the requirements behind the Union Customs Code (UCC). The symbiotic features of the central pan-European IT architecture for customs, including the secured dedicated communication network which interconnects approximately 5000 connection points¹⁷⁵ across all Member States, are unmatched and unreproducible at national level. Additionally, the joint actions give the administrations unequalled opportunities for cooperation, communication and networking, ultimately building trust and leading to greater convergence of approaches and practices.

Given the scale of the Customs 2020 operations, versatility of topics, their European dimension or pan-European breadth, the Mid-term Evaluation of the programme concluded that it is difficult to assume that similar activities would be organised at any other level. None of the programme's outputs were found likely to endure beyond the short-term horizon if the programme were to discontinue. Existing differences would persist and networks built and reinforced through years of programme-fostered collaboration fade. The functioning of the customs union and the further integration of the national customs authorities that run it remain entirely dependent on the Customs programme. In view of the rapid changes and challenges ahead of the EU customs union, the programme's continuous support is essential.

Implementation mode

The Customs programme is implemented under direct management, through:

- Procurement contracts: for the European Information Systems expenditure, training activities and studies.
- Grant agreements with the participating countries: for joint actions and expert teams.

¹⁷⁵ Customs and taxation connection points taken together.

II. Programme Implementation Update

Implementation Status (2016-2018)

The data collected in the performance measurement of the programme (see Section III) shows that Customs 2020 is on course to fulfilling its objectives and that it plays an important role in facilitating the implementation and development of Union customs policy. The results of the Mid-Term Evaluation exercise support this overall assessment.

The core outcomes of Customs 2020 programme are the European Information Systems (EIS), which are of critical importance for the well-functioning of the customs union. The list of the existing EIS is included in the Annex II of the Customs 2020 Regulation, while those planned for development are included in the Electronic Customs Multi-Annual Strategic Plan (MASP), a document drawn up by the European Commission in partnership with Member States, in accordance with Article 8(2) of the Decision 70/2008/EC on a Paperless environment for customs and trade. The Union Customs Code (UCC) adoption and application as of 1 May 2016 completes the shift by customs to a paperless and fully electronic and interoperable environment with core values of simplicity, service and speed. The IT systems required to implement the UCC have been also included in the MASP¹⁷⁶. The Customs 2020 programme provides funds for the EU components of the IT systems included in the MASP. These are assets (such as hardware, software, network connections) and services to support IT systems that are common to the COM and the Member States. National components are expected to be developed by Member States, who bear the associated costs.

Throughout the 2014-2018 period, work on the implementation of the MASP progressed under the programme, notably to ensure that all EIS are deployed in accordance with UCC legal deadlines¹⁷⁷.

Key Achievements

Strengthening security and protection of citizens while facilitating legitimate international trade, pursuing customs modernisation as well as developing and managing an effective and efficient EU customs union have been part of the Union's priorities for Customs Policy. Those priorities are implemented to a large extent through the Customs 2020 programme.

The achievement of these priorities is enabled under the programme, mainly through setting-up of a paper-less customs environment. This environment improves both the trade facilitation and the effective enforcement of rules for protection of EU financial, safety and security interests. Mainly, the European Information Systems supported by Customs 2020 play a vital role in interconnecting customs authorities. The functioning of these IT systems is enabled by the closed and secure Common Communication Network/Common Systems Interface (CCN/CSI) infrastructure, which during the period 2014-2018 has performed with the required high availability and reliability. Meanwhile, the number of exchanged messages on the network has been rising: 2,7 billion (2014), 3,2 billion (2015), 4,5 billion (2016), 4,8 billion (2017) and almost 6 billion (2018). If we look at only messages exchanges on the Customs systems on the network, the numbers are also indicating a rise: 440 million (2014), 450 million (2015), 520 million (2016), 540 million (2017) and 550 million (2018). The Import Control (ICS) and the Export Control (ECS) systems are two of the main systems that contribute to increased interconnectivity among Member States and with economic operators. The high volume of information channelled via CCN/CSI, ICS and ECS shows that the programme is a solid and robust enabler for the paper-less environment and information exchange amongst customs and tax authorities. Furthermore, the data that economic operators provide in ICS is fed into risk management processes.

The correct calculation of tariffs and the fight against fraud are crucial to the protection of EU's financial interests. In this sense, TAXUD continues to ensure the daily update of the TARIC system (Integrated Tariff of the EU), that provides the required data for the customs clearance systems of the Member States and gives economic operators a comprehensive view of all the measures applicable when importing or exporting goods into/from the EU. Other EIS such as NCTS (New Computerised Transit System) allow to monitor the movement of goods within the EU territory and to identify cases of fraud or non-payment of customs duties. NCTS has created traceable records for each transit transaction reducing the deviation from standard procedures. In 2018, the system has maintained a high availability rate (99.11%) and has exchanged around 223 million of messages.

Since the launch of the programme, IT developments and adaptations of the IT environment to the UCC have been carried out, bringing the total number of EIS in operations to 52. These developments were essential for a well-functioning and modern customs union. During 2018, the Customs 2020 programme continued to finance the development of new EIS projects, in close cooperation with national customs authorities and in line with the deadlines agreed with the Member States and trade. In particular, the following key three IT projects were completed in 2018: Mutual Recognition Agreement with Norway (MRA-NO) and 2 Single Window projects for new certificates (Forest Law Enforcement, Governance and Trade (FLEGT) from DG ENV and Certificate of Organic Inspection (COI) from DG AGR1).

In 2018, customs officials exchanged views and best practices in the joint actions organised under the programme. Working practices, administrative procedures and guidelines were developed and shared among the national administrations following the joint actions. These outcomes assist countries to increase the performance, effectiveness and efficiency of the customs administration. Guidelines and recommendations were also produced to support the implementation of Union law in the national administrations. They identify and address outstanding technical issues and constitute background information for Union law preparation and review. Across the programme, over 1600 guidelines and recommendations (according to data available in March

¹⁷⁶ The MASP takes account of the UCC Work Programme, but also includes additional IT systems which require development in order to achieve a customs paperless environment.

¹⁷⁷ It should be noticed that 7 of the UCC related EIS will be postponed beyond 2020, as provisionally agreed in early 2019 by the European Parliament, the Council and the Commission. Accordingly, Art 278 of the UCC will be modified providing additional time for the completion of these systems.

2018) were issued further to a Joint Action (indicator 4) and in the national administrations following participation in programme activities (indicator 2). For example, during 2018 guidelines were issued in the areas of rummage commercial vessels, simplified transit declaration, and preferential/non-preferential origin. Over the last two years, more than 98% of the responding participants in these joint actions declared that from a professional point of view, the activities were very useful or useful for them. In the coming years, it is intended to maintain a similar high level of relevance perception.

Expert Teams represent an increasingly used tool from the programme toolbox supporting enhanced operational collaboration, either on a regional or on a thematic basis. The Expert Team approach allows customs experts of Member States to have in depth cooperation on operational issues which go beyond the traditional means of cooperation to realise the pre-identified objectives of a common long term project (Expert Teams are active between 12 and 36 months). The three Expert Teams that were created for customs in 2016 (laboratories, binding tariff information, operational cooperation at the EU eastern and south-eastern land border) started to produce their outputs during 2017. Some of the most relevant deliverables were produced by the CELBET Expert Team for border management between 11 Member States of the eastern and south-eastern land border. CELBET carried out a mapping and analysis of border crossing points (BCPs), and developed instructions and methodology for evaluating the level of smuggling (random controls). Its outcomes provided a broader picture of threats, gaps related to resources, control equipment, working methods and management of risks across the EU land BCPs. The CLET Expert Team, in the area of customs laboratories, pools expertise and equipment in a network (meta-laboratory) to analyse samples and to share analytical results: a Member State - not having analytical capacity in a specialised area - can submit a request for analysis to another Member State who will provide the analytical result for free. The BTI Expert Team helps Member States to analyse in a structured manner complex cases of divergent classification of goods and propose an expert opinion. During 2018, a new Expert Team CELBET 2 was created to continue the work of its predecessor and the existing Expert Teams on laboratories and binding tariff information kept on with their activities. Also in 2018, a new Expert Team on IT Collaboration (ETCIT) started its activities to explore and identify possible new approaches for customs IT systems development to find effective and cost-benefit solutions for future Customs IT requirements.

The Customs 2020 programme finances also the development of eLearning courses on topics of common interest in collaboration with customs administrations and representatives of trade. Such courses support the implementation of EU legislation and ensure the dissemination of good customs practices throughout the European Union. In 2018, TAXUD continued to support in particular the implementation of the UCC, by supporting its related IT systems for public and private customs users with eLearning modules, namely through producing further language versions of the new UCC REX IT System eLearning module, producing an update of the UCC Customs Decision Systems (CDS IT System) eLearning module, developing eLearning support to the new UCC EBTI-3 IT system (in form of multiple language versions and by launching the work on an EU eLearning on UCC Surveillance 3). In total, by end 2018 the EU eLearning portfolio contains more than 30 eLearning courses in the customs area, all of which support customs professionals from both public and private sector with the application of the UCC and related common customs legal, operational and technical requirements. Furthermore, Customs 2020 continued to support national customs administrations with the national implementation and/or introduction of competency-based staff development and training, based on the EU Customs Competency Framework (CustCompEU), through a series of common and/or country-specific implementation training events. Cross-country expertise sharing/-building was throughout 2018 provided, e.g. in form of CLEP events (Common Learning Events Programme). Innovative common knowledge building and/or – sharing formats were further explored throughout 2018, such as EU Training webinars, eBooks and similar. These build the foundation for further enhanced structured EU Customs Training cooperation.

Regarding economic operators, the aims and activities of the programme are consistent with needs to minimise administrative burdens and maximise legal certainty. Most of the programme activities allow the national customs administrations to work and share information in a better way resulting in indirect benefits for the economic operators in the form of more efficient customs processes. Similarly, the eLearning modules support a harmonised application of EU law. More directly, economic operators can use certain Customs Information Systems as part of simplified and standardised customs procedures, take part in some joint actions and participate in certain eLearning modules. Although the programme does not involve European citizens directly, it addresses issues related to safety, security and trade facilitation that are important to them, such as fighting smuggling and fraud and protecting citizens from security threats.

Evaluations/studies conducted

The Customs programme finances the conduct by external contractors of studies, evaluations and comparative analysis in the customs area, covering mainly technical issues as the ones mentioned below as examples:

2016: Impact Assessment review of Regulation (EC) 1889/2005 on controls of cash entering or leaving the Community. This review demonstrated the need to revise this Regulation to take account of the evolution of international norms, the EU anti-money laundering / anti-terrorist financing framework and to take stock of the Commission priorities listed in the 2016 Terrorism Finance Action Plan. As a result, on 21 December 2016, the Commission adopted a package of measures to strengthen the EU's capacity to fight the financing of terrorism and organised crime, which includes the proposal for a new cash controls Regulation that tightens cash controls on people entering or leaving the EU with EUR 10 000 or more in cash.

2017: study to support the impact assessment of a new legal act to establish the EU Customs Single Window environment for cross-border movements of goods. The EU Customs Single Window can be implemented through a number of options, with different roles for the EU and the Member States. This study supported the definition of the costs benefits with a focus on the benefits for economic operators.

2018: **evaluation of the European Customs Inventory of Chemical Substances (ECICS)** to assess the effectiveness, efficiency, relevance, EU added value and sustainability of the ECICS database. The ECICS database allows economic operators and national customs authorities to clearly and easily identify chemicals; classify them correctly and easily in the Combined Nomenclature and name them in all EU languages for regulation purposes.

In addition to technical studies and evaluations, the mid-term evaluation of Customs 2020 was launched in 2017 (finalised in 2018¹⁷⁸) and the final evaluation of the programme is planned for 2020¹⁷⁹. The mid-term evaluation of the programme concluded positively on the progress towards its objectives in the area of cooperation of customs, and ultimately improving the various aspects of the good functioning the customs union. The programme was considered efficient. The resources spent brought significant results in the form of EIS underpinning customs law, increased level of cooperation and exchange of information and good practices, better understanding and application of the rules and their increased uniformity. Recommendations proposed concerned operational aspects targeting incremental improvements to the programmes' operations and functioning. They relate to four main areas:

- Programming and design: make more practical use of the Annual Work Programme projects and consider multi-annual programming; designate long-term, platform-like joint actions; refine strategy for development and promotion of eLearning modules (investigate ways to improve the technological platform for the delivering them and improve the procedures for its translation, localisation and updates).
- Implementation: optimise the procedures and resources for the implementation of joint actions, so that the workload for available human resources and administrative burdens on different actors are appropriate; increase coordination with other EU programmes (both in terms of operational coordination with the Fiscalis programme and establishing a forum for working with other COM DGs).
- Monitoring and reporting: streamline the monitoring system so it meets actual needs while reducing administrative burdens, including launching a study to refine and reduce the number of monitoring indicators.
- Communication: communicate more actively about the possibilities of the programme, with national coordinators and other officials taking a more active role in finding out about and spreading awareness of the programme; increase senior-level buy-in and political will among national administrations to boost participation and engagement.

The studies and evaluations financed under the programme Customs 2020 can be found on the TAXUD EUROPA website: https://ec.europa.eu/taxation_customs/calls-tenders-grants-calls-expression-interest_en and on the and on the EU Bookshop on <https://bookshop.europa.eu/en/home/> (author: Directorate-General for Taxation and Customs Union)

Forthcoming implementation (2019-2020)

In the coming years, emphasis will be put on improving the administrative capacity of Member States, be it through IT capacity building, traditional and innovative forms of cooperation or human competency building initiatives. The capacity of customs administrations is indeed instrumental to ensure they run efficiently the customs union. In the medium-term, the implementation of the following programme's main outcomes will be pursued to achieve the customs policy objectives:

1. Ensuring business continuity of existing European Information Systems and development of new ones. The vast majority of the programme's budget continues to be spent on the European Information Systems. The IT related expenditure is projected to rise further in the future, as the new systems connected to the Union Customs Code continue to be developed (implementation of the UCC work programme). A number of projects are planned to deliver new IT systems/applications in the period 2019-2020, including: Generic Trader Portal (GTP), CLASS, UCC BTI Phase 2, eAEO Specific Trader Portal, Customs Decision Iteration 2, REX2, REX Specific Trader Portal (REX3), INF SP / INF STP (connection module between INF SP and GTP).
2. The new form of IT collaboration created in 2018 by the Expert Team ETCIT will be given continuity by creating its successor (ETCIT 2) in 2019. These Expert Teams follow the Council "Conclusions on the way forward to developing Customs IT systems" (November 2017), as the Council invited the Commission and the Member States to explore new approaches to develop and operate future Customs IT systems. IT collaboration should reduce the costs for deploying EU wide customs IT systems, both at EU and national level while responding more agile to European customs union policy needs.
3. Enhancing the traditional collaboration between customs officials to ensure high standards of administrative capacity. For the remaining two years of the programme, TAXUD envisages a similar rhythm of joint actions than in the previous years, for all type of actions (project groups, seminars, workshops, working visits, monitoring visits, and capacity building). In addition, we plan to strengthen further the operational cooperation through the continued use of Expert Teams, which will be pooling expertise to perform tasks in specific domains. The majority of the planned Expert Teams will provide continuity to the existing projects on customs laboratories (creation of Expert Team CLET 2), binding tariff information (creation of Expert Team BTI 2) and harmonisation of the EU external land border (CELBET 3). Also in the coming years, a new Expert Team on customs control equipment (ETCCE) may be created, in order to prepare the implementation of the new proposed Customs Control Equipment Instrument. ETCCE will work on the needs assessment that will allow making an inventory of all existing customs control equipment, to agree on the type of equipment that should be available and to identify gaps for all the border types, i.e. land, sea, air and postal hubs.
4. Reinforcing the capacity of customs administrations and development of new skills of their staff by steering the implementation of the human competency framework for customs administrations, in line with the strategic requirements and

¹⁷⁸ SWD COM(2019)57 adopted on 07/02/2019.

¹⁷⁹ Both evaluations are conducted in accordance with Art. 18.1 of Regulation 1294/2013

goals as set out in a common multi-annual customs and tax training and staff development Action Plan (2017 – 2020) that provides the necessary policy back-up and national engagement for common EU training & staff development measures until 2020. Key projects in 2019/2020 are the development of an EU customs and tax online learning environment (LMS), widest possible EU eLearning support for the full implementation of the UCC related IT systems, introduction of innovative training delivery methods (e.g. EU Training webinars, nano-learnings, eBooks etc.) as a structured concept and continuous support to national customs administrations with the implementation of competency-based staff development/training (e.g. development of a staff competency assessment application). The 2019 and 2020 projects contribute further specifically to the implementation of the EU Customs Governance.

Outlook for the 2021-2027 period

The proposal for the future Customs programme is included in the 2021-2027 MFF Heading 1 “Single Market, Innovation and Digital” as an independent programme in view of its specificities, under the name “Cooperation in the field of Customs”.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1294/2013 of the European Parliament and of the Council of 11 December 2013 establishing an action programme for customs in the European Union for the period 2014-2020 (Customs 2020) and repealing Decision No 624/2007/EC	2014 - 2020	522,9

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,7
Operational appropriations	66,3	68,8	71,7	89,2	82,3	78,3	75,2	531,8
Total	66,4	68,9	71,8	89,3	82,4	78,4	75,3	532,5

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	82,424	100,00 %	72,006	99,90 %	78,386	15,15 %	79,577	21,76 %
Authorised appropriations (*)	87,763	94,70 %	77,240	94,06 %	83,105	14,56 %	84,215	22,34 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

The data collected in the performance measurement of the programme from 2014 (first year of implementation) until 2017 (latest complete measurement of performance indicators) shows that Customs 2020 is on course to fulfilling its objectives and that it plays an important role in facilitating the implementation and development of Union customs policy. As always, the performance is assessed primarily against the targets rather than any smaller fluctuations between the years. The results of the Mid-Term Evaluation exercise support this overall assessment. The numbers of actions, events and participants remained during the period at high levels, testifying about a strong demand from business owners and national administrations for programme activities. In 2014, a score of 3,2 was achieved on the extent to which programme activities achieved their expected results, on a scale from 0 to 4 (fully). From 2015 to 2017 this value was 3,3, testifying the consolidation in the achievement of results over the course of the programme's implementation (the data for 2018 is still in the process of collection at the time of writing).

Ensuring the business and IT systems' continuity is a major responsibility under the programme since disruptions in the operation of the European Information Systems would affect customs national administrations, citizens and businesses across the entire EU, and hamper the functioning of the internal market. All the major centralised IT systems, as well as the underlying infrastructure (Common Communications Network/Common Systems Interface CCN/CSI) – developed, managed and maintained by the Commission - were available as scheduled during the period 2014-2018, with more than 99% of the time during working hours, meeting the expected targets.

The collaboration between customs officials is a key sustainable success factor for the customs policy in Europe. This collaboration improves the understanding and the implementation of the customs law. The feedback from participants in joint actions financed from the Customs programme shows that the collaboration robustness between programme stakeholders (customs national administrations) is progressing in the desired direction. In 2014, more than 95% of the responding participants declared that the programme provided a good opportunity for them to expand their network of customs officials abroad; similar outcome has been maintained in the following years, well above the target of 90%. Additionally, in the same period, the number of respondents who

declared that they have been in contact for work purposes with the officials they met during programme activities (lasting networking effect) has increased from 71% in 2014 to around 85 % in 2018.

General objectives

General Objective 1: to support the functioning and modernisation of the customs union in order to strengthen the internal market by means of cooperation between participating countries, their customs authorities and their officials

Indicator 1: International Logistics Performance Index (LPI)

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
15 MSs within the top 30	15 MSs within the top 30						All Member States within the top 50
9 MSs between the ranks 31-60;	12 MSs between the ranks 31-60;		No Member State below the rank 60		No Member State below the rank 60		
(7 MSs between the ranks 31-50;	1 MSs below the rank 60						
3 MSs between the ranks 51-60)	Actual results ¹⁸⁰						
3 MSs below the rank 60 (dimension of LPI focused on customs and border management clearance) Including Croatia, which is as EU MS since 2013 – to ensure comparison with later periods	15 MSs within the top 30	n.a.*	15 MSs within the top 30	n.a.*	No Member State below the rank 60		
	9 MSs between the ranks 31-50;		8 MSs between the ranks 31-50;		16 MSs within the top 30		
	3 MSs between the ranks 51-60;		4 MSs between the ranks 51-60;		10 MSs between the ranks 31-50		
	1 MSs below the rank 60		1 MSs below the rank 60		2 MSs between the ranks 51-60.		

* No data available, the LPI is measured once every 2 years

Specific objectives

Specific Objective 1: to support customs authorities in protecting the financial and economic interests of the Union and of the Member States, including the fight against fraud and the protection of intellectual property rights, to increase safety and security, to protect citizens and the environment, to improve the administrative capacity of the customs authorities and to strengthen the competitiveness of European businesses

Indicator 1: the feedback from participants in actions under the Programme and users of the Programme index (Collaboration robustness)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Network opportunity (Baseline at the start of the programme is zero)	96 %	90 %	90%	90%	90%	90%	90 %
	Actual results						
	96,58 %	95,54 %	96%	92%	93%		
Lasting networking effect (at least one contact after the end of the programme activity)	Milestones foreseen						80 %
	70 %	80 %	80%	80%	80%	80%	
	Actual results						
	71,53 %	73,20%	70%	84% ¹⁸¹	85% ¹⁸²		
Number of face to face meetings: 380	Milestones foreseen						380
	380	380	380	380	380	380	
	Actual results						
	265	547	552	448	473		
Number of on-line collaboration groups: 40	Milestones foreseen						increase the annual levels
	increase	increase	increase	increase	increase	increase	
	Actual results						
	117 (80 for customs and 37 joint groups between customs and taxation)	124 (103 for customs and 21 joint groups between customs and taxation)	165 (127 for customs and 38 joint groups between customs and taxation)	147 (125 for customs and 22 joint groups between customs and taxation)	186 (163 for customs and 23 joint groups between customs and taxation)		

¹⁸⁰ The composite elements of this indicator are not exclusively related to the performance of the customs administrations. There are equally subjective elements in it, namely the opinions of traders and economic operators. For these reasons, it is difficult to rely solely on this indicator when assessing customs performance.

¹⁸¹ Figures for 2017 (network opportunity and lasting networking effect) have been extracted from the Programme Poll conducted early 2017.

¹⁸² Figures for 2018 (network opportunity and lasting networking effect) have been extracted from the Programme Poll conducted mid-2018.

Indicator 2: number of guidelines and recommendations issued by MS in their national administrations following activities under the Programme relating to modern and harmonised approaches to customs procedures

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Baseline is zero	94	Improve the level of 2014	Grow or stable	Grow or stable	Grow or stable	Grow or stable	Improve the level of 2014
	Actual results ¹⁸³						
	108	151	82	186	66 ^{184 185}		

Indicator 3: the Common Communication Network for the European Information Systems

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
99,94 % of the time available	99,9%	99,9%	99,9%	99,9%	99,9%	99,9%	99,9%
	Actual results						
	99,89%	99,95%	99,98%	99,984%	99,976%		

Indicator 4: the Union Law and Policy Application and Implementation Index

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1. Number of actions under the Programme organised in this area ¹⁸⁶	67	Improve the level of 2014	Grow or stable	Grow or stable	Grow or stable	Grow or stable	Increase in the average score by the end of the Customs 2020 programme (2020).
	Actual results ¹⁸⁷						
	67	65	123	122	97		
2. Number of recommendations issued following those actions: Baseline is zero		Improve the level of 2014	Grow or stable	Grow or stable	Grow or stable	Grow or stable	
	Actual results						
	312	290	225	267	n.a. yet		

Indicator 5: the European Information System Availability

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Centralised IT customs applications (including tariff systems): 99,11 % of time (business hours);	99 %	97 %	97 %	97 %	97 %	97 %	97 %
	Actual results						
	99%	99%	98%	98,7%	99,44%		
95 % (otherwise);	95 %	95 %	95 %	95 %	95 %	95 %	95 %
	Actual results						
	99%	99%	98%	98,7%	99,44%		

Indicator 6: Best Practices and Guideline Index

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of actions under the Programme organised in this area	84	Improve the level of 2014	row or stable	Grow or stable	Grow or stable	Grow or stable	Increase compared to 2014
	Actual results ¹⁸⁸						
	85	200	191	92	133		
% of participants that made use of a working practice/administrative procedure/guideline developed/shared with Programme support Baseline is zero	88 %	Improve the level of 2014	Grow	Grow	Grow	Grow	
	Actual results						
	50,42%	81,01%	68,25%	75%	81%		

¹⁸³ The recommendations and guidelines are counted here individually, rather than by the number of documents containing them. Fluctuations in this indicator, however, need to be interpreted carefully, as not every recommendation or guideline is equally important and is dependent on its actual business value

¹⁸⁴ Preliminary measurement: the number of guidelines/recommendations issued by Member States is based on data from participants collected via EUSurvey. Data collection for year X is ongoing until end March X+1, but data used to calculate the actual results in this table has been extracted in January.

¹⁸⁵ Recommendations and guidelines are counted here individually, rather than by the number of documents containing them. Fluctuations in this indicator, however, need to be interpreted carefully, as not every recommendation or guideline is equally important and is dependent on its actual business value.

¹⁸⁶ When counting the number of actions that are operational in a year under a specific objective, it should be taken into account that the indicator only counts the actions for which the objective in question was chosen as primary objective. This is done so to avoid counting twice the same action under different objectives. However, for many actions the objectives linked to indicators 4 and 8 were selected as secondary objective.

We should also take into account that, while earlier years had more actions in total, and more actions specifically addressing concrete issues, in the last years many actions were to a greater extent organised in broader projects covering themes rather than specific interventions. Content-wise, the projects are usually multi-annual rather than annual, as the actions and processes they cover stretch over more than one year. This may lead to less new initiatives and in a decrease in the total number of actions for a specific year.

¹⁸⁷ Preliminary measurement for the number of recommendations: the number of recommendations indicator is based on data from participants collected via EUSurvey. Data collection for year X is ongoing until end March X+1, but data used to calculate the actual results in this table has been extracted in January.

¹⁸⁸ On sub-indicator 2, the different nature of some of the working practices and guidelines produced to be taken into account when comparing between the years.

Indicator 7: Learning Index							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1. Number of officials trained by using common training material of the Union	4 112	Improve the level of 2014	Grow	Grow	Grow	Grow	Increase compared to 2014
	Actual results						
	4 776	3 092	23 685	19 234	n.a.yet		
2. Number of times Programme eLearning modules were downloaded Baseline is zero	3 219	Improve the level of 2014	Grow	Grow	Grow	Grow	
	Actual results						
	3 219	3 202	12 920	12 291	12 612		

We can observe a very positive trend overall though the period. In particular for 2016, there was a high number releases of training modules dedicated to the Union Customs Code, which resulted in exceptional large increases in both the number of officials trained by using common training material of the Union and the number of times Programme eLearning modules were downloaded. Figures in 2017/2018 remain at very high levels in comparison with baseline.

Indicator 8: Cooperation with third parties Indicator							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of actions under the Programme aiming at authorities other than Member States' customs authorities ¹⁸⁹ Baseline is zero	23 actions	Improve the level of 2014	Grow or stable	Grow or stable	Grow or stable		Increase or stability over the programme lifetime
	Actual results						
	22	26	39	30	18 ¹⁹⁰		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of IT Contracts	14 02 01	90	62.3
Number of events organised	14 02 01	500	9.4
Number of training projects	14 02 01	1	1.814
Number of expert teams projects	14 02 01	1	1.4
Other ¹⁹¹	14 02 01		0.25
Total			75.164

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of IT Contracts*	F	30	30	60	75	90	90	90
	P	59	62	82	85	80		
Number of events organised	F	380	380	500	500	500	500	500
	P	265	547	552	438	468		
Number of training contracts	F	2	2	2	2	2	1	2
	P	1	2	2	2	1		
Number of expert teams organised	F	0	0	3	1	1	4	1
	P	0	0	3	1	2		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

Customs activities contribute to boosting jobs growth and investment and therefore could be linked to the Europe 2020 headline target “Employment - 75% of people aged 20–64 to be in work”

¹⁸⁹ When counting the number of actions that are operational in a year under a specific objective, it should be taken into account that the indicator only counts the actions for which the objective in question was chosen as primary objective. This is done so to avoid counting twice the same action under different objectives. However, for many actions the objectives linked to indicators 4 and 8 were selected as secondary objective.

We should also take into account that, while earlier years had more actions in total, and more actions specifically addressing concrete issues, in the last years many actions were to a greater extent organised in broader projects covering themes rather than specific interventions. Content-wise, the projects are usually multi-annual rather than annual, as the actions and processes they cover stretch over more than one year. This may lead to less new initiatives and in a decrease in the total number of actions for a specific year.

¹⁹⁰ The indicator only counts the actions for which the primary objective selected by Member States has been “Cooperation with third parties”. However, it should be noticed that there are many actions having “Cooperation with third parties” as secondary objective that are not part of this calculation, also in previous years.

¹⁹¹ Other includes reimbursement of external experts

5. Programme contribution to the Sustainable Development Goals

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all:
The Customs Union is a foundation of the European Union and an essential element in the functioning of the single market. The single market can only function properly when there is a common application of common rules at its external borders. To achieve that, the 28 national customs administrations of the EU act as though they were one. These common rules they apply go beyond the Customs Union as such - with its common tariff - and extend to all aspects of trade policy, such as preferential trade, health and environmental controls, the common agricultural and fisheries policies, the protection of our economic interests by non-tariff instruments and external relations policy measures.

For this reason, one can establish a link between the Customs 2020 programme's activities and several Sustainable Development Goals, such as Goal 8 (Promote inclusive and sustainable economic growth, employment and decent work for all) and Goal 15 (Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss).

SDG 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

See above, reference to Sustainable Development Goal 15.

HEADING 1A: Competitiveness for growth and jobs**Action programme for taxation in the European Union (Fiscalis 2020)****Lead DG: TAXUD****I. Overview*****What the programme is about?***

Fiscalis 2020 is an EU cooperation programme enabling national tax administrations to create and exchange information and expertise. It allows developing and operating major trans-European IT systems in partnership, as well as establishing various person to person networks by bringing together national officials from across Europe.

It focuses on improving the proper functioning of the taxation systems in the internal market by enhancing cooperation between participating countries, their tax authorities and their officials. This includes the fight against tax fraud, tax evasion and aggressive tax planning, and the implementation of Union law in the field of taxation, by ensuring exchange of information, supporting administrative cooperation and, where necessary and appropriate, enhancing the administrative capacity of participating countries with a view to assisting in reducing the administrative burden on tax authorities and the compliance costs for taxpayers.

The vast majority of the programme funding (approx. 80%) is devoted to the implementation, improvement, operation and support to the European Information Systems (EIS) for taxation. The remaining part is used for funding the organisation of joint actions, the cooperation and collaboration side (around 15%) and the training activities (around 5%).

The core outcomes of the Fiscalis 2020 programme are the European Information Systems (EIS), which allow the electronic exchange of tax-related information between Member States. Ensuring the business and IT systems' continuity is a major responsibility under the programme since disruptions in the operation of the European Tax IT systems would affect national administrations, citizens and businesses across the entire EU and hamper the functioning of the internal market.

EU added value of the programme

Without intense cooperation and coordination between Member States, unfair tax competition and tax shopping would increase, while fraudsters would exploit the lack of cooperation between national authorities. The added value of the Fiscalis programme, including for the protection of the financial interests of Member States of the Union and of taxpayers, has been recognised by the tax administrations of the participating countries. The challenges identified such as tax fraud cannot be tackled if Member States do not look beyond the borders of their administrative territories or cooperate intensively with their counterparts. The Fiscalis programme, implemented by the Commission in cooperation with the participating countries, offers Member States a Union framework to develop activities through cooperation amongst national tax officials, on the one hand, and IT cooperation, on the other hand. This set-up is more cost-effective than if each Member State were to set up individual cooperation frameworks on a bilateral or multilateral basis.

The Fiscalis programme supports the highly secured dedicated communication network allowing the exchange of information in the framework of fight against fraud, both for direct and indirect taxation. The programme as such interconnects national tax administrations in approximately 5000 connection points¹⁹². This common IT network ensures that every national administration only needs to connect once to this common infrastructure to be able to exchange any kind of information. If such an infrastructure were not available Member States would have to link 28 times to the national systems of each of the other Member States.

According to the conclusions of the Mid-term evaluation of Fiscalis, the programme has been effective in providing solutions for problems with a clear EU dimension. In particular, the programme adds value by providing a forum for discussion, exchange of experiences and networking between Member States that would not be possible without Commission support. Fiscalis also supports the creation of a framework for the exchange of information through a variety of IT systems and activities. These lead to both tangible and intangible benefits of scale and coordination. The clear EU component, and the fact that the same results would be difficult or impossible to achieve without the programme to support them, in particular in terms of necessary maintenance of European Information Systems (EIS), also leads the evaluation to conclude that continued support through funding of the programme is relevant and advantageous from the perspective of EU added value.

Implementation mode

The Fiscalis programme is implemented under direct management, through:

- Procurement contracts: for the European Information Systems expenditure, training activities and studies.
- Grant agreements with the participating countries: for joint actions and expert teams.

¹⁹² Customs and taxation connection points taken together.

II. Programme Implementation Update

Implementation Status (2016-2018)

The two Expert Teams that were created for taxation in 2016 started to produce their outputs in 2017 (on IT collaboration and exchange of information). The objective of the Expert Team on IT Collaboration (MANITC) was to group MS's resources to strategically manage IT Collaboration initiatives in the field of taxation for the implementation of IT systems, e.g. the development of IT software, IT solutions (design, specifications etc.), IT components (Architecture, platforms etc.) or other elements that support an IT solution (e.g. testing). The DAC2 Expert Team supported MSs in the implementation of Council Directive 2014/107/EU, which imposes through Art. 8(3a) on MSs an automatic exchange of financial information (such as account numbers, beneficiary's name, account balance or gross amount of interests paid) by collaboratively designing and developing some national software modules of DAC2. This allowed MSs to save costs on the phase of the development lifecycle and to ensure a cross-border orientation. Based on the results of MANITC, two additional expert teams were launched to foster the IT collaboration in the taxation area (MANITC 2 in 2017 and MANITC 3 in 2018) in continuation of the predecessor MANITC 1 objectives¹⁹³. In the area of excise duties, two new expert teams were launched in 2018 to create a mobile application for EMCS controls, and to develop an excise duty calculator. Also in 2018 another expert team was created to group Member States' resources to assist the Commission in the development of the Transaction Network Analysis (TNA) software, a custom built software to facilitate information exchange and data analysis within the Eurofisc network.

Key achievements

Fight against fraud, tax evasion and aggressive tax planning and administrative cooperation.

At EU level, the fight against tax fraud, tax evasion and aggressive tax planning is materialised by setting-up IT systems and other mechanisms of cooperation such as e.g. joint audits. The European Information Systems (EIS) allow tax administrations to exchange information by secure electronic means. The information exchange is enabled by a closed and secure Common Communication Network/Common Systems Interface (CCN/CSI) – one of the main outcomes of the programme. In the 2014-2018 period, the CCN/CSI had the required high availability and the number of exchanged messages on the network has been rising: 2,7 billion (2014), 3,2 billion (2015), 4,5 billion (2016), 4,8 billion (2017) and almost 6 billion (2018). If we look at only messages exchanged on the taxation systems on the network, the numbers are also indicating a rise: 2,2 billion (2014), 2,8 billion (2015), 4 billion (2016), 4,2 billion (2017) and 5,2 billion (2018). The European Information Systems supported by Fiscalis 2020 interconnect tax authorities and thus facilitate the coexistence of 28 taxation systems in the Union. In the observed period, they allowed information to be exchanged rapidly and in a common format that can be recognized by all Member States. At the end of 2018, there were a total of 27 European Information Systems and related applications in operation for taxation. The high volume of information channelled via CCN/CSI and the other tax related IT systems (e.g. VIES, EMCS) shows that the programme is a solid and robust enabler for the information exchange amongst tax (and customs) authorities.

In the area of direct taxation, the programme funded different activities to support the automatic exchanges of information under the Council Directive 2011/16/EU on administrative cooperation in the field of taxation (DAC1) and its subsequent revisions¹⁹⁴. The last of these revision (DAC6, transposition deadline 31/12/2019) will provide for reporting of potentially aggressive cross-border tax planning schemes. The implementation of DAC2 and the technical developments were supported under the programmes in 2016, 2017 and 2018 by an Expert Team, a new tool from the programme tool-box supporting enhanced operational collaboration.

108 participants from 32 EU Member States and Candidate Countries, as well as representatives of DG TAXUD, DG DIGIT and DG CONNECT, met for a workshop in Malta on May to discuss the challenges and opportunities that blockchain and Distributed Ledger Technology (DLT) opens in the fields of customs and taxation.

Blockchain is one of the potentially foundational technologies identified by the Commission to enable the Digital Single Market. After having started the Blockchain@TAXUD initiative in 2017, in 2018, DG TAXUD, in collaboration with DG DIGIT and DG CONNECT, evaluated further if this technology was suited for taxation (or customs). In the excise domain, DG TAXUD tested, with the EMCS Proof of Concept (PoC), a complex scenario using a permissioned consortium blockchain. It was completed in 2018 and is illustrated in a video available in YouTube "[Blockchain in the excise domain video](#)"¹⁹⁵.

Drawing from the positive results of the above blockchain project, DG TAXUD organised a workshop with the Member States in May 2018, raising awareness on the interest of this new technology. It was agreed to carry on in 2018 and 2019 with an extended Proof of Concept for the System of Exchange for Excise Data (SEED-on-blockchain). The work started end of 2018 with the participation of 8 Member States. DG TAXUD and the Member States will evaluate in 2019 the operational and governance

¹⁹³ The launch of new Expert Teams in the same area is the consequence of having different set-up in terms of MSs participation and to reflect new outputs to be delivered.

¹⁹⁴ In 2014, first automatic exchanges of information took place on non-financial items (e.g. income for employment) took place under the Council Directive 2011/16/EU on administrative cooperation in the field of taxation (DAC1). The second revision of the Directive (DAC2) provided for the automatic exchange of tax information on financial items as of 2016; Fiscalis financed in 2014 and 2015 the definition of the tool. Taking into account the international context around this initiative (namely, the Foreign Account Tax Compliance Act - FATCA and the OECD global standard), the developments registered under the programme in this area had a strong international resonance. The third revision of the directive (DAC3, transposition deadline 31/12/2016) provided for the automatic exchange of information on tax rulings and advance pricing arrangement. The fourth revision (DAC4, transposition deadline 4/6/2017) provided for country-by-country reporting, while the fifth revision (DAC5, transposition deadline 31/12/2017) for access to mechanisms, procedures, documents and information as regards beneficial ownership.

¹⁹⁵ <https://www.youtube.com/watch?v=qsmo7VOqATI&feature=youtu.be>

aspects of using blockchain technology, notably the possibility of using it in the future for the Import one-stop shop (IOSS system), which is required in the context of the e-Commerce implementation.

The tax officials exchange views and best practices to fight against tax fraud, tax evasion and aggressive tax planning in the joint actions organised under the programme. Accelerated exchange of information between VAT anti-fraud units was supported via Eurofisc¹⁹⁶. The programme also finances multilateral controls actions (MLC), coordinated controls of the tax liability of one or more related taxable persons, organised by two or more Member States with common or complementary interests. Approximately 3,26 billion EUR of tax amount due was identified through multilateral controls under Fiscalis 2013. This amount is very significant compared with the programme investment (2,41 million actually spent on MLCs under Fiscalis 2013). 75 multilateral controls actions (MLC) have been registered in 2014 (including the ones continued from 2013), 43 in 2015, 65 in 2016, 70 in 2017 and 56 in 2018. Activities under the programme were also organised to secure an effective methodological, financial and organisational set-up for the presences in the administrative offices and participation in administrative enquiries (PAOE). In 2016, 40 such activities were registered, 42 in 2017 and 45 in 2018.

Enhanced administrative capacity.

The use of IT systems, such as the CCN/CSI platform, EMCS, VAT Refund, SEED-on-Europa, VIES-on-the-web and e-forms builds towards the development of an e-administration. They limit the resource-extensive paper-based procedures. For example, due to VIES-on-the-web, economic operators no longer have to use the intermediary national administration to validate the VAT numbers of their trading partners, directly reducing the lead-time and the administrative burden and compliance costs for traders and national administrations. Furthermore, the Mini One Stop Shop (MOSS) system has been deployed according to legal provisions, and a second release has been completed in 2018. This system contributes to reducing the administrative burden on tax administrations and compliance costs for taxpayers: for those taxpayers active in the telecommunications, broadcasting and electronic services and established within the Union as it allows fulfilling their VAT obligations in a single place of compliance instead of in each country of the economic activity. In 2015, the first operational year of the system, approx. 12.000 economic operators registered to the Mini One Stop Shop. In 2016, the number raised up to 13.522 operators registered and to 14.099 in 2017.

Training and human competency building.

Fiscalis 2020 continued to support throughout 2018 a coherent implementation and application of tax policies (VAT competency/tax compliance building). This happened specifically through the realisation of a major technical up-grading and content-updating project of the EU VAT eLearning programme (composed of 12 VAT process-specific eLearning modules in 17 EU languages, a total of 204 modules) that makes this EU competency building training material fit for use by the national public and private sector across the EU for the years to come. In addition, the development of an EU TAX Competency Framework was started in early 2018. By the end of 2018 an EU-wide survey on Human Capacity Building Maturity in national tax administrations was performed and draft versions of common tax values, operational competencies, functional domains in taxation and tax career paths elaborated (2018/2019 project: fine-tuning and consultation with national tax administrations in 2019).

Evaluations/studies conducted

In the framework of the Commission Action Plan of April 2016 "Towards a single EU VAT area", the studies under Fiscalis 2020 mainly focus on VAT and cross-border issues such as studies on VAT aspects of cross-border e-commerce, the provision of effective tax rates and the measurement of aggressive tax planning. One study was conducted in 2015/2016 focused on VAT aspects of cross-border e-commerce, presenting options for modernisation). On 6th May 2015, the European Commission announced its Strategy for the EU Digital Single Market. In this context the Commission committed to make legislative proposals to modernise the VAT for cross-border e-commerce and reduce the administrative burden of businesses arising from different VAT regimes with the introduction of the destination principle accompanied with the implementation of a Mini One Stop Shop (i.e. the MOSS). This study considered the widening of the MOSS to other areas of final consumers of e-Commerce, the elimination of the VAT exemption for the importation of small consignments, and the elimination of current registration thresholds for intra-EU consumers supplies of goods in order to reduce the administrative burden and compliance costs of businesses. The study's outcomes were used in the e-commerce proposal of the Commission (2016), that led to the intensive interinstitutional negotiations on new rules for VAT on e-commerce during 2017 which were adopted by the Council in December 2017.

Two important evaluations have been adopted by the College: Evaluation of VAT administrative co-operation and fight against fraud (Nov-2017) and Evaluation of Directive 2011/16/EU on the administrative cooperation in the field of taxation (Dec-2017).

In the area of excise duties, TAXUD has conducted different studies. In 2016 we launched the evaluation of the Council Directive 92/83/EEC on the harmonisation of the structures of excise duties on alcohol, which was driven by the EU's responsibility given by the Treaty (article 113) in the area of excise duties. Also in the area of excise duties, the study for the impact assessment on the revision of Directive 2011/64/EU of 21 June 2011 on the structure and rates of excise duty applied to manufactured tobacco was finalised in 2017. In addition, an evaluation is ongoing (expected to end in 2019) regarding the excise duty rates applied to manufactured tobacco under the above-mentioned Directive.

In 2018, TAXUD conducted an evaluation of the administrative cooperation tools under Regulation 904/2010 and supported the legal initiative proposing new means of cooperation in the field of e-commerce. The evaluation examined to which extent

¹⁹⁶ Network for the swift exchange of targeted information between Member States to enhance multilateral administrative cooperation in combating organised VAT fraud and especially VAT carousel fraud. Eurofisc legal base is under Chapter X of Council Regulation EU No.904/2010 on administrative co-operation and combating fraud in the field of VAT.

Regulation (EU) 904/2010 met the overall objectives of contributing to a closer cooperation between Member States, of avoiding budget losses, of fighting VAT fraud and of preserving the principles of fair taxation, when considering e-commerce.

In addition to technical studies and evaluations, the mid-term evaluation of Fiscalis 2020 was launched in 2017 (finalised in 2018¹⁹⁷) and the final evaluation of the programme is planned for 2020¹⁹⁸. The mid-term evaluation of the programme sought to assess performance so far in terms of the Better Regulation criteria (relevance, effectiveness, efficiency, coherence and EU added value) and to make recommendations for future improvement. It found that Fiscalis is a successful and firmly established programme that regularly takes stock of its performance and improves over time. It provides valuable support to administrations and economic operators, in turn supporting the fight against tax evasion, tax fraud and aggressive tax planning. While there is room for improvement, this amounts to tweaks to a programme that is on the whole relevant, working well and adding value. Recommendations proposed concerned operational aspects targeting incremental improvements to the programme's operations and functioning. They relate to four main areas:

- Programming and design: make more practical use of the Annual Work Programme projects and consider multi-annual programming; designate long-term, platform-like joint actions; refine strategy for development and promotion of eLearning modules (investigate ways to improve the technological platform for the delivering them and improve the procedures for its translation, localisation and updates).
- Implementation: optimise the procedures and resources for the implementation of joint actions, so that the workload for available human resources and administrative burdens on different actors are appropriate; increase coordination with other EU programmes (both in terms of operational coordination with the Customs programme and establishing a forum for working with other COM DGs).
- Monitoring and reporting: streamline the monitoring system so it meets actual needs while reducing administrative burdens, including launching a study to refine and reduce the number of monitoring indicators.
- Communication: communicate more actively about the possibilities of the programme, with national coordinators and other officials taking a more active role in finding out about and spreading awareness of the programme; increase senior-level buy-in and political will among national administrations to boost participation and engagement.

The studies and evaluations financed under the programme Fiscalis 2020 can be found on the TAXUD EUROPA website: https://ec.europa.eu/taxation_customs/calls-tenders-grants-calls-expression-interest_en and on the EU Bookshop on <https://bookshop.europa.eu/en/home/> (author: Directorate-General for Taxation and Customs Union).

Forthcoming implementation (2019-2020)

In the coming years, emphasis will be put on further improving the administrative capacity of Member States, be it through IT capacity building, traditional and innovative forms of cooperation or human competency building initiatives. The capacity of tax administrations is indeed instrumental to ensure they run efficiently their tax systems within the internal market and to address cross-border tax fraud and evasion. In the medium-term, the implementation of the following programme's main outcomes will be pursued to achieve the EU tax policy objectives:

- Ensuring business continuity of existing European IT systems and development of new ones. In the field of Indirect Taxation, the major activities will consist in implementing the e-commerce package for 1st January 2021, and following the possible adoption of the CESOP (new central electronic system of payment information) proposal in the area of VAT administrative cooperation, proceed with its implementation. The proposal for a definitive VAT regime may also lead to IT implementation. In the field of Excise, the activities will concern mainly the implementation of EMCS Phase 3.4 and B2B duty paid changes. Different forms of IT collaboration, such as Expert Teams in the area of IT systems, will be put in place, increasing the number of shared IT activities and reusable components among Member States. This approach should reduce the costs for deploying EU wide tax IT systems, both at EU and national level while responding in a more agile way to European Union tax policy needs.

Under the programme, activities are put in place to further strengthen the operational cooperation through the use of Expert Teams, which will be pooling expertise to perform tasks in specific domains, mainly for the European Information Systems. In particular for 2019, TAXUD will continue to provide support to the three Expert Teams created during the second half of 2018:

- In the area of VAT: the Expert Team TNA (Transaction Network Analysis) is expected to enhance Eurofisc capability to exchange information and detect fraudsters. TNA is a tool for information exchange and common processing of data for Eurofisc officials that will use VIES and Eurofisc data to build networks around known risky traders. Once the networks are built they will be prioritized in accordance to business rules agreed upon by Member States.
- In the area of excise duties, the Expert Team EDC will develop an excise duty calculator, which will calculate the excise duty applied on consignments of EU harmonised excisable products.
- Also in the area of excise duties, the Expert Team m-EMCS will start the delivery of a mobile application to provide national tax officers with a mobile solution allowing them to consult an electronic administrative document (e-AD) and, when applicable, generate a control report during a road control or any other control activity that occurs outside of their office. This will allow, for example, during a road control, officers to consult an e-AD, check its content against the goods on the truck and,

¹⁹⁷ SWD COM(2019)59 adopted on 07/02/2019.

¹⁹⁸ Both evaluations are conducted in accordance with Ar. 18.1 of Regulation 1286/2013.

if any irregularity found, to report it immediately, using the same instrument that will be able to build a Control Report based on the e-AD, store it and disseminate it.

- Enhancing the traditional collaboration between tax officials to ensure high standards of administrative capacity. Effective and efficient tax administrations are key for collecting the taxes due. Tax administrations should be solid in terms of structural mechanisms and all should be brought on the same level playing field to ensure a smooth cooperation and the co-existence of diverse tax systems in the internal market. To support tax administrations, TAXUD will continue to work on the newly established strategic dialogue and cooperation among the Heads of tax administrations (named TADEUS –Tax Administration European Union Summit).

- In relation to training and human competency building, the continuous implementation of an established common multi-annual customs & tax training and staff development Action Plan (2017 – 2020) will until 2020 provide the necessary policy back-up and national engagement for common EU training & staff development measures in the field of taxation for the years to come. It will allow for a most impactful EU Training support, such as through the EU tax eLearning initiative and EU tax training delivery in form of innovative formats like tax training webinars and/or structured EU-wide delivery of nano-learnings and similar. The establishment of a first EU Tax Competency Framework (TaxCompEU) will as of Q3/2019 further contribute specifically to the Administrative Capacity building initiative for taxation.

Outlook for the 2021-2027 period

The proposal for the future Fiscalis programme is included in the 2021-2027 MFF Heading 1 “Single Market, Innovation and Digital” as an independent programme in view of its specificities, under the name “Cooperation in the field of taxation”.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1286/2013 of the European Parliament and of the Council of 11 December 2013 establishing an action programme to improve the operation of taxation systems in the European Union for the period 2014-2020 (Fiscalis 2020) and repealing Decision No 1482/2007/EC	2014 - 2020	223,4

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,7
Operational appropriations	30,8	31,0	31,4	31,8	32,4	32,6	33,0	223,0
Total	30,9	31,1	31,5	31,9	32,5	32,7	33,1	223,7

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	32,460	100,00 %	30,661	99,69 %	32,670	19,75 %	30,403	23,22 %
Authorised appropriations (*)	34,528	95,17 %	32,781	95,83 %	34,359	20,74 %	31,790	23,09 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

The data collected in the performance measurement of the programme show that Fiscalis 2020 is on course to fulfilling its objectives and progressing towards achieving the expected results of the projects planned in the Annual Work Programmes.

During the last four years, the number of IT systems (and their availability), the number of events and participants remained at high levels. The high quantity of deliverables under the programme is the result of a high demand from stakeholders. This aspect has been confirmed by the conclusions of the Mid-Term Evaluation of the programme, which has highlighted an general agreement among the stakeholders consulted that the programme is needed to facilitate secure and rapid exchanges of information, cooperation between tax administrations and enhancement of administrative capacity.

General objectives

General Objective 1: to improve the proper functioning of the taxation systems in the internal market by enhancing cooperation between participating countries, their tax authorities and their officials

Indicator 1: ease of paying taxes

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
10 MS within the top 50 10 MS between the ranks 51-100 2 MS between the ranks 101-120 5 MS below the rank of 120	13 MS 13 MS 1 MS 1 MS	Improve the ranking of individual Member States	No Member State below the rank of 120	No Member State below the rank of 120	No Member State below the rank of 120	No Member State below the rank of 120	All Member States within the top 100, those Member States which are already in the top 100 in 2010 move to the top 50
	Actual results						
	11 MS within top 50; 12 between 51-100; 2 between the ranks 101-120; 2 below 120	14 MS within top 50; 12 between 51-100; 2 below 120	20 MS within top 50; 7 between 51-100; 1 below 120	17 MS within top 50; 10 between 51-100; 1 below 120	No Member State below the rank of 120 (19 within top 50; 8 between 51-100; 1 between 101-120)		

Specific objectives

Specific Objective 1: to support the fight against tax fraud, tax evasion and aggressive tax planning and the implementation of Union law in the field of taxation by ensuring exchange of information, by supporting administrative cooperation and, where necessary and appropriate, by enhancing the administrative capacity of participating countries with a view to assisting in reducing the administrative burden on tax authorities and the compliance costs for taxpayers

Indicator 1: the Common Communication Network for the European Information Systems

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
99,94 %	99,9 %	99,9 %	99,9 %	99,9 %	99,9 %	99,9 %	99,9 %
	Actual results						
	99,89%	99,95%	99,98%	99,984%	99,976%		

Indicator 2: the feedback from participating countries on the results of actions under the programme (collaboration robustness)

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Network opportunity (Baseline at the start of the programme is zero)	95 %	90 %	90%	90%	90%	90%	90 %
	Actual results						
	95,15%	96,66%	97%	90%	91,47%		
Lasting networking effect (at least one contact after the end of the programme activity)	68 %	80 %	80%	80%	80%	80%	80 %
	Actual results						
	68 %	72,61 %	69%	84% ¹⁹⁹	76,05% ²⁰⁰		
Cooperation: Number of face to face meetings: 295	295	295	500	500	500	500	500
	Actual results						
	247	632	586	563	556		
Number of on-line groups: 30	Increase	Increase	Increase	Increase	Grow or stable		Increase the annual levels
	Actual results						
	109 (72 for taxation; 37 joint groups between customs and taxation)	126 (105 for taxation; 21 joint groups between customs and taxation)	174 (136 for taxation; 38 joint groups between customs and taxation)	152 (130 for taxation; 22 joint groups between customs and taxation)	177 (154 for taxation, 23 joint groups between customs and taxation)		

The figures on network opportunity and lasting networking effect show some fluctuations over the years, but overall the rates are above the baseline and there is a progress towards the targets (already achieved in relation to network opportunity). In order to improve the lasting networking effect, work continues on improvements in the area of communication and to facilitate online collaboration and sharing between the participants of programme activities after the events come to an end.

¹⁹⁹ Figures for 2017 (network opportunity and lasting networking effect) have been extracted from the Programme Poll conducted early-2017.

²⁰⁰ Figures for 2018 (network opportunity and lasting networking effect) have been extracted from the Programme Poll conducted mid-2018.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of IT Contracts*	14 03 01	45	23.09
Number of events organised	14 03 01	500	7.85
Number of training contracts	14 03 01	1	1.483
Number of expert teams projects	14 03 01	1	0.5
Other	14 03 01		0.07
Total			32.993

* The method to breakdown the contractual expenditure over the various contracts funded by the programme has been refined and estimates have been updated

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of IT Contracts	F	20	20	40	45	45	45	45
	P	42	41	53	29	43		
Number of events organised	F	295	295	500	500	500	500	500
	P	247	632	586	554	536		
Number of training projects	F	2	2	2	2	2	2	2
	P	1	2	2	3	1	2	
Number of expert teams projects	F	0	0	2	1	5	1	1
	P	0	0	2	2	4		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

There is added value in having EU-wide intervention reforming tax systems to make them better fit to the internal market and to minimize the risk of tax-induced relocation of economic activities and be more supportive of the EU-wide objectives of growth, jobs and investment. In this sense, Fiscalis activities contribute to boosting jobs growth and investment and therefore could be linked to the Europe 2020 headline target “Employment - 75% of people aged 20–64 to be in work”.

5. Programme contribution to the Sustainable Development Goals

The Commission's general objective is to ensure that tax policy supports wider EU policy objectives for smart, sustainable and inclusive growth in the EU. The Fiscalis 2020 programme through its activities contributes to the achievement of the following Sustainable Development Goals:

HEADING 1A: Competitiveness for growth and jobs**Programme to promote activities in the field of the protection of the financial interests of the European Union (Hercule III)****Lead DG: OLAF****I. Overview*****What the programme is about?***

Hercule III is the latest EU anti-fraud programme, following Hercule II (2007-2013). It helps EU countries fight fraud, corruption and other illegal activities. The programme protects the EU's financial interests by supporting actions to combat irregularities, fraud and corruption affecting the EU budget. This includes combating tobacco smuggling, which remains a major concern, accounting for estimated annual losses of at least EUR 10bn to national and EU budgets. Helping to fund x-ray scanners and other technical equipment in harbours and airports, for example, aims to boost national authorities' capacity to fight smuggling. Hercule III also finances training activities. It helps national authorities share best practices through seminars and conferences on issues such as preventing corruption in procurement procedures. Another facet is training to boost and update the digital forensic and analyst skills of law enforcement staff.

The Programme contributes to:

- developing the activities at Union level and the Member States' level to counter fraud, corruption and any other illegal activities affecting the financial interests of the Union, including the fight against cigarette smuggling and counterfeiting;
- an increased transnational cooperation and coordination at Union level, between Member States' authorities, the Commission and the European Anti-Fraud Office (OLAF), and in particular to the effectiveness and efficiency of the cross-border operations;
- an effective prevention of fraud, corruption and any other illegal activities affecting the financial interests of the Union, by offering joint specialised training for staff of national and regional administrations, and to other stakeholders.

EU added value of the programme

The Programme significantly contributes to the development of activities at Union level to counter fraud, corruption and any other illegal activities, to the creation of an increased transnational cooperation and coordination between Member States' authorities, the Commission and the European Anti-Fraud Office (OLAF) and to the establishment of an effective prevention system against fraud, corruption and any other illegal activities affecting the financial interests of the Union. The programme creates in particular savings deriving from the collective procurement of specialised equipment and databases to be used by the stakeholders as well as deriving from the specialised training.

Implementation mode

The Programme is managed by the Commission's European Anti-Fraud Office (OLAF) and is implemented by means of: grants, following calls for proposals; public procurement contracts following calls for tender; and administrative arrangements. The Hercule III Regulation provides for three types of action: Technical Assistance (at least 70 % of the budget), Training (max: 25 % of the budget) and Other Actions (max: 5 % of the budget).

II. Programme Implementation Update***Implementation Status (2016-2018)***

The Hercule III Programme is implemented on the basis of annual work programmes (Article 11 of Regulation 250/2014). The entry into force of the Programme in March 2014 led to the adoption of the work programmes²⁰¹ for the years 2014-2018. The implementation of the annual work programmes did not generate major issues. Some of the available payment appropriations for 2018 were not consumed mainly due to the fact that final invoices were submitted late by the sub-contractors for procured events and almost half of the 2018 grant agreements were signed and paid only in the beginning of 2019, due to technical difficulties encountered with the e-grant management system. These aspects do not affect the achievement of the programme's objectives, all the planned contracts being signed and implemented.

The Commission received a substantial higher number of applications for grants under the calls for proposals in particular technical assistance (purchase of technical equipment) as the result of the increase of the maximum co-funding percentage from 50% under the previous Programme to 80% (and even 90% in exceptional and duly justified cases). Between 2014 and 2018, the Commission awarded more than 190 grants to national and regional authorities as well as research institutes and NGO's for the purchase of technical equipment or for the organisation of training events, conferences and seminars.

Since 2017, OLAF is using the existing Commission's "E-grant" system for the management of grant applications and grant agreements funded under the Hercule III Programme.

²⁰¹ Financing Decision FD2014, C(2014)3391 final of 26 May 2014; FD2015, C(2015)2234 final of 8 April 2015; FD2016, C(2016)868 final of 17 February 2016; FD2017, C(2017)1120 final of 22 February 2017; FD2018, C(2018) 1763 final of 28 March 2018. The 2019 Financing Decision, C(2018) 8568 final, was adopted on 17 December 2018

Key achievements

The mandatory surveys that the beneficiaries of training grants and contracts have to administer to the participants in order to assess the relevance of the conference, seminar or training and to measure their satisfaction levels reveal that a very large majority of users (more than 90%) express a satisfactory or very satisfactory opinion on the event. The results of the surveys are transmitted in the final report of the event and show that the networking opportunities are in particular highly valued and that the participants perceive that the training event increased their skills.

For the beneficiaries of technical assistance grants, it is difficult to report on the achievements right after the purchase of the equipment. They are requested to submit a final implementation report one year after the closing date of the grant. This report includes information on the results achieved by using the equipment as well as the beneficiary's assessment of the contributions made to the achievement of the Programme's objectives. The results reported suggest that the purchased technical equipment, such as scanners or sniffer dogs, helped the grant beneficiaries to seize substantial amounts of smuggled cigarettes, counterfeit goods and tobacco. For example, x-ray scanners purchased by the Polish Customs detected large quantities of illegal cigarettes being smuggled into the EU. Brussels Airport is now more efficient in fighting smuggling, having acquired a state-of-the-art scanner van, able to X-ray airplanes. The Lithuanian Customs implemented of an IT system linking customs offices in Lithuania, Latvia and Estonia for the exchange of information and images generated by 12 X-ray scanners located at internal and external border crossing points. The use of this tool led in the past year to two big seizures of more than 12 million cigarettes, preventing potential losses of almost EUR 2 million.

In addition, grant beneficiaries reported that investigation support equipment, such as cameras, IT-tools and forensic soft- and hardware, facilitated the lawful gathering of (digital) evidence during operations in support of investigations aimed at protecting the Union's revenues, expenditures and assets. For example, Polish Customs Service reported that the use of the forensic equipment co-financed by Hercule led to seizures of EUR 117 million, 287 investigated persons and 35 convictions. The French National Service for Intelligence and Customs Investigations indicated that the localisation and surveillance equipment acquired contributed to EUR 73 million seizures and six arrests.

Evaluations/ Studies conducted

An independent mid-term evaluation was carried out during 2016/2017 in support of a report²⁰² transmitted by the Commission to the European Parliament and to the Council. The evaluation demonstrated the overall efficiency and effectiveness of the Programme for both training actions and technical assistance activities. The stakeholders almost unanimously recognised the Programme's EU added value and its essential contribution for a better protection of the Union's financial interests. The Programme's sustainability was also recognised – there is a consensus among the beneficiaries that the co-financed projects will continue producing benefits, even after their completion.

Forthcoming implementation (2019-2020)

The annual work programme for 2019 provides for the organisation of three calls for proposals for technical support to national and regional authorities tasked with the protection of the Union's financial interests as well as support for research studies, scientific publications and the organisation of training and conferences by research and educational institutes and NGO's. The 2019 calls for proposals have been published on the EU Participant portal.

In addition, support for the (access to) databases with information on trade flows, ship movements, cargo manifests, container traffic and company information for Member States' law customs and police forces as well as the further enhancement of IT-tools for risk assessment analyses are provided for. OLAF will procure the access to databases using existing framework contracts concluded by Eurostat and/or will launch a call for tender for this purpose. Digital forensics and analyst training sessions will be provided for staff in national and regional administrations, improving and updating their competences in these fields. The Commission proposed to include this programme within the new “EU Anti Fraud” programme for the next MFF.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 250/2014 of the European Parliament and of the Council of 26 February 2014 establishing a programme to promote activities in the field of the protection of the financial interests of the European Union (Hercule III programme) and repealing Decision No 804/2004/EC	2014 - 2020	104,9

	Financial Programming (EUR million)							DB2020	Total Programme
	2014	2015	2016	2017	2018	2019			
Operational appropriations	13,7	14,1	14,5	15,0	15,3	15,9	16,4	104,9	
Total	13,7	14,1	14,5	15,0	15,3	15,9	16,4	104,9	

²⁰² Commission Staff Working Document SWD(2018) 3 final of 10 January 2018 accompanying the Commission report to the European Parliament and the Council COM(2018) 3 final

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	15,348	96,44 %	13,255	60,21 %	15,891	1,37 %	16,065	23,53 %
Authorised appropriations (*)	15,348	96,44 %	13,255	60,21 %	16,187	1,34 %	16,361	23,10 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To protect the financial interest of the Union thus enhancing the competitiveness of the Union's economy and ensuring the protection of the taxpayers' money

Specific objectives

Specific Objective 1: To prevent and combat fraud, corruption and any other illegal activities affecting the Union's financial interest

Indicator 1: The added value and effective use of co-financed technical equipment, expressed by the users of the equipment in their final technical report and final implementation report of the action (percentage of users that considered the use of Hercule funded equipment added value to their activities)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
				70%	75%	75%	75%
Actual results							
	*	*	*	*	*		

* The information for this indicator is submitted by the beneficiaries in their final implementation report one year after the closing date of the action for which the grant was awarded. In the course of 2019, OLAF should receive a sufficient amount of data for this indicator to reflect in a reliable way the opinions of the beneficiaries.

Indicator 2: The number and type of trainings activities funded under the Hercule III programme, including the amount of specialised training, and the satisfaction rate as expressed by the participants

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
25 (including 2 specialised trainings)	25(2) 65%	25(1) 67%	25 (2) 69%	25 (2) 70%	25 (2) 72%	25 (2) 74%	25 (including 2 specialised trainings) 75% satisfaction rate
Actual results							
60% Satisfaction rate	29 >90%	30 >90%	22 >90%	33 >90%	24 >90%		

This indicator has been elaborated for OLAF's Annual Management Plan 2014 in the light of the operational objectives in the Hercule III Regulation.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Technical Assistance (incl. IT support, at least 70% of the budget)	24 02 01	50	11,7
2. Training and Conferences (incl. studies, maximum 25 of the budget)	24 02 01	30	4,2
3. Other actions (maximum 5% of the budget) ²⁰³	24 02 01	p.m.	p.m.
Total		80	15,9

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Technical Assistance (incl. IT support)	F	20	20	20	20	20	20	20
	P	21	18	23	22	20		
2. Training and Conferences (incl. studies)	F	15	15	30 ²⁰⁴	30	30	30	30
	P	29	30	22 ²⁰⁵	33	24 ²⁰⁶		
3. Other actions	F		0	0	0			
	P		1	0	0			

²⁰³ Regulation 250/2014 on the Hercule III Programme identifies the three types of actions listed above.

²⁰⁴ The number of foreseen outputs has been increased from 15 to 30 and now includes all contracts and grants concluded for conferences, training and studies.

²⁰⁵ In 2016, the number of procured Conferences organised by OLAF for the benefit of MS had to be postponed to 2017 or could not take place. In addition, fewer applications were awarded a grant for the organisation of conferences. The remaining budget was transferred and used for technical assistance actions.

²⁰⁶ In 2018 fewer applications were received and awarded a grant under the "Training" sectors. The remaining budget was transferred and used for organising specialised (procured) training

HEADING 1A: Competitiveness for growth and jobs**Exchange, assistance and training programme for the protection of the euro against counterfeiting (Pericles 2020)**

Lead DG: ECFIN

I. Overview***What the programme is about?***

The Pericles 2020 programme funds staff exchanges, seminars, trainings and studies for law enforcement and judicial authorities, banks and others involved in combating euro-counterfeiting. Actions can take place in the euro area, in EU countries outside the euro area and in third countries. Since 2015 applications by all 28 Member States' competent authorities can be introduced to receive co-financing. The Directorate-General for Economic and Financial Affairs (DG ECFIN) can also initiate actions to complement Member States' initiatives. The Pericles 2020 programme dedicates a bit more than EUR 7,3 million for the implementation of the programme, for the period 2014-2020.

EU added value of the programme

The Programme shall actively encourage and entail an increase in transnational cooperation for the protection of the euro inside and outside the Union and with the Union's trading partners, and with attention also being paid to those Member States or third countries that have the highest rates of euro counterfeiting, as shown by the relevant reports issued by the competent authorities; this cooperation shall contribute to the greater effectiveness of these operations through the sharing of best practice, common standards and joint specialised training.

Implementation mode

The Pericles 2020 Programme is implemented under direct management (DG ECFIN) and involves procurement and call for proposals.

- Bodies eligible for funding (call for proposals) under the Programme shall be the competent national authorities as defined in point (b) of Article 2 of Regulation (EC) No 1338/2001.
- In implementing the procured actions, the Commission may choose to use the services of firms specialised in organising events under a framework contract.

II. Programme Implementation Update***Implementation Status (2016-2018)*****2016**

- **Annual budget** for the implementation of the 'Pericles 2020' Programme 2016 - Call for Proposals ref. 2016 ECFIN 001/R6 was set at EUR 1 038 500; A total of EUR 1 029 353.87 was committed: 99.2 % of the budget was committed.
- **13 projects funded**: 9 originated from the competent authorities and 4 were Commission initiatives.
- **Funded applications**: 8 are conferences/workshops, 3 staff exchanges, 1 study and 1 purchase of equipment.
- 4 actions were implemented in 2016, while 8 actions have been implemented in 2017 and 1 will be finalised in 2019.
- Estimated number of **participants**: 528.

2017

- **Annual budget** for the implementation of the 'Pericles 2020' Programme 2017 – Call for proposals ref. 2017 ECFIN 004/C5 was set at EUR 1 047 500. A total of EUR 1 047 477.62 was committed: 99.9 % of the budget was committed.
- **13 projects funded**: 10 originated from the competent authorities and 3 were initiatives of the Commission.
- **Funded applications**: 8 are seminar/conferences/workshops, 4 staff exchanges, and 1 purchase of equipment.
- 5 actions were implemented in 2017, while 8 actions have been implemented in 2018.
- Estimated number of **participants**: 756.

2018

- **Annual budget** for the implementation of the 'Pericles 2020' Programme 2018 - Call for Proposals ref. 2018 ECFIN 006/C5 was set at EUR 1 055 100. A total of EUR 993 388.74 was committed: 94.15 % of the budget was committed.
- **11 projects funded**: 8 originated from the competent authorities and 3 were Commission initiatives.
- **Funded applications**: 5 are seminar/conferences/workshops, 4 staff exchanges, and 2 purchase of equipment.
- 5 actions were implemented in 2018, while 6 actions will be implemented in 2019.
- Estimated number of **participants**: 568.

Key achievements

The latest data for the defined programme indicators (further details are provided in the 'Performance information' section) is as follows: 563 000 counterfeit euro banknotes and 179 353 counterfeit euro coins detected (2018), 22 illegal workshops (mints and print shops) dismantled (2017), and 7 494 individuals arrested (2017). Further details are provided in the programme indicators

Annex. However, these indicators, while linked to the protection of the euro are not directly linked to the programme implementation. An estimated number of 568 experts participated in actions for which commitments were made in 2018.

In terms of origin, participants come from 58 countries. The majority of trainees (67%) are European participants: 37% come from the euro area Member States, while non-EU countries in Europe represents 19% and Non-Euro Area Member States 11%; 26% of trainees are from Latin America, a significant increase compared to the previous year. Finally, 1% come from the Middle East and North Africa and 1% from Asia.

With respect to the professional background of participants, members from police forces represent 54% of the total. That prominent presence is due to the fact that police authorities represent the front line in the fight against euro counterfeiting, and police staff includes both investigators and technicians.

Other categories of participants account for 46% of the total, an increase from 58% in the previous year. The substantial participation of central banks has remained nearly constant with (23%) and there is a continuing participation of members of the judiciary (4%). Of particular note is the participation of mints (2%), ministries of finance (1%) and CIT (2%), reflecting a full range of professional backgrounds of the participants. Finally, the implementation of the Commission action "second meeting of the Platform 1210" results in a high participation of representatives from the coin processing machine (CPM) industry (6%) for the third year in a row, which affirms the private sector as a significant stakeholder in the fight against counterfeiting.

One of the highlights of 2018 was the UCAMP-organised 'A community strategy to protect the euro in the Mediterranean Area' which took place in Serbia. The action brought together seven countries from the Southeast of Europe and France, and was successful in maintaining an efficient network of experts in one of the most sensitive regions with respect to euro counterfeiting. Following this action, three Administrative Cooperation Arrangements for euro protection were signed between the European Commission and respectively Serbia, Montenegro, and Kosovo UNSCR 1244.

As a result, the implementation of the Programme meets the transnational and multidisciplinary dimensions of the Programme required under Regulation (EU) No 331/2014

Relevant findings of evaluation and/or programme related studies' (if any)

A mid-term evaluation of the Programme was carried out by an independent contractor on the basis of Art 13(4) of Regulation (EU) No 331/2014.

The independent evaluation concludes that all findings converge towards an unambiguously positive overall assessment regarding its EU added value, coherence, relevance, effectiveness, sustainability and efficiency. To further strengthen the efficiency of the programme, the evaluation suggested:

- encouraging greater participation of Competent National Authorities¹⁰: consideration should be given to the establishment of contacts with national decision makers to ensure that the opportunities offered by the Programme are well understood;
- simplifying the application process: the possibility of submitting applications and other relevant documentation online should be explored;
- strengthening the monitoring process: a possible modification of the Programme's key performance indicators to include qualitative indicators is recommended.

The Commission adopted Communication COM(2017) 741 to the European Parliament and to the Council on the results of the Mid-Term Evaluation of the programme on 6 December 2017, in which it shares the conclusion that the Programme should continue until its natural expiry in 2020, supports the continuation of the Programme beyond 2020 given its EU added value, its long-term impact and sustainability, and concurs with the assessment of the Evaluation on the continuation of the Programme as a standalone programme beyond 2020.

Forthcoming implementation (2019-2020)

2019 will feature the implementation of 7 projects originating from the competent authorities of euro area Member States and 3 Commission actions, financed under the 2018 budget and, in one case, the 2016 budget. The programme highlights the Member State endeavours to reach and educate officials not only in the EU but also in China, Latin America, the Balkan Area and Eastern Europe. The 2018 Pericles commitments reflect a high diversification of the type of actions, distributed between seminars, staff exchanges, technical trainings, and purchase of equipment. Establishing and maintaining contact to discuss issues of euro protection with law enforcement, bank representatives and judiciary officials will contribute to the overall stability of the currency, to further closures of workshops, illegal print shops and mints and to additional arrests of criminals as well as to important seizures of counterfeit euros before entering into circulation.

Outlook for the period 2021-2027

It is the continuation of the Pericles Programme for the next MFF (**multi-annual financial framework**):

- Commission's proposal for a Regulation of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting for the period 2021-2027 (the 'Pericles IV programme');
- Commission's Proposal for a Council Regulation extending to the non-participating Member States the application of Regulation (EU) No .../2018 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting for the period 2021-2027 (the 'Pericles IV' programme).

General objective: To prevent and combat counterfeiting of the euro and related fraud, to enhance the competitiveness of the Union's economy and securing the sustainability of public finances.

Specific objective: To protect euro banknotes and coins against counterfeiting and related fraud, by supporting and supplementing the measures undertaken by MS and assisting the competent authorities in developing a close and regular cooperation and an exchange of best practice, where appropriate including third countries and international organisations.

Financial envelope: The financial envelope for the implementation of the Programme shall be EUR 7 700 000 for the period from 1 January 2021 to 31 December 2027 shall be EUR 7 700 000- subject to the approval by the EU legislator -.

Implementation mode: Direct management through Grants or public procurement.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 331/2014 of the European Parliament and of the Council of 11 March 2014 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme) and repealing Council Decisions 2001/923/EC, 2001/924/EC, 2006/75/EC, 2006/76/EC, 2006/849/EC and 2006/850/EC	2014 - 2020	7,3

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Operational appropriations	0,9	1,0	1,0	1,0	1,1	1,1	1,1	7,3
Total	0,9	1,0	1,0	1,0	1,1	1,1	1,1	7,3

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	1,055	94,15 %	0,851	94,11 %	1,072	0,00 %	0,980	4,03 %
Authorised appropriations (*)	1,055	94,15 %	0,851	94,11 %	1,079	0,00 %	0,987	4,00 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To prevent and combat counterfeiting and related fraud thus enhancing the competitiveness of the Union's economy and securing the sustainability of public finances

Specific objectives

Specific Objective 1: To protect the euro banknotes and coins against counterfeiting and related fraud, by supporting and supplementing the measures undertaken by the Member States and assisting the competent national and Union authorities in their efforts to develop between themselves and with the European Commission a close and regular cooperation and an exchange of best practices, also where appropriate, including third countries and international organisations

Indicator 1: Number of counterfeit detected

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
606.000 notes				+/- 5% compared to 2011			Keep counterfeits under control in an average +/- 5% compared to 2011
	Actual results						
	838.000 banknotes	899.000 banknotes	684.000 banknotes	694.000 banknotes	563.000 banknotes		
157.000 coins	192.195 coins	146.889 coins	150.258 coins	160.914 coins	179.353 coins		

Indicator 2: Number of illegal workshops dismantled							
Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
45				3% increase compared to 2011			5% Increase compared to 2011
	Actual results						
	37	32	29	22			

Indicator 3: Number of individuals arrested							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
6 858 arrested							7 061 arrested
	Actual results						
	7 946	8 879	8 724	7 494			

Indicator 4: Number of penalties imposed							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Data unavailable due to lack of reporting mechanisms in MS				3% increase compared to 2011			5% increase compared to 2011
	Actual results						
	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	

*Data unavailable due to lack of reporting mechanisms in MS

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Pericles grant programme: Seminars	01 02 04		0.2
2. Pericles grant programme: Staff Exchanges	01 02 04		0.3
3. Pericles grant programme: Studies	01 02 04		
4. Pericles grant programme: Purchase of equipment	01 02 04		0.2
5. Procurement: Seminars	01 02 04		0.4815
6. Procurement: Staff Exchanges	01 02 04		
7. Procurement: Studies	01 02 04		
Total			

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Pericles grant programme: Seminars	F	3	4	5	5	5	4	5
	P	2	6	4	5	2		
2. Pericles grant programme: Staff Exchanges	F	3	5	2	3	4	4	4
	P	2	3	3	4	4		
3. Pericles grant programme: Studies	F	1		1			1	
	P	2		1				
4. Pericles grant programme: Purchase of equipment	F	0	1	1	1	1	1	1
	P	0		1	1	2		
5. Procurement: Seminars	F	4	4	3	3	2	2	1
	P	4	2	4	3	3		
6. Procurement: Staff Exchanges	F							
	P		1					
7. Procurement: Studies	F							1
	P							

HEADING 1A: Competitiveness for growth and jobs

Anti-Fraud Information System (AFIS)

Lead DG: OLAF

I. Overview

What the programme is about?

The Anti-Fraud Information System (AFIS) is an umbrella term for a set of anti-fraud applications operated by OLAF (European Anti-Fraud Office) under a common technical infrastructure aiming at the timely and secure exchange of fraud-related information between the competent national and EU' administrations, as well as storage and analysis of relevant data. The AFIS programme encompasses two major areas, Mutual Assistance in Customs Matters and Irregularities Management.

AFIS supports Mutual Assistance in Customs Matters with collaboration tools such as V-OCU (Virtual Operations Coordination Unit) used for Joint Customs Operations secure web mail (AFIS Mail), specific information exchange modules and databases like CIS+ (Customs Information System) and FIDE (Customs Investigation Files Identification Database), analysis tools like A-TIS (Anti-Fraud Transit Information System) and electronic workflow applications like ToSMA (Tobacco Seizures Management Application).

AFIS also provides the IMS (Irregularities Management System), a secure electronic tool which facilitates the Member States' obligation to report irregularities detected in agricultural, structural, cohesion and fisheries funds, the Asylum, Migration and Integration Fund (AMIF), the instrument for financial support for police cooperation, preventing and combating crime, and crisis management (ISF) and the Fund for European Aid to the Most Deprived (FEAD) as well as pre-accession aid, and which supports the management and analysis of irregularities.

The AFIS Portal is a single and common infrastructure for the delivery of the above-mentioned services to nearly 8 800 registered end-users in more than 1 900 competent services from Member States, partner third countries, international organisations, Commission services and other EU bodies. AFIS is increasingly being used by partner third countries, including China.

EU added value of the programme

The need for EU involvement in the context of mutual administrative assistance and customs co-operation was already recognised by the European legislator with the adoption of Regulation 515/97. By the very nature of customs fraud, occurring by definition among at least two countries, there is a continuing necessity for centralised action at the EU level. Effective sharing of information and wide-scale fight against breach of customs legislation cannot be conducted only by national customs authorities at a reasonable cost. Systemic collection of the data required to analyse customs risks which pose a threat to the EU and its Member States would constitute a disproportionate effort for the individual Member States and can be achieved more effectively and efficiently by action at the EU level.

Therefore, action at EU level enables a significant improvement in risk management and the fight against customs-related fraud, by increasing the available evidence, improving the possibilities for risk mitigation and detection and repression of fraud and rendering the action more efficient and effective.

Additionally, the AFIS Portal enables substantial economies of scale and synergies in the development, maintenance and operations of such a wide and diverse set of IT services and tools.

Implementation mode

The programme is implemented through direct management by the European Anti-Fraud Office (OLAF) using procurements.

II. Programme Implementation Update

Implementation Status (2016-2018)

The annual work programmes for the implementation of AFIS for 2016-2018 have been mostly executed as foreseen, but some delays in previous years of the programming period required an adjustment of the original milestones for this reporting period and the targets for 2020.

The start of the development of an interface between DG TAXUD's COPIS (anti-Counterfeit and Piracy System) and AFIS, which was originally foreseen for 2014, had to be delayed to 2017, due to the late go-live of COPIS and the need for a following stabilisation phase for this system. This interface has been developed in the meantime and the conformance testing started in 2018. The go-live of this interface is expected for the beginning of 2019.

The late adoption of the amendments to Council Regulation (EC) No 515/97 in September 2015, which was expected for the beginning of 2015, led to a delay in the implementation of the changes to CIS, the extension of A-TIS and the development of an import, export and transit (IET) directory as well as a Container Status Message (CSM) directory. This delay affected Specific

Objective 1 of the programme (to support Mutual Assistance in Customs Matters through the provision of secure information exchange tools for Joint Customs Operations (JCOs) and specific Customs anti-fraud information exchange modules and databases such as the CIS), namely the availability of the new version of CIS and the repository of import declarations, and led to a delay in achieving the milestones for indicators 1 and 3 in this reporting period.

In July 2018 the legacy Mutual Assistance Broker (MAB) and CIS applications were finally replaced by the new Customs Information System (CIS+), which implements the changes in the amended Regulation 515/97. All users of and cases in the legacy MAB/CIS were successfully migrated to the new CIS+. In conclusion, all new applications, which development has started late due to delays in previous years of the programming period, have either been implemented in this reporting period or are close to completion, and the programme is now well on track for the delivery of its objectives and targets for 2020.

Key achievements

The operational activities under AFIS constitute a valuable support to Member States' and Commission's operational and investigative work aiming at: detecting customs infringements, recovering customs duties, and enhancing customs cooperation in the anti-fraud area. The efforts made in 2016-2018 in addressing identified shortcomings have contributed to increase the level of trust, participation and satisfaction of Member States' competent authorities.

More specifically, in this period the permanent physical (Permanent Operational Coordination Unit - POCU) and IT infrastructure (Virtual Operation Coordination Unit - VOCU) for the support of JCOs has been regularly used by Commission and Member States, as well as third countries and other organisations on numerous occasions. The evaluation reports of the participants to these JCOs show that this physical structure and AFIS application strongly facilitate the coordination tasks associated to JCOs with a large number of participants. The use of these facilities is frequently recommended during the evaluation of these operations by the participants. The fact that these facilities are also frequently used for operational activities in the area of law enforcement cooperation (free of charge for the participants), even though other institutions and organisations, like Europol or the World Customs Organisation, offer alternative solutions, is an additional proof of Member States' appreciation.

Following Member States' recommendations in previous years, OLAF has strengthened in the reporting period the involvement of Member States during all stages of development of new or updated AFIS applications, aiming at improving their usage and user satisfaction. Special workshops were organised for the new versions of AFIS Mail, CIS+ and IMS, which involved a large number of participants from the Member States. As a result, Member States acceptance and usage of the mentioned applications has significantly improved, along with the enlargement of their user base, as usage statistics and satisfaction reports demonstrate.

AFIS supports the protection of the EU financial interests and has a positive effect on the EU budget. It prevents losses of revenue far higher than the programme's actual budget. Just the seizures of 56 million cigarettes alone during one single JCO in 2017 prevented the loss of EUR12 million in customs duties and taxes²⁰⁷.

By supporting the detection of cases of misdescription of origin²⁰⁸ or undervaluation²⁰⁹, AFIS applications prevent the loss of millions of Euro in customs duties and VAT. In addition, they prevent the loss of excise duties, by enabling Member States to perform seizures of illicit cigarettes²¹⁰.

AFIS also contributes to non-monetisable values. By supporting the seizure of illicit and counterfeit goods, like counterfeit semiconductors²¹¹ and fake automotive spare parts²¹² the programme contributes to the protection of health and safety of EU citizens.

Relevant findings of evaluation and/or programme related studies' (if any)

The European Court of Auditors concluded²¹³ that the information on Container Status Messages (CSM) and fair prices (provided by the two AFIS applications - CSM directory and Automated Monitoring Tool (AMT)) helps to identify potential cases of fraud related to misdescription of origin²¹⁴ and undervaluation/underinvoicing. They can also provide useful tools to estimate the size of the so-called customs gap, i.e. the amount of fraudulently avoided customs duties.

Forthcoming implementation (2019-2020)

OLAF and TAXUD have developed an interface between DG TAXUD's COPIS (anti-Counterfeit and Piracy System) and AFIS. The conformance testing has been started in 2018 and the go-live is expected for the beginning of 2019. The interface will facilitate the transfer of relevant IPR infringements, which are reported in COPIS, to CIS+. Another interface is planned to allow for the connection of national customs systems. These interfaces will avoid that the same information has to be entered multiple times in different systems by Member States' authorities. This will contribute to increasing the number active customs fraud cases, which are available in the Mutual Assistance databases, but also improve the completeness and quality of the available cases.

²⁰⁷ https://ec.europa.eu/anti-fraud/media-corner/news/26-06-2017/operation-renegade-halts-thousands-potentially-dangerous-auto-spare_en

²⁰⁸ ²⁰⁸ Customs (import duties) tariff rates may vary according to the country of origin. Imported goods from certain countries are subject to the EU anti-dumping and countervailing duties. By misdeclaring the origin of goods, an importer can fraudulently declare goods under a lower tariff and avoid anti-dumping duties.

²⁰⁹ Import duties and VAT depend on the value of goods. By declaring a much lower value on import, a company can fraudulently reduce import duties and VAT.

²¹⁰ <https://www.neweurope.eu/article/olaf-member-states-seize-140-million-cigarettes-detain-32-smugglers>

²¹¹ <http://www.eenewseurope.com/news/operation-wafers-over-one-million-counterfeit-semiconductors-seized-reports-esia>

²¹² <https://www.neweurope.eu/article/big-olaf-bust/>

²¹³ European Court of Auditors, Special Report No 19/2017: "Import procedures: shortcomings in the legal framework and an ineffective implementation impact the financial interests of the EU", 5 December 2017.

²¹⁴ <http://www.politico.eu/article/uk-faces-e2-billion-eu-payment-for-china-fraud-trade/>

New releases of the CSM and also the IET directory are planned for 2019, which will provide additional features, such as enhanced search and data export capabilities, to improve the usability of the systems for analytical and investigative purposes. This will support the competent authorities in preventing, detecting and investigating customs fraud cases and, consequentially, lead to an increase of the number of active fraud cases in the Mutual Assistance databases.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Council Regulation (EC) No 515/97 amended by Council Regulation (EC) No 766/2008, Regulation on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters Council Decision 2009/917/JHA, Decision on the use of information technology for customs purposes	2014 - 2020	51,3

	Financial Programming (EUR million)							DB2020	Total Programme
	2014	2015	2016	2017	2018	2019			
Operational appropriations	6,4	6,9	6,6	7,2	7,7	7,2	7,5	49,4	
Total	6,4	6,9	6,6	7,2	7,7	7,2	7,5	49,4	

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	7,664	98,49 %	7,346	90,55 %	7,195	23,65 %	7,155	25,49 %
Authorised appropriations (*)	7,664	98,49 %	7,346	90,55 %	7,195	23,65 %	7,155	25,49 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To protect the financial interest of the Union thus enhancing the competitiveness of the European economy and ensuring the protection of the taxpayers' money

Specific objectives

Specific Objective 1: To support Mutual Assistance in Customs Matters through the provision of secure information exchange tools for Joint Operations and specific Customs anti-fraud information exchange modules and databases such as the Customs Information System

Indicator 1: Number of active customs fraud cases for which information is available in the Mutual Assistance databases

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
8 000		12 000		17 000 ²¹⁵		21 500 ²¹⁶	24 000 ²¹⁷
	Actual results						
	10 000	12 000	13 800	16 324	18 340		

Indicator 2: Number of Joint Customs Operations (JCOs) (including EU wide and regional operations) supported/year

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
3 JCOs	4 JCOs			5 JCOs			5 JCOs
	Actual results						
	6 JCOs	7 JCOs	11 JCOs ²¹⁸	11 JCOs ²¹⁹	5 JCOs ²²⁰		

²¹⁵ Milestone reduced from 20 000 to 17 000 (for details please refer to the programme performance update section)

²¹⁶ New Milestone added in 2017

²¹⁷ Target reduced in 2016 to 24 000 (cfr. the programme performance update section)

²¹⁸ In 2016, 4 JCOs were co-organised by OLAF and a Member State and in total 12 JCOs were supported by OLAF. The Virtual Operations Coordination Unit (VOCU) module of AFIS was used in 11 of these JCOs. One JCO was organised by the World Customs Organisation with intelligence support of OLAF, but without VOCU usage.

²¹⁹ In 2017, 3 JCOs were co-organised by OLAF and a Member State and in total 11 JCOs were supported by OLAF. The Virtual Operations Coordination Unit (VOCU) module of AFIS was used in all of these JCOs

²²⁰ In 2018, 2 JCOs were co-organised by OLAF and a MS and in total 5 JCOs were supported by OLAF. The Virtual Operations Coordination Unit (VOCU) module of AFIS was used in 4 of these JCOs. One JCO was coordinated by Europol with support of OLAF using AFIS applications, but without VOCU usage.

Indicator 3: Coverage of A-TIS (Anti-fraud transit information system)							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
At the end of 2013, A-TIS holds 16.5 million transit declarations (600 000/month) covering 70% of the transit regime.	*	Entry into force of the reform of Regulation 515/97	A-TIS to cover 100% of transit declarations. New repository of export declarations developed	New repository of import declarations developed	New repository of Container Status Messages (CSMs) developed	Statistical analysis tools for operational covering all repositories	A-TIS to cover 100% of transit declarations
	Actual results						
		Regulation 2015/1525 amending Council Regulation 515/97 entered into force on 8 October 2015	Repository of export declarations available since 1 September 2016 A-TIS covers 78.32% of the transit declarations ²²¹	Repository of import declarations developed and scheduled to go live in Q1/2018	Repository of CSM in production. Repository of import declarations went live		

*At the end of 2014, A-TIS holds 23.1 million transit declarations.

Specific Objective 2: To facilitate secure electronic communication tools for the Member States to fulfil their obligation to report irregularities detected in agricultural, structural, cohesion and fisheries funds as well as pre-accession aid.

Indicator 1: Availability of new irregularities reporting modules for the new programming period 2014-2020

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Development of new single harmonised module on-going.	**	Operational launch of new IMS version ready for reporting regulations for the MFF 2014-2020.	Online reporting and analysis system extended			Online analysis system to be extended ²²²	IMS system fully operational in all Member States and candidate countries with reporting and analysis tools.
	Actual results						
		IMS 5 is scheduled to go in production on 1 April 2016 ²²³	IMS5 went in production on 1 April 2016 ²²⁴	Extension of online analysis tool, which will be made available in 2018, started	Online analysis tool ready for testing in production ²²⁵		

** The new single harmonised module was put in production on 1 October 2014, introducing a single format for all existing modules (7) to be used by all countries (Member States and (potential) candidate countries), covering all programming periods and all regulations. IMS4 is an intermediate system and will be replaced by IMS5 which will be based on new software. IMS4 is still based on software that dates back to 2005

Indicator 2: Number of Member States complying with obligations for reporting of fraudulent irregularities

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Some Member States / Candidate Countries do not yet fully comply with their reporting obligations	IMS refreshment training provided to		MS have been trained and set up to use IMS	MS and candidate countries use actively IMS	MS and candidate countries perform		The Commission can guarantee that the Member States have at their disposal all

²²¹ The percentage refers to the period since the application of the new legal base for transit declarations. Not covered are transit declarations for common transit countries which did not consent to their usage (11.28%), declarations for transit within a Member State which did not consent (4.02%), technically malformed declarations which could not be processed (3.84%) and declarations for common transit countries which gave their consent only after 1 September 2016 (2.54%).

²²² Milestone has been rescheduled from 2016 to 2018

²²³ IMS5 will replace IMS4, the current operational system. IMS4 can be used to fulfil the reporting obligations of MFF2014-2020. The alpha-release of IMS5 was made accessible to all IMS-users in February 2016.

²²⁴ The extended online reporting system IMS5 facilitates the reporting of irregularities for the following competences: agriculture, cohesion, fisheries, pre-accession, asylum and most deprived.

²²⁵ The IMS online analysis tool has been ready for testing in production in 2018 but a recent release of the underlying software, on which the tool is based, made it necessary to perform additional checks before testing the tool in production. Therefore the corresponding milestone of performance indicator 1 of specific objective 2 for 2018 had to be rescheduled by one year to 2019.

	MS			reporting and analysis tools ²²⁶	proactive quality control on the data provided ²²⁷		means and tools to comply with the reporting obligations ²²⁸ .
Actual results							
		IMS5 training was provided to all Member States ²²⁹ .	IMS manual revised and updated. IMS 5 training was provided to all (potential) candidate countries.	IMS manual split into booklets. All MS and candidate countries use actively IMS for reporting. A handbook on irregularities reporting has been prepared together with national experts and disseminated to IMS users	The data quality differs per country which is caused by a difference in the level of implementation of quality controls. ²³⁰		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2019	
		Number	EUR million
1. AFIS Registered Users	24 04 01		
2. JCOs organised	24 04 01		
3. MA Cases	24 04 01		
4. IMS Communication	24 04 01		
Total			7,2

The aforementioned outputs, especially AFIS Registered Users, MA Cases and IMS Communications, cannot directly be related to expenditures. The AFIS financing decision²³¹ allocates the budget according to the following categories:

1. IT studies, development and maintenance
2. Production services
3. Technical assistance, training coordination and quality control services
4. Use and maintenance of the Common Communication Network (CCN)
5. Acquisition, maintenance and updating of various types of software, hardware and related IT services

In line with the requirements, the IT expenditures within these budget sub lines can be allocated to the following (IT) cost categories: Development (43500), IS Maintenance (43800), IS Support (43850), Training (12500), ICT Infrastructure (43400), IS Licenses (43900) and non-IT expenditure (NO/IT).

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. AFIS Registered Users	F	12 100	13 300	8 100	8 200	8 300	8 350	8 400
	P	8 100	8 050	8 750	8 600	8 800		
2. JCO's organised	F	4	4	4	5	5	5	5
	P	4	3	4	3	2		
3. MA Cases	F	10 000	13 000	14 500	17 000	19 000	21 500	24 000
	P	10 000	12 000	13 800	25 500	18 340		
4. IMS Communication	F	21 000	22 500	24 000	25 500	27 000	28 500	30 000
	P	23 700	23 400	43 600	88 347	97 559		

²²⁶ Candidate countries added to milestone in 2016.

²²⁷ Candidate countries added to milestone in 2016.

²²⁸ Target revised in 2016.

²²⁹ 179 IMS-users of 28 countries attended the training. IMS5-training for the candidate countries is foreseen for 2016.

²³⁰ The system workflow has been designed on the concept "creation, review and approval". Within a Reporting Authority, an IMS-creator drafts a report and an IMS-manager reviews and approves (or rejects) the report before the report is sent to the next level in the reporting chain. and, consequently, checks the data.

²³¹ E.g. the Commission Decision on the adoption of the work programme for 2015 and the financing for the implementation of the Anti-Fraud Information System, C(2015)684 of 13 February 2015

HEADING 1A: Competitiveness for growth and jobs

Connecting Europe Facility (CEF)

Lead DG: MOVE

Associated DGs: ENER, CNECT

I. Overview

What the programme is about?

Connecting Europe Facility (CEF) is a key EU funding instrument to promote growth, jobs and competitiveness through targeted infrastructure investment at European level. It supports the development of high performing, sustainable and efficiently interconnected trans-European networks in the fields of transport, energy and digital services. CEF investments fill the missing links in Europe's energy, transport and digital backbone.

The methods of implementation are:

- Funding of projects (works or studies) by means of grants and procurement: The Commission Work Programmes, either on annual, or multi-annual basis, define the priorities and the criteria, based on which the calls for proposals are launched and the applications are evaluated and recommended for funding. The list of projects (actions) selected for grants is scrutinised (examination procedure) by the relevant CEF Committee.
- Funding of projects by Programme Support Actions, as accompanying measures to deliver projects of common interest.
- Funding of projects by cross sectorial Financial Instruments Work Programmes. The Financial Instruments aim at providing private capital finance and enhancing the risk sharing. The instruments are in the form of debt or may be also in equity financing.
- Contribution to the European High-Performance Computing Joint Undertaking which will pool European resources to develop top-of-the-range exascale supercomputers for processing big data, based on competitive European technology.

EU added value of the programme

In accordance with the principle of subsidiarity and proportionality set out in Article 5 of the Treaty on European Union, the objectives of the programme cannot be sufficiently achieved by the Member States and can therefore be addressed by the EU. Due to disparities in Member States' capacity to act and in order to ensure a coherent approach to EU project financing across the three sectors, action at EU level can better achieve the objectives pursued, by reasons of its scale and effects. More specifically, the EU level will provide economies of scale in the use of innovative financial instruments by catalysing private investments in the TEN and acceleration of the implementation of strategic projects and networks with high European added value by removing critical bottlenecks.

An integrated EU infrastructure funding framework will allow exploiting cross-sectoral synergies at project development and implementation level, enabling cost savings and/or more efficient exploitation and higher returns. Specifically for Telecommunications, allowing exchanges and collaboration between citizens, businesses and public authorities within and across European borders, there is a clear case for EU added value through coordinating and connecting Member State activities, thereby ensuring interoperability and EU-wide usability. Indeed, due to non-territoriality of digital service infrastructures, and often their inherently cross-border character such as for example in case of seamless cross-border eGovernment services, relevant objectives of Europe 2020 and the Digital Single Market can only be achieved by a pan-European coordinated infrastructure approach. The vision is to create a European ecosystem of digital services that will allow all citizens, businesses and administrations across the EU to fully and seamlessly benefit from living in a Digital Single Market. An integrated approach is also necessary to provide efficient investment vehicles for the deployment of state-of-the-art broadband networks. The intervention at EU level will attract new categories of broadband investors and project promoters, and encourage the replicability of innovative broadband projects and business models.

Implementation mode

CEF is implemented under the direct management mode by DG MOVE, DG ENER, DG CNECT and the Innovation and Networks Executive Agency (INEA). The CEF debt instrument delegated to the European Investment Bank (EIB) and the contribution to the European High-Performance Computing Joint Undertaking are implemented under the indirect management mode.

II. Programme Implementation Update

Implementation status (2016-2018)

TRANSPORT

CEF transport projects cycle: The grant funding to the TEN-T projects has helped to kick off and progress with the implementation of major infrastructure investments in Europe on the core and comprehensive networks and thus contributed to the overall CEF goals, such as completing cross-border connections, bridging missing links and removing bottlenecks.

These projects are often the result of high-level political agreements between Member States and might present complex technical characteristics. Proposals for CEF support are channelled through the CEF Transport Calls and evaluated on a competitive base.

CEF Transport Actions might have an implementation schedule of a few months and up to several years (up to 7-8 years), depending on their nature and complexity, with an average duration of 4 years for works and 3.5 years for studies. Due to the reasons outlined above, actions experience some delays. In this context, **it is expected that the majority of the CEF Transport projects will be completed between 2021 and 2023.**

In order to ensure a thorough monitoring of the technical and financial implementation of the projects, Grant Agreements are signed between the beneficiaries and the Commission, including clear milestones and final deliverables. INEA ensures a continuous control over the projects first through the contractual obligations: the beneficiary has to submit every year an Actions Status Report (ARS). Second, this control goes through its well established monitoring tools, such a quarterly reports, milestones verification and onsite visits. At the end date of the Action, **the beneficiaries have 12 months to present their final report.** INEA checks and assesses the projects' results upon deliverables completion and complete the final payments accordingly. In this framework, results achieved during the projects' implementation period are not measured. The only possible reporting on projects deliverables is done once the CEF Grant Agreement is concluded and the final report is submitted, assessed and validated by the Agency.

Because of this time lag between the completion date of the projects and their administrative closure, the actual results for the sectoral indicators, measured only when projects are administratively closed, differ from the milestones, based on foreseen completion (see Performance section).

In addition, in 2018, DG MOVE and INEA carried out **a mid-term review of the ongoing Actions from the 2014 and 2015 calls** under the Multi-Annual Work Programme (the 'MAP MTR'), with the objective of ensuring the efficient and effective use of EU funds. The MAP MTR was carried out based on the information provided by the beneficiaries in their reports (ASR 2018) and on the knowledge of the project by INEA project managers (e.g. through meetings and onsite visits). It looked at 356 Actions (corresponding to EUR 18.2 billion of EU-contribution) in order to assess their state of play by 31/12/2017, their future implementation plans and any risks. The completion of the information-share about the results of the MAP MTR is expected to be achieved by the second quarter of 2019. In general terms, the MAP MTR underlined that **almost 90% of the CEF co-financed actions under assessment are on track or present a minor delay** (within 24 months), not putting into question the full implementation of the projects by 2023. Only for a small group of grant agreements, the delays communicated through the ASR 2018 exercise raise some concern on their full implementation. These specific cases are currently further analysed.

Overall, the delays experienced by the different projects depend on their technical complexity, unforeseen events (e.g. landslides), the stability of the co-funding contribution (national or other sources), public procurement issues (e.g. complaints/appeals during tender procedures), other legal and environmental issues (e.g. permitting, spatial planning, other authorisations and land acquisition) and the political support to them.

At mid-term, following CEF Transport calls between 2014 and 2018, 718 projects were already selected for co-financing for a total CEF contribution of EUR 23.9 billion, corresponding to the total grant budget for the transport programme (EUR 23.6 billion) with the addition of internal assigned revenues generated from the legacy programmes (Marco Polo and TEN-T). The Cohesion envelope of EUR 11.3 billion has been completely allocated. Moreover, it is also important to underline that in 2017 and 2018, the first CEF Transport projects were completed and the first tangible outputs were produced through their implementation. (See “key achievements” section below).

More in detail, between 2016 and 2018, the Commission selected more than 240 projects under the CEF Transport programme, resulting from different calls for proposals launched over the years. This led to an additional EU-contribution of around EUR 4.4 billion and an overall transport investment of more than EUR 11 billion. In particular, the following Calls for proposals were completed:

Year-Call launch	Call reference	Projects selected	EU-funding	Call Objectives
2016	CEF Synergy Call	7	EUR 22 million	Transport and Energy synergies
2016	2016 CEF Transport Calls	152	EUR 2.7 billion	Annual Programme (AP) Call mainly dedicated to Core and Comprehensive networks (non- pre identified sections). Multi Annual Programme (MAP) Call mainly dedicated to Core Network Corridors under cohesion envelope and telematics applications under general envelope.
2017	2017 CEF Transport Blending Call- 1 st cut off	39	EUR 1 billion	Support economically viable projects using private finance by providing an EU grant to bridge the funding gap
2017	2017 CEF Transport Blending Call- 2 nd cut off	35	EUR 404.8 million	As above, with a focus on innovation and new technologies projects, notably in the field of alternative fuels, in support of the Commission's Clean Mobility policy
2017	2017 CEF Transport SESAR Call	14	EUR 290.3 million	Modernising Air Traffic Management (ATM) in Europe and providing a high performing ATM infrastructure that will enable the safe, efficient and environmentally friendly operation and development of air transport. Focus support harmonised ATM systems and standards in Europe

The CEF Transport blending call organised over two cut off dates allowed to take an innovative approach, making available a budget of EUR 1.405 billion of EU grants, combined with financing from the European Fund for Strategic Investments (EFSI), the European Investment Bank (EIB), National Promotional Banks or private sector investors. Overall, the CEF Blending call mobilised around EUR 6.3 billion of public and private investments in transport.

In addition to the above-listed awarded EU funding, new calls for proposals were launched during 2018. In detail, an amendment to the CEF Multi-annual Work Programme was adopted on 19 April 2018, making available a total indicative amount of EUR 450 million for the 2018 call for proposals to support projects of common interest related to the cross cutting objectives of transport digitalisation, road safety and multimodality. Moreover, on 12 October 2018, a financing decision establishing the CEF Annual Work Programme was adopted, allowing INEA to launch the 2019 CEF Transport call concerning financial assistance through grants for projects of common interest regarding cross-border sections, connections to and the development of maritime ports and mitigation of the impact of rail freight noise and vibrations. For this purpose, a total indicative amount of EUR 100 million was made available.

In view of simplifying the approach with reference to the project's eligible costs, DG MOVE developed and supported the adoption of a Commission Decision on unit contributions for the priority related to "rail freight noise"

More information about the CEF Transport calls and selection decisions can be found at the following link: https://ec.europa.eu/transport/themes/infrastructure-ten-t-connecting-europe/reference-documents-work-programmes-selection_en.

ENERGY

Since its launch in 2013, the Connecting Europe Facility (CEF) has been a key EU funding instrument to support the development of high performing, sustainable and efficiently interconnected trans-European networks in the areas of transport, energy and telecommunications.

In the energy field, the CEF programme pursues the following main objectives:

- increasing EU competitiveness by promoting further integration of the internal energy market and interoperability of electricity and gas networks across borders;
- enhancing the Union's security of energy supply;
- contributing to a sustainable development and environmental protection, through inter alia integrating energy from renewable sources into the transmission network and developing smart energy networks and carbon dioxide networks.

To achieve these objectives, the CEF Energy programme promotes the implementation of the Projects of Common Interest (PCIs) in electricity, natural gas, smart grids and carbon dioxide.

It is important to recognise that CEF Energy is not an independent spending programme but an integral part of the Trans-European Networks for Energy (TEN-E) strategy. The TEN-E policy framework is focused on linking the energy infrastructure of EU countries. CEF Energy is one of the instruments to help reaching the policy objectives of the TEN-E strategy by providing financial support to some projects of common interest.

On 24 November 2017, the Commission published, as part of the third state of the energy union report, the third Union list of PCIs, which entered into force on 20 April 2018. This list contains 173 projects of which 106 electricity transmission and storage, 4 smart grid deployment, 53 gas, 6 oil and 4 cross-border carbon dioxide network projects. The adoption of the fourth list of PCIs is foreseen by the end of 2019.

By the end of 2018, in total over 30 PCIs have been implemented and some further 75 PCIs are expected to be implemented by 2022. In the period 2014-2018 CEF Energy co-funding of a total of EUR 3.4 billion was allocated to 122 actions contributing to 91 PCIs. CEF Energy has helped to kick-off and implement key energy infrastructure investments in Europe.

However, the success in awarding CEF Energy co-funding to numerous actions of the PCIs and its contribution to policy objectives of the TEN-E strategy may not be reflected yet in the indicators and results reported below due to the long implementation time of the grants for works for large and technically complex energy infrastructure projects. In addition to the long lead-time before actual results will be reported, delays may occur for various reasons including securing sufficient co-funding (national or other sources), public procurement issues (e.g. complaints/appeals during tender procedures) as well as legal and environmental issues (e.g. permitting, spatial planning, other authorisations and land acquisition).

Moreover, the reporting and monitoring on actual results will only be done with some delay once the project is closed after the final report has been received and assessed, the outputs verified and the final payment (if need be) performed.

Eight calls for proposals were launched under CEF Energy over the first five years of this period, until the end of 2018. With reference to the implementation period 2016-2018, the European Commission has allocated:

- A total of EUR707 million in grants to 27 PCIs in 2016 after two calls for proposals. Of these grants, 11 were for projects in the electricity sector and 15 for projects in the gas sector; 1 was for a smart grid project. 8 grants were for construction works and 19 for studies.
- A total of EUR873 million in CEF grants to 17 PCIs in 2017, 8 in the electricity sector and 9 in the gas sector. 4 were for construction works and 13 for studies.

- A total of EUR848 million in CEF grants to 22 PCIs in 2018, 11 in the electricity sector, 5 in the gas sector, 3 for smart grids, and 3 for carbon capture technology. Under the first call 2018, a total of EUR 48.4 million in CEF grants was allocated to 8 PCIs to undertake studies, of which 4 are in the electricity sector, 2 in the gas sector, 1 for smart grids, and 1 for carbon capture technology. The financing decision under the second 2018 CEF Energy Call for Proposals will be adopted in February 2019 (14 proposals: 7 for electricity, 2 for smart grids, 3 for gas and 2 for CO2 for a total amount of EUR 799 million.)

In particular, the following Calls for proposals were completed:

Year-Call launch	Call reference	Actions selected	EU-funding awarded	Call Objectives
2016	Fourth and fifth multiannual calls for proposals	27	EUR 707 million	<ul style="list-style-type: none"> •increasing competitiveness •enhancing Union security of energy supply •contributing to sustainable development and protection of the environment
2016	<i>CEF Synergy Call for proposals</i>	7	<i>EUR 22 million</i>	<i>Transport and Energy synergies</i>
2017	Sixth multiannual call for proposals	17	EUR 873 million	<ul style="list-style-type: none"> • Increasing competitiveness • Enhancing Union security of energy supply • Contributing to sustainable development and protection of the environment <i>Promotion of safe, secure (incl. cybersecurity) and efficient network operation</i>
2018	Seventh and eighth multiannual calls for proposals	22	EUR 848 million	<ul style="list-style-type: none"> • Increasing competitiveness • Enhancing Union security of energy supply • Contributing to sustainable development and protection of the environment <i>Promotion of safe, secure (incl. cybersecurity) and efficient network operation</i>

TELECOM

CEF Telecom supports the deployment of trusted cross-border digital service infrastructures (hereby referred to as "DSIs") essential to trigger the digital transformation of public sector services in the Member States all for the benefits of citizens and businesses. DSIs are developed and operated through two main parallel investments. The "Core Service Platforms" (CSP), are owned, by the European Commission, and are funded mostly via procurement contracts while "Generic Services" (GS) are implemented via grants. The CSP are the central hubs that provide, for each digital service, trans-European connectivity, access and interoperability. GS on the other hand, are the links between the nationally developed solutions and the CSP. CEF Telecom also promotes free wireless connectivity in local communities and stimulates investment for deploying and modernising broadband networks – all essential elements for sustaining a Digital Single Market.

The fifth Work Programme for 2018²³² adopted on the 5th of February 2018 and amended in November 2018²³³ is supporting the deployment, operation and evolutive maintenance of sixteen²³⁴ digital infrastructures building on the investment done in previous years. In addition, three new building blocks were added to the CEF ecosystem, namely eArchiving, the Context Broker, and Big Data Test Infrastructure (last two embedded into Public Open Data DSI). In effect, EUR 84 million were allocated to the deployment of the Generic Services through calls for proposals managed by the Innovation and Networks Executive Agency (INEA) and EUR 44 million to the Core Platforms supported mostly²³⁵ through calls for tenders. The first call for proposals for Generic Services awarded more than EUR 28 million to 41 proposals in the areas of eID, eSignature, Europeana and Safer Internet. The second call is expected to award more than EUR 10 million to 17 projects in the areas of Automated Translation, eDelivery and eInvoicing. The last three calls are currently under evaluation. As regards to connectivity actions, the Work Programme catered for the WiFi4EU initiative in continuation to the activities started in 2017 as well as the technical assistance facility for broadband. The first WiFi4EU call registered a massive participation with 99,6% of the 2800 vouchers exhausted within the first hour. The award decision allocated a voucher to 2800 municipalities with an overall amount of EUR 42 million.

CROSS-CUTTING (Financial Instruments)

Regarding CEF Financial Instruments, the Commission adopted Annual Work Programmes in 2014, 2015 and 2016 (the latest C(2016)1950 of 4 July 2016, amended on 6 December 2016 by Decision C(2016) 7828), which provide for a CEF Debt Instrument to enhance the financing of projects of common interest in the 3 CEF sectors. The management of the CEF Debt Instrument was delegated to the European Investment Bank (EIB) as entrusted entity. The Work Programmes also provide for the establishment of an Equity instrument in the telecommunications sector.

²³² C(2018) 568

²³³ C(2018) 7635 final

²³⁴ In particular in the areas of eIdentification, eSignature, eDelivery, eInvoicing, Public Open Data, Automated Translation, Cybersecurity, eProcurement, On-line Dispute Resolution (ODR), Business Registers Interconnection System (BRIS), eHealth, Electronic Exchange of Social Security Information (EESSI), the European e-Justice portal, Safer Internet and Europeana. Please note P2P mobile Payment DSI was withdrawn through the Amendment of the 2018 Work Programme (i.e. C(2018) 7635 final)

²³⁵ With the exception of the calls for grants to support the operation and maintenance of the Core Service Platforms for EU eJustice and eArchiving.

With regard to the transport sector, the total allocation to the CEF Debt Instrument as of 2018 accounts for EUR 206,35 million. The CEF Debt Instrument to date manages a portfolio of EUR 13,5 billion and 11 projects in the transport sector, ranging from PPP in the road and rail infrastructure sectors to maritime and inland ports and green shipping. Two projects have been supported in 2017: Port of Cork and Baie Honfleur. In 2017 the CEF Debt Instrument capacity to support the rolling out of renewable technologies in the transport sector have been reinforced by the Commission Decision (C(2017) 7656 final) to allow the use of up to EUR 450 million of NER300 funds through the CEF Debt Instrument and InnovFin EDP. Also, the Commission, in cooperation with the EIB, established a risk mechanism, the Green Shipping Guarantee programme, to support the greening of the EU shipping fleet and the sustainable objectives of the Motorways of the Sea. The programme can provide support to up to EUR 750 million of EIB loans: up to EUR 250 million originating from the CEF Debt Instrument (CEF DI), backed by up to EUR 62 million of CEF contribution, and up to EUR 500 million from EFSI (altogether leveraging some expected 16 times the investments). The programme is managed by the EIB, which shares risk on maritime financing with financial intermediaries, located in the countries where the environmental standards are more stringent, identified as priorities for the Pilot phase : France (Société Générale and BNP Paribas) and The Netherlands (ING and ABN AMRO) for the time being. Under the CEF DI EUR 37,5 million was paid end of 2016 (under the Société Générale GS Framework Agreement). The first transaction within the GSGP was signed in September 2017 for the order of an LNG-powered RoPax vessel by Brittany Ferries for which EUR 12,4 million are already allocated through CEF DI. Another transaction for EUR 10,1 million under CEF DI was signed in December 2018 within the framework agreement with ABN AMRO, for the operation "Eureka Shipping Finance" for which EUR 2,5 million are already allocated through CEF DI. In October 2018 at the CEF DI Steering Committee approved a pipeline of 5 transactions for a CEF contribution of 24,2 million – one signed in 2018 and four, subject to eligibility check, in 2019.

The Loan Guarantee Instrument, which is part of the CEF Debt financing, supported the Tours-Bordeaux also known as South Europe Atlantic High Speed (320 km/h), a high speed-rail-link with total project costs of around EUR 7 billion. The project became operational in 2017.

In the telecommunications sector, as regards to broadband, the guidelines of the CEF Debt Instrument have been revised on the basis of a common agreement with the EIB. Suitable projects are still to be identified by the EIB. With regard to the CEF Equity Instrument, the Connecting Europe Broadband Fund (hereafter, the "CEBF") was successfully launched on 27 June 2018. The CEBF has so far raised EUR 420 million at first closing through commitments from the following investors: the EIB for EUR 140 million (out of which EUR 100 million are backed by EFSI); the European Commission, via the Connecting Europe Facility, for EUR 100 million; KfW for EUR 50 million; Cassa Depositi e Prestiti for EUR 50 million; Caisse des Dépôts for EUR 50 million; Cube Infrastructure Managers ('Cube IM') for EUR 5 million and an additional EUR 25 million from a European private investor. Additional (private) fundraising efforts are ongoing for subsequent closing(s) up until December 2019. The first project has been signed on the 25th of January 2019 and concerns the deployment of a high-quality fiber-to-the-home (FTTH), open-access network for residential, business and public administration in the rural areas of the Primorje-Gorski Kotar and Istria regions - the two North-Western counties in Croatia – and to cover over 135,000 locations. This investment marks the inaugural project of the CEBF.

In the energy sector, the first CEF Debt Instrument was expected to be concluded by the EIB in 2Q 2018 (relying on the credits committed 2014-2017).

Key achievements

TRANSPORT

Examples of achievements reached by recent calls are the signature of the Grant Agreements for the upgrade of the over 100 km-long Białystok-Elk rail section in North-East of Poland as part of the Rail-Baltica project modernisation, the full expansion of the Karawanken road tunnel linking Slovenia and Austria and the development of a high-speed electric vehicle charging network across Sweden, Denmark, Germany, France, the United Kingdom and Italy. Moreover, CEF co-funded actions through the 2017 SESAR call contributed to the modernisation of Air Traffic Management systems in all EU Member States,

Furthermore, thanks to the 2017 CEF Blending Call, the CEF programme provided an EU grant to bridge the funding gap for economically viable projects using private finance. As a result, important public and private investments were mobilised, amounting to around EUR 6.3 billion. Under the first phase (cut-off) of the 2017 CEF Blending call, the largest part of the funding has been devoted to developing the European rail network (EUR 719.5 million), decarbonising and upgrading road transport (EUR 99.6 million), as well as developing maritime ports (EUR 78.9 million) and inland waterways (EUR 44.7 million). The projects include flagship initiatives such as the increase of the cross-border speed of the railway access line to the Fehmarn belt tunnel between Denmark and Germany, adapting the most important Belgian inland waterway, the Albert canal, for larger freight transport; as well as improving the capacity of the Port of Gdansk in Poland. In the area of Innovation and Alternative Fuels, several projects encompassing several Member States and Corridors have been selected with an objective of deploying Ultra-Fast Charging for Electric Vehicles. These were further complemented with the selection of additional projects under the second cut-off evaluation. As an example, support to the sustainable infrastructure network of BioLNG refuelling points along the core TEN-T corridors from southern Spain to eastern Poland, via France, Belgium, the Netherlands and Germany. Moreover, clean urban mobility received EU support, for instance for the deployment of a zero emission public transport service for Schiphol airport in Amsterdam or the construction of charging infrastructure for electric vehicles for public transport in Warsaw.

In terms of already completed CEF actions with relation to rail transport, **the deployment of European Railway Traffic Management System (ERTMS) Level 1, Baseline 2 was successfully completed for 29.5 km along the double-track rail**

section Ans-Angleur (Belgium), contributing to improved railway traffic management and safety for both the Rhine-Alpine and the North Sea-Baltic Core Network Corridors.

With relation to port infrastructures, **the expansion of the east jetty of the Shannon-Foynes port in Ireland** represents a success story of a fully achieved CEF project, leading to an improved efficiency in ship loading and unloading through reclamation of land, dredging, infilling of the reclaimed area and other engineering works.

In 2018, the CEF programme also **showed its first results with relation to alternative fuels**. As an example, a study on operating e-buses and their fast charging infrastructure at Stuttgart airport (Germany) was successfully and timely completed, gaining knowledge about the use of innovative solutions in order to meet the decarbonisation goals of the European airport industry.

In the end, **six CEF actions²³⁶ were successfully completed under the Motorways of the Sea priority**, improving maritime links and innovative and clean maritime transport solutions for several ports and maritime routes in Europe. The projects improved the maritime links at the ports of Lubeck (Germany), Helsinki (Finland), Vlaardingen (the Netherlands), Esbjerg (Denmark), Antwerp (Belgium) and Bilbao (Spain).

ENERGY

In 2018, in the electricity sector, a grant of EUR 578 million, the largest Connecting Europe Facility-Energy grant ever was awarded, which is decisive for the construction of the Biscay Gulf France-Spain interconnection. The new electricity link will better integrate the Iberian Peninsula into the internal electricity market. The project, with a 280 km long off-shore section, incorporates technologically innovative solutions regarding the design of the route over the Capbreton canyon and the French land section, which is fully underground. This new link will nearly double the interconnection capacity between both countries – increasing it from 2,800 MW to 5,000 MW, and will bring Spain closer to the 10% interconnection target from the current level of 6%. Such a leap will allow for an enhanced incorporation of renewable energies, thus contributing strongly to the clean energy transition and to the EU's clean energy transition policy.

In addition, the award for SuedOstLink was signed. One of the largest German energy infrastructure projects, received EUR 70 million for activities to enable the construction works to start. The project consists of 580 kilometres of high-voltage cables laid fully underground. The power line will create an urgently needed link between the wind power generated in the north and the consumption centres in the south of Germany. It will thus ensure better integration of renewable energies, as well as enhance the cross-border exchange of energy with neighbouring EU Member States.

A grant of EUR 27 million has also been allocated to support the construction of a new 400 kV internal power line between Cernavoda and Stalpu (RO), which will contribute to increase the interconnection capacity between Romania and Bulgaria and help integrate wind power from the Black Sea coast.

In the gas sector, in 2018, a grant agreement was signed to support the introduction of natural gas in Cyprus through the CyprusGas2EU project (EU support EUR 101 million) which will end the current energy isolation of Cyprus, bringing diversification to a region mostly dominated by one single source of supply and helping reducing air pollution and emissions by allowing switching from heavy fuel oil to gas for power generation. It will also improve energy security and price competitiveness.

TELECOM

The Connecting Europe Facility supports the deployment and promotion of interoperable Digital Service Infrastructures (DSIs), of Internet connectivity in local communities and broadband across the EU.

DSIs are based on mature technical and organisational solutions to support exchanges and collaboration between citizens, businesses and public administrations. The vision is to create a European ecosystem of interoperable digital services that will allow all citizens, businesses and administrations across the EU to fully benefit from living in a Digital Single Market.

Examples of achievements of selected DSIs up to date are reported below.

The **Cybersecurity** Digital Service Infrastructure (DSI) contributes to the EU preparedness to deal with cyber threats and provides financial support to boost a swift and effective operational cooperation between the Member State “Computer security incident response teams” (CSIRTs). The “CyberExchange” project brings together 10 Member States: Austria, Croatia, the Czech Republic, Greece, Latvia, Luxembourg, Malta, Poland, Romania and Slovakia. Financial support is provided to strengthen the know-how and the capabilities of their national CSIRTs/CERTs, as well as their cross-border cooperation.

The **eHealth** Digital Service Infrastructure facilitates continuity of care and patient safety of citizens seeking cross-border healthcare, allowing health data to be exchanged across national borders. Cross-border ePrescriptions/eDispensations (eP) service will allow a patient being abroad to receive the equivalent medication that he would receive in his home country. The Patient Summary (PS) services will provide a health professional with access to the verified key health data of a patient needing unplanned cross-border healthcare. The objective of the 37 eP/PS actions funded- was the set-up and operation of National Contact Points for eHealth (NCPeH) for the exchange of health data and the provision of cross-border ePrescription/eDispensation and Patient Summary services. Several NCPeHs were successfully set up and the first Member States are expected to start exchanging health data by mid-2019. In addition, eHealth DSI provides support to the European Reference Networks (ERNs). These are virtual

²³⁶ 2014-EU-TM-0379-M; 2014-EU-TM-0385-M; 2014-EU-TM-0391-M; 2014-EU-TM-0396-M; 2014-EU-TM-0487-M; 2014-EU-TM-0507-M. More information about the projects can be found at : <https://ec.europa.eu/inea/en/connecting-europe-facility/cef-transport/projects-by-transport-mode/maritime>

networks bringing together healthcare providers and centres of expertise across Europe to tackle complex or rare medical conditions that require specialised treatment and a concentration of knowledge and resources. In 2017, over 900 highly specialised medical teams joined forces within 24 ERNs.

In the area of connectivity, the **Connecting Europe Broadband Fund**, established under CEF Equity Instrument with EFSI support is the main deliverable in the area of broadband in 2016 and 2017. The Fund was successfully launched on 27 June 2018, raising EUR 420 million at first closing through commitments from the European Commission as well as the EIB, three national promotional banks, and one private investor. The first project has been signed on the 25th of January, 2019 and concerns the deployment of a high-quality fiber-to-the-home (FTTH), open-access network for residential, business and public administration in the rural areas of the Primorje-Gorski Kotar and Istria regions - the two North-Western counties in Croatia – and to cover over 135,000 locations. This investment marks the inaugural project of the CEBF. In November 2018, the first call for the **WiFi4EU** was launched, for a total of EUR 42 million, awarding vouchers to a total of 2,800 municipalities for the installation of free Wi-Fi networks in public spaces.

Evaluations/studies conducted

On 14 February 2018 the Commission issued a report to the European Parliament and Council concerning the mid-term evaluation of the CEF, under article 27 'Evaluation' of the CEF Regulation (COM(2018)66). The report is available at the following link: <https://ec.europa.eu/transport/sites/transport/files/legislation/swd-2018-0044-mid-term-evaluation-cef-ia-part2.pdf>

In line with Article 17 of the TEN-E Regulation (347/2013) the Commission reported on all the aspects of the performance of the TEN-E framework required under this article. This has been documented in the Commission Staff Working Document (SWD(2017)425) accompanying the Commission Delegated Regulation amending TEN-E Regulation (i.e. 3rd PCI list; C(2017)7834)²³⁷.

Specific studies:

TEN-T Core Network Corridor studies: following the Corridor studies in 2016-2017, contracts for new such studies covering 2018-2019 were concluded and have provided technical and economic assessment of the Corridors, proving input to the Corridor Fora, assisting the Coordinators, and identifying project pipelines.

Study on the impact of TEN-T completion on jobs, growth and climate: the study, which will be finalised in spring 2019, will also provide possible scenarios for transport part of the Impact Assessment in view of CEF2 in terms of budget and funding priorities.

Study on the evaluation of the impact of PCIs implementation aiming at collecting and interpreting information related to the implementation of several gas and electricity PCIs

Forthcoming implementation (2019-2020)

TRANSPORT

In 2019, the CEF Transport programme is expected to deliver with additional co-financed projects, resulting from the 2018 CEF Multi annual transport call and the 2019 CEF Annual call for proposals. The two calls aim at supporting projects of common interest related to the cross cutting objectives of transport digitalisation, road safety, multimodality, connections to and development of maritime ports and mitigation of the impact of rail freight noise and vibrations.

Furthermore, building on the positive experience of the 2017 Blending call and given the current market failures in the financing of certain transport infrastructure sub-sectors, the Multi Annual Work Programme on the Blending facility is expected to be adopted within the first quarter of 2019. Its primary focus will be on the specific sectors of European Rail Traffic Management Systems (ERTMS) and the deployment of Alternative Fuels. The expected results focus on the improvement of rail interoperability and the deployment of a sustainable and efficient transport system thereby promoting the decarbonisation of all transport modes. Moreover, it aims at increasing, through blending, the participation of private sector investment in trans-European transport infrastructure financing, contributing to overcome deficiencies of the European debt capital markets by offering risk-sharing for debt financing in the transport sector.

Following the 2018 Mid-term Review (MTR), in 2019 and 2020 INEA and DG MOVE will further assess the progress of ongoing CEF Transport Actions. The result of this assessment might lead to amendments to CEF Transport projects, thus triggering additional budget availability (reflows) to be used for CEF Transport calls to be launched in the period 2019-2020.

Within the same period, it is also expected that some of the currently ongoing CEF Actions will be successfully completed, contributing to the programme's objectives and the achievement of the TEN-T transport networks' completion within the expected timeframe (See note on CEF project cycle in Implementation Status section)

With regard to Programme Support Actions, a Multiannual Work Programme is expected to be adopted during the first quarter of 2019, completing the programme support and technical assistance needs for the years 2019 and 2020.

ENERGY

²³⁷ https://ec.europa.eu/energy/sites/ener/files/documents/swd_accompanying_pci_list_final_2017_en.pdf

The multi-annual work programme 2019-2020 under CEF energy will be adopted by March 2019. It indicatively foresees two calls for proposals with a total value of EUR 750 million. This multiannual work programme shall contribute to supporting energy infrastructure projects of common interest that have significant societal benefits and that ensure greater solidarity among Member States, but which do not receive adequate financing from the market. In line with Article 7 (3) of the Regulation EU (No) 1316/2013 this multiannual work programme shall also contribute to programme support actions which contribute to the implementation of the TEN-E policy. In 2019 this work programme may also contribute to activities of Transmission System Operators (TSOs) promoting Projects of Common Interest which are essential for their system to operate safely, securely (including cybersecurity) and efficiently. This may in particular include digital solutions for the grid planning and implementation.

In 2020 a similar work programme for grants implementation will be adopted following the budgetary implementation rules. In 2019, there are no commitment appropriations for financial instruments (budget line 32 02 01 04).

CEF TELECOM

The Work Programme 2019-2020 was adopted in February 2019. In 2019, CEF Telecom will not only continue the deployment and operation activities of 15²³⁸ DSIs supported in the previous years but will also include three new DSIs: Platform on disinformation, Blockchain and European Platform for Digital skills and Jobs. Two sets of calls for generic services will be launched in 2019. In addition, the second WiFi4EU call has been launched beginning April 2019 for a total of EUR 51 million, totalling 3,400 vouchers of EUR 15 000 each. Another call might be launched in 2019, as well as a call for tender to set up a single authentication and remote monitoring scheme for the WiFi4EU networks across the EU. It is currently foreseen that the support to previous activities will continue, while the introduction of new Digital Services will be assessed in accordance with the Regulation (EU) 283/2014 on the guidelines for trans-European networks in the area of telecommunications infrastructures. It is also foreseen that the Core support platforms will slowly decrease, passing from a design and basic development phase to a maintenance, upgrade and functionalities expansion phase. Generic Services are expected to approach the critical mass needed to reap the benefits of the pan-European cross-border interoperable infrastructure. The Connecting Europe Broadband Fund has been commercially launched in June 2018. The Commission has already started investing the roll out of high capacity networks in underserved areas with a first project signed in January 2019.

In the area of broadband and in particular for the CEF Broadband Fund, additional (private) fundraising efforts are ongoing for subsequent closing(s) up until December 2019. This fund will invest in broadband network infrastructure across underserved areas of Europe. The launch of the investment platform was planned in the Commission's strategy "Connectivity for a Competitive Digital Single Market – Towards a Gigabit Society" and it is an important step towards the deployment of the very high-capacity networks that Europe needs for its digital economy and society.

Outlook for the period 2021-2027

As part of the next long-term EU budget (MFF 2021-2027), the European Commission proposed to renew the Connecting Europe Facility (CEF), a funding programme that supports the development of transport, energy and digital infrastructure within trans-European networks.

With a proposed budget of EUR 42.3 billion for seven years (2021-2027), CEF will support infrastructure projects connecting the EU and its regions. It will also aim to better integrate the transport, energy and digital sectors, in order to accelerate the digitalisation and decarbonisation of the EU's economy. In particular, 60 % of the CEF budget will contribute to climate objectives in line with the EU's commitments under the Paris Agreement. Building on the success of the previous programming period (2014 - 2020), CEF will also continue to bridge the investment gap in Europe and to generate jobs and economic growth. Lastly, the facility will provide the opportunity to deploy technologies developed through the EU R&I programmes, boosting their market uptake and ensuring the Trans – European networks are equipped with advanced technology.

Under the current legislative proposal, important efforts have been deployed for the definition of a better performance framework. The dedicated parent DGs are closely cooperating with INEA in order to identify the best indicators at outputs, outcome and impact level, in order to improve the monitoring and reporting of the Programme.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010 Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments (OJ L 169, 1.7.2015, p. 1).	2014 - 2020	30 442,3

²³⁸ Europeana, eIdentification, EU Student eCard, eSignature, eDelivery, eInvoicing, Public Open Data, Automated Translation, Cybersecurity, eProcurement, Business Registers Interconnection System (BRIS), eHealth, Electronic Exchange of Social Security Information (EESSI), European eJustice and eArchiving.

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	5,8	5,3	5,0	4,6	4,1	4,8	4,3	33,8
Operational appropriations	1 958,8	1 416,4	2 116,6	2 451,4	2 729,6	3 705,0	3 858,5	18 236,3
Executive Agency	11,6	13,4	12,9	13,8	14,2	15,1	16,1	97,0
Joint undertaking						39,1	58,6	97,7
Total	1 976,2	1 435,0	2 134,5	2 469,7	2 747,9	3 764,0	3 937,5	18 464,8
<i>Contribution from Cohesion Fund</i>	<i>983,0</i>	<i>1 217,0</i>	<i>2 376,5</i>	<i>1 593,3</i>	<i>1 655,1</i>	<i>1 700,4</i>	<i>1 780,6</i>	<i>11 305,9</i>
Total with contribution from Cohesion Fund	2 959,2	2 652,0	4 511,0	4 063,0	4 403,1	5 464,4	5 718,1	29 770,8

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	2 747,929	99,99 %	1 405,700	98,82 %	3 763,983	31,33 %	1 701,245	31,53 %
Authorised appropriations (*)	2 852,384	99,74 %	1 501,104	98,15 %	3 775,561	31,27 %	1 719,022	31,94 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Developing modern and high-performing trans-European networks and creating an environment more conducive to private, public or public-private investment

Indicator 1: Volume of private, public or public-private partnership investment in projects of common interest

CEF Sector	Milestones foreseen							Target (in EUR million)
	2014	2015	2016	2017	2018	2019	2020	
Transport	0					28 534,60	39 115,80	Transport 49 795,1 of investments realised by CEF actions on the TEN-T network
Energy						2 935,00	3 661,90	
Telecom						304.1	304.1	
Total						31 773,70	43 081,80	
	Actual results							Energy: 5 519,4 of investment realised by CEF actions
Transport	834.20	2 297.50	5, 518.10	10 475.60	18 649.4			
Energy	26.2	187.1	343.70	658.8	1 680.10			
Telecom	16.1	98.6	191.20	290.70	304.1			
Total	876.50	2 583.20	6 052.90	11 425.10	20 633.7			
								Telecom: 304 realised by CEF actions

Source: INEA - Costs correspond to the latest available information (grant agreements and Action Status Reports) for CEF Transport/Energy actions. Costs are attributed to the year in which they have been, or are expected to be, incurred. For CEF Telecom no yearly split is available, costs have been assigned to the year of signature of the grant agreement. For CEF Telecom lump sum actions, the EU contribution was considered as costs. For CEF Synergy the costs have been allocated under Transport and Energy sector based on the activity sectors. The costs are indicated in EUR million and cumulated over the years.

The data measure total investment (i.e. eligible costs) for all signed CEF grant agreements (i.e. data do not measure overall investments in the entire TEN-T network, to which various other actors - including Member States, structural funds and private sector - contribute).

Indicator 2: Volume of private investments in projects of common interest achieved through the financial instruments under the CEF Regulation

Baseline 2013	Milestones foreseen						Target 2022 (in EUR million)
	2014	2015	2016	2017	2018	2019	
0				Transport: 400	Transport: 500	Transport 1 700	Transport: Up 2 600 Energy: 5 000-10 000** Telecom: 800 - 1 500
				Energy Telecom: 100 -205 ***	Energy Telecom: 200-340 ***	Telecom 100	
	Actual results						
	0	0	37,5*	Transport:61,1* Telecom 0***	Transport: 206 under CEF DI Telecom 25***		

* The payment to the European Investment Bank covers the contribution to a Green Shipping Guarantee Programme, established under the CEF Debt Instrument. The Green Shipping Guarantee Programme, which will be rolled out under the CEF Debt Instrument and European Fund for Strategic Investments, is expected to finance EUR 3 billion of investments. The payment of 2017 refer to the projects: Port Of Cork - Ringaskiddy Port Development and HAFEN LINZ TENINFRASTRUKTUR

**This includes the projected CEF Debt operation in the energy sector and TEN-E projects completed with the financing mobilised under EFSI to which CEF contributed financially [e.g. BRUA project, TAP]

The take-up of the Financial Instruments under CEF is slower than expected due to implementation of the European Fund for Strategic Investments and some Public Private Partnership projects being financed from appropriations under the 2007-2013 period.

*** This corresponds to the private investor contribution to the Connected Europe Broadband Fund. Please refer to comment under Specific Objective 8.

Indicator 3: Volume of private investment in fast and ultra-fast broadband internet							
Baseline	Milestones foreseen						Target 2020 (in EUR million)
	2014	2015	2016	2017	2018	2019	
N/A			N/A				Projection of private investment between 2011 and 2020 At least a third of the expected 1 000-1 700
	Actual results						
	0	0	0	0	0	0	

Estimate based on the structure of the investment platform, pooling resources from private and public resources, as well as on the investment guidelines with foresee minority stake participation at project level.

This corresponds to the private investor contribution to the Connected Europe Broadband Fund. Please refer to comment under Specific Objective 8.

Indicator 4: Volume of public and private investment in projects of common interest for fast and ultra-fast broadband internet funded by CEF							
Baseline 2013	Milestones foreseen						Target 2020 (in EUR million)
	2014	2015	2016	2017	2018	2019	
0	189	0	0	Expected 100 CEF contribution next to 290 other public funds to create an Equity Fund	Telecom: 200-340 private investor contribution at Fund or at project level (CEBF)	26	189 private investments raised by Axione project, financed under the project bond pilot and now incorporated in the CEF portfolio.
	Actual results						
	0	0	0	100 CEF contribution committed to the fund, whose launch is foreseen for 2018	Fund launched only in June 2018 with first project financed in January 2019		390 public funds (EU, EIB, NPBI) plus expected 1 000-1 700 plus private investment

Please refer to comment under Specific Objective 8.

General Objective 2: To enable the Union to achieve its sustainable development targets of a minimum 20% reduction of greenhouse gas emissions compared to 1990 levels, a 20% increase in energy efficiency and raising the share of renewable energy to 20% by 2020

Indicator 1: Reduction of greenhouse gas emissions

Former situation	Milestones foreseen						Long term target
	2014	2015	2016	2017	2018	2019	
846 Mt CO2 eq. (1990) 1101 Mt CO2 eq. (2008) (EU28) Energy: 19% (2013)	Transport: 881 Mt of CO2 eq (level in 2030) (20% reduction by 2030 compared to 2008)						Transport: 338 Mt of CO2 eq (level in 2050) (60% reduction by 2050 compared to 1990) Energy: 20% (Europe 2020 target)
	Actual results						
	Transport: 1020 Mt CO2 eq. in 2014 *PM2,5: 182 kt Energy 23,3	Transport: 1051 Mt CO2 eq. in 2015 Energy: 22,5%	Transport: 1079 Mt CO2 eq. in 2016 Energy: 23%	Transport: 1093 Mt CO2 eq. in 2017 estimation Energy: 22,6% ***	N/A****		

Source: European Environment Agency

(*) PM2,5 - the latest available data measurements for transport (excluding aviation cruise and international shipping) are - 2008-2014: - 31%

(**) The latest data available on greenhouse gas emissions statistics for transport, including international aviation, published by the European Environmental Agency based on the data sent by countries to the UNFCCC and the EU Greenhouse Gas Monitoring Mechanism (EU Member States) is for 2016. Data for 2017 is not yet available. Data excludes maritime international bunkers but includes international aviation.

Data from the SME Performance Review 2017 based on figures for 2014. SME's value added grew in 2015 by 5.7% and employment by 1.5%

(***) 2016 data based on country reporting under UNFCCC; 2017 data based on the EEA proxies

(****) It was not possible to find figures for year 2018 . The data are collected with a value n-2 (e.g.: data for 2018 will be available in 2020)

Indicator 2: Increase in energy efficiency							
Former situation	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Transport: (*) Energy: In 2014 the EU was already 2,2% below the final energy consumption target of 1086 Mtoe for 2020, but still 1,6% above the 2020 target for primary energy consumption of 1483 Mtoe	Transport: (*) Energy: The Impact Assessment accompanying the proposal for amending Directive 2012/27/EU (COM(2016) 405 final) was published in November 2015. Commission's Report on Member States' progress towards their indicative targets for 2020 (COM(2017) 56 final) published in February 2017.						Transport: (*) Energy: 20% saving of energy by 2020 (Europe 2020 target)
	Actual results(**)						
		In 2015 the EU was 0,4% below the final energy consumption target of 1086 Mtoe for 2020, but still 3,1% above the 2020 target for primary energy consumption of 1483 Mtoe 1530 Mtoe primary energy consumption	In 2016 the EU was 2% above the final energy consumption target of 1086 Mtoe for 2020. Transport represented 367,3 Mtoe. Moreover, the EU was 4% above the target for primary energy consumption of 1483 Mtoe 1543 Mtoe primary energy consumption ²³⁹				

Source: Eurostat, Commission studies.

(*)This indicator is defined according to the Energy Efficiency Directive 2012/27/EU, applicable to the EU overall economy. Transport contributes without a specific sectoral target, as mentioned in the Connecting Europe Facility Regulation (EU) No 1316/2013. Baseline is PRIMES 2007 in 2020, which includes policies to be implemented up to 2006 with an oil price of EUR 56.83 per barrel and reference year 2005. Calculated as Gross Inland Consumption minus Final Non-Energy Use Consumption.

(**) It is to be noted that the data are collected with a value n-2 (e.g.: data for 2018 will be available in 2020 after summer).

NOTE: The CEF will be contributing to this target but CEF is not the key driver. Main drivers for attaining the energy efficiency targets are the legislation in the energy efficiency field, namely the Energy Efficiency Directive (EED), the Energy Performance of Building Directive (EPBD), Labelling and Ecodesign and national policies/programmes.

Indicator 3: Share of renewable energy							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Transport: 4.8 % (2010, EU27) Energy: Share of RES in final energy consumption at 16% (2014)	Transport: (*) Energy: RES in final energy consumption Trajectory with interim targets contained in Annex 1b of Dir. 2009/28/EC: 2011/2012: 10,8%; 2013/2014: 12%; 2015/2016: 13,7%; 2017/2018: 16% June 2015: Commission's Renewable energy progress report (COM (2015) 293 final)						Transport: 10%** Energy: Share of RES in final energy consumption at 20% (Europe 2020 target) (*)
	Actual results(*****)						
	Transport 5,9% Preliminary data	Transport 6 % share of renewable energy*** Share of RES in final energy consumption estimated at 16,4%***	Share of RES in final energy consumption estimated at 17,04%****	Estimated share of RES in final energy consumption up to 17,5 %***** RES in transport sector 7,56% *****			

Source: Eurostat

(*)The CEF will contribute to this target but it is not the key driver.

(**) the share of renewables in energy use in transport is derived according to the definition set in the Renewable Energy Directive 2009/28/EC

(***) Commission's Renewable Energy Progress Report (COM (2017) 57 final) adopted on 1/2/2017

(****) Eurostat SHARES Survey

(*****) Eurostat Shares Survey- press release of 12 February 2019: <https://ec.europa.eu/eurostat/documents/2995521/9571695/8-12022019-AP-EN.pdf/b7d237c1-ccea-4adc-a0ba-45e13602b428>

(*****)Eurostat Shares Summary Result 2017: <https://ec.europa.eu/eurostat/web/energy/data/shares>

(*****) It is to be noted that the Share Surveys use data with a value n-2 (e.g.: data for 2018 will be available in 2020).

CEF TRANSPORT

General remark on indicators related to all specific objectives

The CEF programme includes Actions with an implementation period covering several years. For this reason, the majority of the CEF Actions signed as result of past calls for proposals are still ongoing and their results (outputs) will be achieved only at the end

²³⁹ EU energy in figures- Statistical pocketbook 2018- <https://publications.europa.eu/en/publication-detail/-/publication/99fc30eb-c06d-11e8-9893-01aa75ed71a1/language-en/format-PDF/source-77059768> - Published in 2018- Data source 2016.

of the programming period and beyond (up to end of 2023). Furthermore, taking into consideration that results of CEF calls are expected in the coming years, the indicators have a moving target. Indeed, the targets are defined by the accomplishment of the number of CEF ongoing actions (this number is evolving in accordance with calls for proposals over the years). The data only covers the actions funded by CEF grants and not the entire TEN-T network, to the financing of which various other actors (including Member States, structural funds and private sector) contribute. Foreseen milestones are expected results by actions still ongoing. Actual results correspond to results achieved by closed CEF Transport actions.

The difference between the foreseen Milestones and the actual results refer to possible delays experienced by CEF Transport actions. In particular, due to the complex nature of transport infrastructure projects, their technical characteristics, unforeseen events, the stability of the co-funding contribution (national or other sources), public procurement issues (e.g. complaints/appeals during tender procedures) and other legal and environmental issues (e.g. permitting, spatial planning, other authorisations and land acquisition) some actions might have been delayed.

Moreover, it is to be noted that the actions are considered closed only once the final report has been received and assessed, the outputs verified and the final payment (if need be) performed. This means that if actions have already achieved some results during its implementation period, these are not measured. The only possible reporting on outputs is done once the CEF Grant Agreement is concluded (final report submitted, assessed and validated) and the final payment (or recovery) is performed. Furthermore, it is to be considered that CEF Transport beneficiaries must submit a final report within 12 months by the end date of the action. If we consider a timely submission of the report by the last possible date (n+1) plus 90 days to process the payment, the calculation of time lag leads to 1 year and 3 months. However, considering the complexity of CEF Transport projects, time to pay is usually stopped for further clarifications and checking. For these reasons, the time lag might reach more than one year and a half. Therefore, if it appears that there is no progress between the two years of implementation, it means that during this period no Action was closed contributing to this specific indicator.

Specific objectives

Specific Objective 1: Removing bottlenecks, enhancing rail interoperability, bridging missing links, and improving cross-border sections

Indicator 1: The number of new or improved cross-border connections

Baseline 2013	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Number of bottlenecks on cross-border connections (new or improved) which are expected to be addressed by the actions for which CEF grants were awarded. The bottleneck is considered to have been addressed in the year during which the action was/will be completed. Results are cumulated over the years. Baseline = 0				1	7	27	66	77
	0	0	0	0	0			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator (expressed in EUR million). Costs are cumulated over the years	236,6	445,2	1 184,3	2 518,2	4 631,8	7 520,3	11 991,7	Total estimated investment: 17 463.2

Source INEA: For this indicator, the estimated CEF Funding corresponds to 45% of the total estimated investment (i.e. EUR 7.9 billion).

Indicator 2: Km of lines in service equipped with the European Railway Traffic Management System (ERTMS), linked to TEN-T

Baseline 2013	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Km of track-side to be equipped with ERTMS through actions funded by CEF grants (double-track equivalent). The entry into service is attributed to the year in which the CEF funded action is expected to be fully completed. Results are cumulated over the years Nearly 5000 km of lines are in operation*					1 170	1 642	4 972	6,632 km
					30			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator. (in EUR million). Costs are cumulated over the years	2,5	23	70,5	172,4	390	765,9	1 306,9	Total estimated investment: 2 040,7

Source INEA: The estimated investment (i.e. eligible costs) for trackside deployment of ERTMS triggered by CEF funding is EUR2 billion corresponding to CEF Funding allocated of EUR676 million.

*According to the Commission Staff working document on the state of play of the implementation of the ERTMS Deployment Plan (published 14/2/2014)

Indicator 3: The number of removed bottlenecks and sections of increased capacity for all modes on core network corridors which have received funding from the CEF

Baseline 2013	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Number of bottlenecks addressed/to be addressed by CEF grants. The bottleneck is considered to have been addressed in the year during which the action was/is expected to be completed. Results are cumulated over the years			2	7	29	93	217	277
	Actual results							
			2	3	4			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator. (in EUR million). Costs are cumulated over the years.	602,1	1 522,5	3 568,4	6 810,7	12 189,3	19 464,3	27 772,1	Total of the currently estimated costs: 37 263,4

Source INEA: The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR37,3 billion corresponding to CEF Funding allocated of EUR17,7 billion.

Indicator 4: The length of the inland waterway network by class in the Union

Baseline 2013	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Km by Inland Waterway (IWW) class to be upgraded by CEF grants. The upgrade is attributed to the year in which the CEF funded action is expected to be completed. Results are cumulated over the years				1	17	186	2 376	Whole TEN-T inland waterways reaching class IV standards or higher by 2030, except where allowed by Regulation Total number of km: 2 522
	Actual results							
95,2% of inland waterways Reaching already class IV standards.				0	0			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator (in EUR million). Costs are cumulated over the years	9,9	61,3	201,6	341,1	596,4	907,2	1 289,8	Total of the currently estimated costs: 2 968,3

Source INEA: The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR3 billion corresponding to CEF Funding allocated of EUR1,2billion.

Indicator 5: The length of the railway network in the EU-28 upgraded following the requirements set out in Article 45 (2) of Regulation (EU) No 1315/2013

Baseline 2013	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
km upgraded by CEF grants. The upgrade is attributed to the year in which the CEF funded action has been completed. Results are cumulated over the years				9 km of railway line adapted to the European nominal gauge standard	57 km of railway line adapted to the European nominal gauge standard	609 km of railway line adapted to the European nominal gauge standard	1 169 km of railway line adapted to the European nominal gauge standard	Total gauge: 1 494 Total electrification: 1 939 Total Freight: 3 061
	Core Network railways lengths: -Freight only: 18 073km -Passenger only: 14 674km -Mixed lines: 34 484km			9 km of freight lines	177 km of railway of fully electrified line tracks and, as far as necessary for electric train operations, sidings	531 km of railway of fully electrified line tracks and, as far as necessary for electric train operations, sidings	1 550 km of railway of fully electrified line tracks and, as far as necessary for electric train operations sidings	
					150 km of freight lines	797 km of freight lines	2 294 km of freight lines	
Actual results								

Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator. (in EUR million). Costs are cumulated over the years.	328,6	723,5	1 171,9	2 000,9	3 770,8	6 970,1	10 680,1	Total of the currently estimated costs: 15 709,8
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Source INEA: The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR15,7 billion corresponding to CEF Funding allocated of EUR8,7 billion.

Indicator 6: Setting up of the core network corridors structures with designation of Coordinators, creation of Corridor Forums and approval of work plans

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
No corridor existing				3rd Work Plans (Compliance & Mapping and decarbonisation and climate change adaptations)			9 core network corridors 4 th work plan by 2020
	Actual results						
		1st Work Plans agreed (May 2015)	2nd Work Plans adopted and approved by all Member States	Preparation of 3 rd Work Plans	3rd Work Plans adopted and approved by all Member States		

Specific Objective 2: Ensuring sustainable and efficient transport systems in the long run, with a view to preparing for expected future transport flows, as well as enabling the decarbonisation of all modes of transport through transition to innovative low-carbon and energy-efficient transport technologies, while optimising safety

Indicator 1: The number of supply points for alternative fuels for vehicles using the TEN-T core network for road transport in the EU-28

Baseline 2013	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Number of supply points for alternative fuels to be set-up by CEF grants*. Results are cumulated over the years Baseline (2012) data Electric public recharging points: 29 800 CNG refuelling stations: 2 800 LNG road refuelling stations: 23 Hydrogen refuelling stations: 90			9	136	733	1 310	3 189	CNG: 424 LNG: 273 Hydrogen: 122 Electric: 11 974 LPG: 51 Total: 12 844
	Actual results							
			9	9	9			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator. (in EUR million). Costs are cumulated over the years.	0,5	14,1	72,5	212,3	784,4	1 325,9	1 815,1	2 298,9

Source INEA: Foreseen milestones are expected results by still ongoing CEF actions. The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR2,3 billion corresponding to CEF Funding allocated of EUR694,1 million.

Each supply point is assumed to be operational in the year in which the CEF funded action has been completed. A CEF-funded action can include several supply points. The number of supply points is attributed to the year when the full action defined in the grant agreement has been completed (e.g. if a grant stipulates the creation of 100 supply points, the action is only considered as completed in the year when all 100 supply points have been set up. All the 100 supply points are then attributed to that year, even if most of them had already been set up in previous years).

Indicator 2: The number of inland and maritime ports of the TEN-T core network equipped with supply points for alternative fuels in the EU-28

Baseline 2013	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Inland and maritime ports to be equipped with alternative fuel supply points by CEF grants. The ports are considered to be equipped with supply points in the year in which the CEF					Maritime:3	Maritime: 8 Inland: 5	Maritime: 15 Inland: 8	All 85 maritime ports in core network and the 54 inland ports in core network to be equipped by LNG refuelling points by
	Actual results							
	0	0	0	0	0			

funded action is expected to be completed. Results are cumulated over the years Baseline (2012) Maritime LNG supply points: 1 Inland Waterway LNG supply points: 1									2020 (maritime ports) and 2025 (inland ports). This target refer to the entire TEN-T network and not only to CEF funded actions. By the end of the programme expected maritime: 20 and inland: 16
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator. (in EUR million). Costs are cumulated over the years.	Maritime ports: 0,8	Maritime ports: 6,8	Inland ports: 0,6 Maritime ports: 44,9	Inland ports: 1,9 Maritime ports: 92,3	Inland ports: 34,5 Maritime ports: 163,2	Inland ports: 74,7 Maritime ports: 236,1	Inland ports: 100,8 Maritime ports: 316,6	Total Inland: 114,6 Total Maritime: 359,8	

Source INEA: The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR114,6 million for inland ports and 359,8 million for maritime ports corresponding to CEF Funding allocated of EUR37,6 million EUR105,3 million respectively.

Indicator 3: Number of fatalities in road transport accidents							
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
31 500 (EU 28)				Ca. 19.000			Max 15 750 (EU 28)
	Actual results						
	26 000	26 100	23 800	23 500	23,500* (* provisional estimation of the EC based on Member States data report)		

Source: CARE

CEF is not directly contributing to this target.

Specific Objective 3: Optimising the integration and interconnection of transport modes and enhancing interoperability of transport services, while ensuring the accessibility of transport infrastructures

Indicator 1: The number of multimodal logistic platforms, including inland and maritime ports and airports, connected to the railway network

Baseline	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Airports, inland ports and maritime ports to be connected to the rail network (new or improved) by CEF grants. The connections are considered to have been realised in the year in which the CEF funded action is expected to be completed. Baseline 2012: 27 maritime ports connected and 12 airports connected					1 (1 inland port)	10 (4 inland port and 6 maritime port)	13 (5 inland port and 8 maritime ports)	For entire TEN-T network: 54 (improved) connections of maritime ports by 2020 24 (improved) connections of airports by 2020 All core maritime ports connected by 2030 38 core airports connected by 2050 Financed by CEF grants by 2020: 13 multimodal logistic platforms (5 inland and 8 maritime port connections)
	Actual results							
	0	0	0	0	0			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator. (in EUR million). Costs are cumulated over the years.	4,2	6,2	26,4	54,3	91,6	131,1	146,1	Total of the currently estimated costs: 146,1

Source INEA: Foreseen milestones are expected results by still ongoing CEF actions. The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR146,1 million corresponding to CEF Funding allocated of EUR53,2 million.

Indicator 2: The number of improved rail-road terminals								
Baseline	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Rail road terminals to be connected to the rail network (new or improved) by CEF grants. The terminals are considered to have been realised in the year in which the CEF funded action is expected to be completed. Results are cumulated over the year						4	8	By 2020, CEF grants are expected to have financed 7 improved rail-road terminals and one new rail-road terminal
	Actual results							
	0	0	0	0	0			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator. (in EUR million). Costs are cumulated over the years.	0,3	0,6	15,7	42,3	72,2	106,4	111,6	Total of the currently estimated costs: 111,6

Source INEA: Foreseen milestones are expected results by still ongoing CEF actions. The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR111,6 million corresponding to CEF Funding allocated of EUR39,4 million.

Indicator 3: Number of improved or new connections between ports through motorways of the sea								
Baseline	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
Number of connections to be improved or newly created by CEF grants. The connections are considered to be realised in the year in which the CEF funded action is due to be completed. Results are cumulated over the years.			4	11	16	24	28	By 2020, CEF grants are expected to have financed 29 improved or new connections between ports and MOS
	Actual results							
	0	0	4	7	7			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator (expressed in EUR million). Costs are cumulated over the years.	41,6	151,2	251,3	376	560	740,3	864,1	Total of the currently estimated costs: 917

Source INEA: The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR917 million corresponding to CEF Funding allocated of EUR261,2 million

Indicator 4: The number of kilometres of inland waterways fitted with RIS								
Baseline	Milestones foreseen							Target end of Programme
	2014	2015	2016	2017	2018	2019	2020	
KM of IWW fitted with RIS by CEF grants. Results are attributed to the year in which the CEF funding action is due to be completed. Results are cumulated over the years				570 km	570 km	847 km		Full coverage with ENC for Class Va+ waterways (10 500km) 2020: full coverage of class Va+ waterways equipped with shore based inland AIS infrastructure (10 500km); All commercial vessels equipped with inland AIS (app. 12 000 vessels) Electronic reporting fully operational for BtA and AtA Communication 847 km expected to have been financed by CEF grants by 2020
	Actual results							
				0	0			
Estimated total private, public or public-private partnership investment (i.e. eligible costs) triggered by CEF funding in a given year for actions achieving this indicator (expressed in EUR million). Costs are cumulated over the years.	0,01	0,8	6,4	16,4	21,8	22,9	22,9	22,9

Sources: INEA The estimated investment (i.e. eligible costs) triggered by CEF funding under this category is EUR22,9 million corresponding to CEF Funding allocated of EUR14,1 million.

Indicator 5: Synchronisation of the deployment process of SESAR related technology							
Baseline	Milestones foreseen						Target end of Programme
	2014	2015	2016	2017	2018	2019	
	- Adoption of the	- Awarding of	- Awarding of	- Approval of	- Approval of	Finalisation of	

<p>The SESAR development phase is delivering essential ATM solutions that require a synchronised deployment in the European ATM network.</p> <p>A SESAR deployment framework was established in 2013 (Reg. (EU)409/2013) to ensure the timely and synchronised deployment of SESAR Solutions. The framework and its instruments shall be set up and activated throughout the 2014-2020 timeframe</p>	<p>first common project</p> <ul style="list-style-type: none"> - appointment of the SESAR Deployment Manager (DM) by the Commission - First CEF call for proposals for SESAR implementation projects 	<p>grants to 1st batch SESAR implementation projects</p> <ul style="list-style-type: none"> - CEF call for proposals (General & cohesion envelopes) for SESAR implementation projects - Specific grant agreement with the DM 	<p>grants to 2nd batch of SESAR implementation projects</p> <ul style="list-style-type: none"> - Approval of revised deployment programme - Specific grant agreement with the DM 	<p>revised Deploym. Programme - Awarding of grants to SESAR implementation projects</p>	<p>revised Deployment programme - Awarding of grants to of SESAR implementation projects</p>	<p>the Commission's assessment of the DM's proposal for the Pilot Common Project Review (Article 6 of Reg. (EU) 716/2014).</p>	<p>Deployment of SESAR ATM solutions included in the Pilot Common Project</p>
	Actual results						
	<ul style="list-style-type: none"> - Pilot common project adopted (Reg. (EU)716/2014) - DM appointed on 5/12/2014 - CEF Call launched 9/2014 	<ul style="list-style-type: none"> - DM coordinates proposals under 2014 CEF call - EUR 318 million awarded from CEF to SESAR implementation projects - SGA signed with the DM - CEF Call for proposals launched on 11/9/2015 	<ul style="list-style-type: none"> - DM coordinates proposals under 2015 CEF call - additional EUR 525 million awarded from CEF to SESAR implementation projects - Approval of the 2015 Edition of the Deployment Programme - 2nd and 3rd Specific Grant Agreement signed with DM 	<p>SESAR DM and Commission services discussed the proposal for an update of the Deployment Programme CEF grants awarded to SESAR implementation projects following the 2016 CEF call for proposals</p>	<p>2018 Edition of the SESAR Deployment Programme approved (C(2018)8560)</p> <p>CEF Grants awarded to a new cluster of SESAR implementation projects (CEF 2017 SESAR dedicated call for proposals)</p> <p>DM coordinates 349 projects relating to the Pilot Common Project (PCP) PCP implementation projects received EUR 1,35 billion from CEF; 71% of the PCP deployment activities were either completed or in progress, of which 24% completely implemented (92 projects);</p>		

A SESAR deployment framework was established in 2013 (Reg. (EU)409/2013) to ensure the timely and synchronised deployment of SESAR Solutions. The framework and its instruments shall be set up and activated throughout the 2014-2020 timeframe Indicator number 5 as foreseen by article 4.2 (c) (iv) of the CEF Regulation has been divided in three table to facilitate reading by sector. Work is undertaken to complement by 2017 this indicator with a numerical indicator corresponding to the percentage of "SESAR ATM solutions (included in the Pilot Common Project) deployed", based on the reported progress by the implementing stakeholders of the SESAR Deployment Programme.

Indicator 6: Kilometres of roads covered by (real-time) Traffic Information Services or equipped for (dynamic) Traffic Management, including speed related ITS services (Variable Message Signs or equivalent means)

Justification:

DG MOVE has been working with Member States over the past years on streamlining and putting in place a set of agreed KPIs for ITS. An external study was conducted to identify the most promising KPIs, followed by consultations with Member States' experts and discussion in the ITS Committee in 2016. The final list (available on https://ec.europa.eu/transport/themes/its/road/action_plan/its_national_reports_en) of deployment and benefits KPIs, as well as financial indicators was established and Member States were asked to use it in the reporting exercise, foreseen in August 2017, regarding the implementation of the ITS Directive. Together with the list of the KPI's, Commission also made available a template for the report itself, to be used on a voluntary basis by Member States. Following the Member States' reports and while aiming for the next Commission report to be available during the 2nd quarter of 2019, it is fair to say that the majority of the Member States,

already implementing the ITS Directive and its Delegated Regulations, have opted to use the provided template and 40% referred to the KPIs. However the Commission noted that most of the reported KPIs were related to deployment and financial indicators, as these were straightforward, while the benefits KPIs were harder to address and quantify, leading often to absence of reporting. Although not optimal, the reporting on KPIs allows to draw some conclusions for the contributing countries, at least regarding deployment: a very high level of coverage of information gathering infrastructure and of real-time traffic and freight information services on the TEN-T road network, a more limited coverage for other services.

Note: Most of the Member States are already making wide use of ITS solutions to support increased road safety, more efficient road traffic management and more sustainable travel behaviours. Most Member States have ongoing activities related to implementing the delegated acts under the ITS Directive.

Indicator 7: The level of deployment of VTMS							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
AIS (Automatic Identification System) positions recorded per month: about 100 000 000		2015: nearly all commercial vessels equipped with inland AIS (app. 11.750 vessels)		VTMS Increase by 10%			VTMS: Increase by 20%
	Actual results						

Source :PLATINA 7RFP research project.

Justification: Indicator number 7 as foreseen by article 4.2 (c) (iv) of the CEF Regulation has been divided in three table to facilitate reading by sector. **This indicator is no longer relevant.** It confuses AIS and VTMS. AIS is stipulated in the VTMS Directive in two main ways – Carrier requirement (implementing the IMO requirements) and receiver requirements. The latter has been fulfilled for years as all MS with a coast have set up receivers and hence coverage along the EU coasts. The carrier requirements of AIS is based on the level of new vessels entering the market and sailing on EU ports. This in turn depends on overall economic factors and the world economy (imports/exports). For the moment there is a stagnation in new vessels entering the market due to the economic downturn. VTMS use, meaning the use of the Integrated Maritime Services and the 2 new reporting messages into the system, Security and Waste, apart from the already required Port plus message, has brought about an increase in the use of the reporting going into the system, probably exceeding 10%.

In the future, the indicator could be changed into the use of the National Single Windows in MS (discussion about CEF 2 indicators still ongoing).

Expenditure related outputs

In order to align the reporting on the expenditure-related outputs between Transport, Energy and Telecommunications, the outputs have been defined as "grants awarded" or "expected to be awarded" per budget line. Reporting for the forthcoming year on a specific priority/ project is approximate, as the grant agreements are allocated based on the competitive selection and award procedure.

The amounts are already allocated on the multi-annual basis to the specific projects, they are reported in this table as "grants awarded". The number related to the annual work programme (AWP) for financial instruments corresponds to the expected number of operations that the appropriations available under the AWP could support.

Outputs	Budget line	Draft Budget 2020	
		Number (foreseen)	EUR
Allocation to the grants from the 2014-2020 call for proposals under MAWP Transport	06 02 01 01		1 800,8
Allocation to the grants from the 2014-2020 call for proposals under MAWP Transport	06 02 01 02		459,7
Allocation to the grants from the 2014-2020 call for proposals under MAWP Transport	06 02 01 03		415,5
Allocation to the grants from the 2014-2020 call for proposals under MAWP Transport	06 02 01 04		1 774,4
Allocation to the Financial Instruments projects	06 02 01 05*		
Programme Support Actions 2018 (all lines) Art 5(2)(a) in the Multi annual Work Programme			
Total			4 450,4

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
First call for proposals (2014) under Multi Annual and Annual Work Programmes for Transport C(2014) 1919 and C(2014) 1921: number of grant agreements signed	F							
	P		263 grants agreements					
Second call for proposals (2015) under the Multi Annual Work Programme C(2014) 1921	F							
	P			189 grant				

as amended: number of grant agreements signed				agreements signed				
Third call for proposals under the Annual and Multi Annual Work Programmes C(2016) 6380 and C(2014) 1921 as amended: expected number of grant agreements	F			130				
	P			121				
Annual call 2016 under the Annual Work Programme C(2016) 1778: transport- energy synergy call	F			8				
	P			7				
Annual Call 2016	F			45				
	P			28				
Annual Call 2016 Rail Noise	F							
	P							
Annual instalment to the Financial Instruments Work Programme 2014	F							
	P			1**				
Annual instalment to the Financial Instruments Work Programme 2015	F							
	P		0					
Annual instalment to the Financial Instruments Work Programme 2016	F			2				
	P							
Multi Annual Call 2017 Blending - 1	F					39		
	P					39		
Multi Annual Call 2017 Blending - 2	F					47		
	P					33		
Multi Annual Call 2017 SESAR	F					19		
	P					14		
Multi Annual Call 2018	F					84		
	P							

*An output is a call for proposals under a multi-annual work programme (MAWP) for grants or an annual work programme for financial instruments. "Number" corresponds to the foreseen number of grants (for studies and for works) to be attributed following evaluation of a call for proposals.

* The total number of grants for the Synergy Call cannot be split between transport and energy. The total is therefore reported under both sectors.

** For Financial Instruments, the first Green Shipping Guarantee was signed in 2016. EUR 37,5 million and EUR 23,6 million were paid to the EIB in 2016 and 2017. The EIB has presented a provisional pipeline for additional transactions to be signed in 2019.

Financial Programming for Transport:

The Commission has adopted the Multi Annual Work Programme in the field of Transport C(2017)164 of 20 January 2017. On a multi-annual basis, EUR 1 billion of funds is transferred from the Financial Instruments of the CEF to grants. The objective is to support economically viable projects with financing from the European Fund for Strategic Investments and other private finance and to enhance the financial viability of projects.

The implementation of the CEF Financial Instruments through the CEF Debt Delegation Agreement with the European Investment Bank is slower than was foreseen at the outset of the Programme, due to the fact that some of the revenue-generating projects have been signed under the framework of the EFSI funds.

CEF ENERGY

General remark on indicators related to the specific objective 4 to 6

It is important to recognise that CEF Energy is not an independent spending programme but it is an integral part of the Trans-European Networks for Energy (TEN-E) strategy. The TEN-E policy framework is focused on linking the energy infrastructure of EU countries. CEF Energy is one of the instruments to help reaching the policy objectives of the TEN-E strategy by providing financial support to some projects of common interest. An indicator screening exercise was carried out in 2017 and showed that some indicators that were initially proposed for CEF Energy were too difficult and/or lacked sufficient clarity. Therefore, it was proposed already in previous Programme Statements to discontinue these few indicators. Building on this experience, work is ongoing to develop improved and better tailored indicators for CEF Energy as part of the Connecting Europe Facility 2021-2027.

For specific objective 4 to 6, it is to be noted that the initial list of 248 energy infrastructure projects that are Projects of Common Interest (PCIs) is updated every two years. The selection of PCIs is an on-going process in order to cater for emerging projects geared to fulfil future needs. It is therefore of prime importance to indicate to which edition of the list indicator values refer to.

On 24 November 2017, the Commission published, as part of the third state of the energy union report, the third Union list of PCIs, which entered into force on 20 April 2018. This list contains 173 projects of which 106 electricity transmission and storage, 4 smart grid deployment, 53 gas, 6 oil and 4 cross-border carbon dioxide network projects. By the end of 2018, in total over 30 PCIs have been implemented and some further 75 PCIs are expected to be implemented by 2022.

The success in awarding CEF Energy co-funding to numerous actions of the PCIs and its contribution to policy objectives of the TEN-E strategy may not be reflected yet in the indicators and results reported below due to the long implementation time of the

grants for works for large and technically complex energy infrastructure projects. In addition to the long lead-time it takes before actual results will be reported, delays may occur for various reasons including securing sufficient co-funding (national or other sources), public procurement issues (e.g. complaints/appeals during tender procedures) as well as legal and environmental issues (e.g. permitting, spatial planning, other authorisations and land acquisition). Moreover, the reporting and monitoring on actual results will only be done with some delay once the project is closed after the final report has been received and assessed, the outputs verified and the final payment (if need be) performed.

A provision in the Grant Agreements requires project promoters to regularly submit an Action Status Report (ASR) to INEA. ASRs provide an overview on the technical and financial progress of the Action. In addition, PCIs are subject to yearly monitoring by national competent authorities and the Agency for the Cooperation of Energy Regulators (ACER) pursuant to Art. 5 of the TEN-E Regulation. This allows the Commission to monitor the PCIs progress to and the implementation of the PCIs.

The Transparency Platform provides for an interactive map with up-to-date information for each PCI which is updated regularly: http://ec.europa.eu/energy/infrastructure/transparency_platform/map-viewer/main.html.

Specific Objective 4: Increasing competitiveness by promoting the further integration of the internal energy market and the interoperability of electricity and gas networks across borders

Indicator 1: The number of projects effectively interconnecting Member States' networks and removing internal constraints

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
In 2017: 106 electricity transmission and storage, 4 smart grid deployment, 53 gas, 6 oil, 4 cross-border carbon dioxide network					30*	20*	34
	Actual results						
				12			

* Due to be commissioned by the end of 2019

Indicator 2: The reduction or elimination of Member States' energy isolation

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
9 2013					9	8	6
Actual results							
The indicator refers to the number of PCIs contributing to the objective still to be commissioned				9	8		

NOTE: Indicators 1 and 2 are based on the number of PCIs effectively contributing to the specific objectives. These can be monitored during the Programme implementation on the basis of formal monitoring requirements for PCIs set out in the TEN-E Regulation (Art. 5, monitoring and implementation). Although their evolution is only partly related to the CEF budget, these two indicators can be kept until the end of the Programme and also be used ex-post.

Indicator 3: The percentage of electricity cross-border transmission power in relation to installed electricity generation capacity in the relevant Member States

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
16 2012	16				17		24 (Cyprus, Spain, Italy, Poland, Romania and the UK remain below target)
Actual result*s							
	17			17	N/A**		

* By 2020, with the impact of PCIs, Bulgaria, Italy, Portugal, Ireland, Germany, France and Romania will have reached the 10% electricity interconnectivity target.(Reference: Communication on strengthening Europe's energy networks (COM(2017)718 final); ENTSO-E TYNDP 2016.

** Reflections are ongoing as regards refinement of calculation methods for the 2030 interconnectivity target and 2018 figures are not available.

NOTE: Indicator 3 lists the Member States, which are below the 10% interconnectivity target as mentioned in Recital 2 of the TEN-E Regulation. Although its evolution is only partly related to the CEF budget, this indicator can be kept and monitored during the programme implementation. It measures the ratio of the cross-border transmission capacity and the installed generation capacity in a Member State. It can also be used ex-post.

Indicator 4: Price convergence in the gas and/or electricity markets of the Member States concerned

Justification: In the indicator screening exercise carried out in 2017, this indicator has been ranked low by DG ENER in terms of relevance to the budget, relevance to the programme, results and data accessibility. For example, price convergence in the electricity or gas sector is not only determined by the level of cross-border capacity changes but also by market design issues for electricity whereas for gas it depends on diversification and access to liquid markets as well as on third-party access to major pipelines. Moreover, the contribution of each specific project cannot be singled out without in-depth network modelling analysis. It is therefore proposed to discontinue this indicator.

Indicator 5: The percentage of the highest peak demand of the two Member States concerned covered by reversible flow interconnections for gas

Justification: In the indicator screening exercise carried out in 2017, DG ENER has expressed that this indicator relates more to security of supply and in addition is extremely difficult to measure. Notably the indicator in its current definition is not smart enough, as it lacks precision, is severely affected by seasonal changes in gas demand and would need to be applied to more than one pair of Member States, thereby resulting in many different values. It is therefore proposed to discontinue this indicator.

Expenditure related outputs See table under specific objective 6

Specific Objective 5: Enhancing Union security of energy supply							
Indicator 1: The number of projects allowing diversification of supply sources, supplying counterparts and routes							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of countries having 3 major supply sources of gas for the EU in addition to liquefied natural gas (LNG)				40*	38*		11
	Actual results						
				40	38		

(*)(*) 16 Member States still have fewer than 3 major gas supply sources. 38 PCIs supporting EU's security of supply are still to be commissioned.

NOTE: With the adoption of the third PCI list, the number of gas PCIs has changed. On the current PCI list the number of gas PCIs has considerably decreased.

By 2020 most Member States will cover the policy objective of diversification, having at least three sources of supply including LNG. The Danish and Swedish markets, that appear to have two sources in 2020, are well interconnected with the rest of the European grid and could secure supplies from additional sources. In the case of the Finnish, Cypriot and Maltese markets, PCIs would end their isolation and provide sufficient security supply, but not allow the policy objective to be fully met (reference: "Evaluation of the impact of PCIs" study commissioned by DG ENER, 2016). Indicator 1 refers to the number of PCIs still to be commissioned supporting the objectives. The indicator can be monitored during the Programme implementation; it can be kept until the end of the Programme and it can also be used ex- post.

Indicator 2: The number of projects increasing storage capacity							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
7 PCIs			6	6	6	4	2**
	Actual results						
				6	6		

(*) 6 PCIs in gas underground storage: actual reference 2017 is the 2nd PCI list. (PCIs to be commissioned)

(**)2 storage projects expected to be commissioned

NOTE: With the adoption of the third PCI list, the number of gas PCIs has changed. On the current PCI list, the number of gas PCIs has considerably decreased. Indicator 2 refers to natural gas storage only. Although its evolution is only partly related to the CEF budget, the indicator can be monitored during the programme implementation on the basis of the formal monitoring requirements for PCIs set out in the TEN-E Regulation (Art. 5). The indicator can be also used ex-post.

Indicator 3: System resilience, taking into account the number of supply disruptions and their duration							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Gas: 3 MS do not meet the N-1 formula (as defined in Regulation (EU) No 994/2010) – Bulgaria, Greece and Portugal		21			Gas: N-1 is met by EU-22		Gas: N-1 is met by 23 MS (all except Cyprus, Malta as long as they do not have gas system and Luxemburg, Slovenia, Sweden which have a derogation)
	Actual results						
		19	22	21	20		

NOTE: The indicator is based on monitoring requirements set out in Regulation No (EU) 2017/1938 on the security of supply for gas, under which Member States have to report every two years to the Commission (last report: 2016) The progress of the indicator is based on PCIs which are implemented. Although its evolution is only partly related to the CEF budget, it can be monitored during the Programme implementation and can be kept until the end of the Programme. It can also be used ex-post.

Indicator 4: The amount of avoided curtailment of renewable energy

Justification: Indicator to contribute to the specific objective 6 only, not relevant for specific objective 5. The indicator should be discontinued under the specific objective 5, but kept under the specific objective 6.

Indicator 5: The connection of isolated markets to more diversified supply sources							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
19*				22	23		26
	Actual results						
				23	23		

(*) The indicator measures the number of Member States having access to at least two sources of gas is based on the interconnectivity level estimation by ENTSO-G.

NOTE: With the adoption of the third PCI list, the number of gas PCIs has changed. On the current PCI list, the number of gas PCIs has considerably decreased. The progress of the indicator is related to the number of PCIs actually being implemented which allow diversification of supply sources. Although its evolution is only partly related to the CEF budget, the indicator can be monitored during the Programme implementation and it can be kept until the end of the Programme. It can also be used ex-post.

Indicator 6: The optimal use of energy infrastructure assets

Justification: Indicator 6 is a “meta-level” indicator and it is not smartly defined to refer to the policy objectives of the TEN-E Regulation, as it is being affected also by market design issues. Additionally, there is no definition of what is “optimal use”, which anyway will be seen differently for electricity and gas infrastructure. It is therefore proposed to be discontinued.

Specific Objective 6: Contributing to sustainable development and protection of the environment, by the integration of energy from renewable sources into the transmission network and by the development of smart energy networks and carbon dioxide networks

Indicator 1: The amount of renewable electricity transmitted from generation to major consumption centres and storage sites

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
(*)				(*)	N/A		Approx. 90GWh(*)
	Actual results						
				N/A			

(*)Data have been extracted on the basis of modelling results available in the European Network of Transmission System Operators for Electricity (ENTSOe) in the context of the Ten-Year Network Development Plan (TYNDP) 2016 (indicator B3 of the ENTSO-E cost benefit analysis). This indicator provides a standalone value associated with additional RES available for the system. It measures together the reduction of renewable generation curtailment in MWh (avoided spillage) and the additional amount of RES generation that is connected by the project. The value represents an estimation of contribution to the indicator by the PCIs financed under CEF in the electricity sector, which will be commissioned until 2020 (14 PCIs).

NOTE: Indicator 1 can be kept as for the Programme implementation but it is based on network modelling analysis rather than on actual progress of PCIs for which no intermediate data over the years are available (only 2020). It can only be measured ex-post.

Indicator 2: The amount of avoided curtailment of renewable energy

Baseline	Milestones foreseen						Target 2020(MWh of curtailed RES electricity)
	2014	2015	2016	2017	2018	2019	
(*)				(*)	N/A		Approx. 70GWh (contribution of 33 PCIs)
	Actual results						
				N/A			

*Data available in the ENTSOeTYNDP 2016.Projections relate to 2020 scenarios. Countries affected by curtailment are the following: IE, DE, ES, IT, PT, RO. It can be expected that around 33 Electricity PCIs which, will enter into operation by 2020 in these countries will contribute to the target

NOTE: Indicator 2 can be kept as for the Programme implementation but it has a number of limitations, as it is based on network modelling analysis rather than on actual progress of PCIs for which no intermediate data over the years are available. It can only be measured ex-post.

Indicator 3: The number of deployed smart grid projects which benefited from the CEF and the demand response enabled by them

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2013: 2 smart grids projects					1		1 projects to be commissioned notably, the Smart Border Initiative project)
	Actual results						
					0		

(*) There are 4 projects on the second Union list of PCIs

NOTE: Indicator 3 must be changed. The demand response enabled by smart grid projects can be measured only ex- post and should not be mixed up with the number of PCIs supported by CEF. This part of the indicator should therefore be discontinued. The number of smart grid projects supported by CEF, and that will be commissioned by 2020 can be monitored during the Programme implementation and can be kept until the end of the Programme. It can also be used ex-post.

Indicator 4: The amount of CO2 emissions prevented by the projects which benefited from the CEF

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
(*)				(*)	N/A		Approx 5000 kT/year (*)
	Actual results						
				N/A			

*The indicator reflects the characterisation of the evolution of CO2 emissions in the power system, as a consequence of the renewable energy which is integrated by means of the PCIs. The values have been calculated on the basis of the ENTSO-E TYNDP 2016 (indicator B5 of ENTSO-E cost benefit analysis, scenario 2020). The data represent the contribution to the indicator by the PCIs financed under CEF in the electricity sector

which will be commissioned until 2020 (14 PCIs). 5000 kT/year represents 47.17% of expected CO2 emissions prevented by all electricity PCIs commissioned until 2020. The indicator does not take into account other sectors, like gas.

NOTE: Indicator 4 can be kept as for the Programme implementation but it is based on network modelling analysis rather than on actual progress of PCIs for which no intermediate data over the years are available (only 2020). It can only be measured ex-post.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
Allocation to the grants from the 2014-2020 call for proposals under MAWP Energy	32 02 01 01	15	100 693 577
Allocation to the grants from the 2014-2018 call for proposals under MAWP Energy	32 02 01 02	15	91 396 413
Allocation to the grants from the 2014-2018 call for proposals under MAWP Energy	32 02 01 03	15	91 396 413
Allocation to the Financial Instruments projects	32 02 01 04	0	
Programme Support Actions 2018 (all lines) Art 5(2)(a)		0	
Total		45	283 486 403

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Call for proposals under MAWP CEF-Energy 2014-2020	F		50					
	P		34					
First call for proposals under MAWP CEF-Energy 2015-2020	F		15					
	P		20					
Second call for proposals under MAWP CEF-Energy 2015-2020	F			30				
	P			15				
First call for proposals under MAWP CEF-Energy 2016-2020	F			20				
	P			9				
Second call for proposals under MAWP CEF-Energy 2016-2020	F				18			
	P				18			
Call for proposals under MAWP CEF-Energy 2017-2020	F				25			
	P				17			
Call for proposals under MAWP CEF-Energy 2018-2020	F					53		
	P							
Annual work programmes for financial instruments 2014, 2015, 2016	F			5				
	P			pm				
Call for proposals under the AWP 2016 for synergy in energy and transport	F				8			
	P				7			
Annual work programme for financial instruments 2017	F				4			
	P				pm			

*An output is a call for proposals under a multi-annual work programme (MAWP) for grants or an annual work programme for financial instruments. "Number" corresponds to the foreseen number of grants (for studies and for works) to be attributed following evaluation of a call for proposals.

* The total number of grants for the Synergy Call cannot be split between transport and energy. The total is therefore reported under both sectors.

Specific Objective 7: To contribute to the interoperability, connectivity, sustainable deployment, operation and upgrading of trans-European digital service infrastructures and coordination at European level

Indicator 1: Facilitating digital interaction between public administration and citizens/ businesses

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
48,9% of citizens using public services on-line ²⁴⁰						60% of citizens	70% of citizens using public services on-line
	Actual results						
75,7% of businesses using public services on-line ²⁴¹	56,9% of citizens	57% of citizens	59,7% of citizens	58,5% of citizens	64,3% of citizens		100% of businesses using public services on-line

Source: Digital agenda scoreboard

²⁴⁰ % of internet users needing to submit forms to the public administrations, who chose the online channel (Source: Digital Agenda Scoreboard/[Europe's Digital Progress Reports](#))

²⁴¹ The monitoring of this indicator has been discontinued

Indicator 2: Availability of cross-border public services							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
n/a					80%		100% of the cross-border public services as laid out in the Regulation (EU) 283/2014 on the guidelines for trans-European networks in the area of telecommunications infrastructure
	Actual results						
		65%	69.5%	72%	73.3%		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
Digital service infrastructures developed and deployed across Europe	09 03 03	18-20	125 964 990
Total			

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1 Digital service infrastructures developed and deployed across Europe with the support of CEF	F	8	11	14	14	16	18	18-20
	P	8	11	14	14	16		

The outputs refer to the cumulative number of Digital Service Infrastructures that are being supported. Support can take the form of procurement, when it concerns the core service platforms or of grants when it concerns generic services.

Justification of changes to the financial programming and/or to the performance information

The indicators for Specific Objective 7 are being redefined in the course on 2019. The revision will ensure SMART and RACER performance indicators.

Specific Objective 8: To contribute to the efficient flow of private and public investments to stimulate the deployment and modernisation of broadband networks

Indicator 1: Level of fast broadband coverage (e30 Mbs)

N/A

Indicator 2: Level of subscription to broadband connections above 100 Mbs

NA

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
Broadband roll-out projects launched via the use of Financial Instruments	09 03 02		p.m.
Total			p.m.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
CEF Work programme 2014 C(2014)9588	F	2						
	P	0						
Annual work programme for Financial Instruments 2016	F			5	45			
	P			pm	pm			

Justification of changes to the financial programming and/or to the performance information

The Connecting Europe Broadband Fund (“CEBF” or “the Fund”) has been successfully launched on June 27th, 2018 and consequently incurred a first capital call to cover for various expenditures (legal costs and management fees). Nevertheless, complex discussions between all Anchor Investors delayed the agreement on the Fund’s governance structure (Board of Directors, in particular) and thus the Fund’s capacity in providing funding to its first projects. (The first project supported by the Fund has indeed been signed on January 25th, 2019 for an expected investment amount of EUR 30m.)

It is indeed very difficult for financial instruments such as the Connecting Europe Broadband Fund (‘CEBF’) to be able to provide accurate estimates of future related expenditures. The following extract from CONNECT’s Risk Register will make it clear: “It is inherent to the design of an outsourced financial instrument that, DG CONNECT has to rely on estimates reported by the Fund Manager, Cube Infrastructure Managers, for the amount of payment appropriations to be set aside for a given year. The nature of the Fund itself, where deal negotiations might take longer than expected, or their amounts revised during the negotiations, or deals simply aborted, make those estimations quite difficult in practice.”

The same can be said for the CEF Debt Instrument ('CEF DI'), where CONNECT is fully dependent on the implementing partner's (EIB) ability in properly identifying and funding projects suitable from both a policy and financial standpoint, though we got assurances from the EIB that the budgetary commitment of EUR 17.5m will be spent by 2020.

Specific Objective 9: Encourage and support entities with a public mission, such as local public authorities, to offer free Wi-Fi connectivity in the centres of community life (e.g. in and around public buildings, health centres, parks or town squares)

Indicator 1: The number of operational free Wi-Fi access points supported by CEF

N/A

Indicator 2: The number of daily connections generated on free Wi-Fi access points supported by CEF in a given year

N/A

Justification of changes to the financial programming and/or to the performance information

To date, we have closed the first call of Wi-Fi4EU (November 2018) and signed most of the grant agreements with the 2800 municipalities. However, this is not reflected in the above indicators which explains why their value is zero. It will be reflected later in the year 2019 as the municipalities having won a voucher start installing Wi-Fi networks.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

3% of the EU's GDP should be invested in R&D

The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Contributing to sustainable and low carbon TEN-T and TEN-E networks	2 123,4	2 192,9
Total	2 123,4	2 192,9

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
1 129,5	1 029,8	1 736,5	1 578,0	1 683,0	2 123,4	2 192,9	11 473,1

(*The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The total amount corresponds to around 40% of CEF allocation to transport and energy sectors (all budget lines) including the contribution from the Cohesion Fund and to the financial instrument lines. The telecommunication sector does not contribute directly to the mainstreaming of climate action.

5. Programme contribution to the Sustainable Development Goals - SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

TRANSPORT. On 4 July 2016 the Commission adopted Annual Work Programme C(2016)1950, amended on 6 December 2016 by Decision C(2016) 7828, which provides for the financing of projects of common interest under the **CEF Debt Instrument** by means of delegation to the European Investment Bank as entrusted entity. In 2016 the budget allocation to the CEF Debt Instrument in the transport sector was EUR 66,35 million, whereas the total 2014 – 2016 allocation in the transport sector accounts for EUR 206,35 million. In transport, the Commission and the European Investment Bank established a risk mechanism, the **Green Shipping Guarantee programme**, to support the greening of the EU shipping fleet and the Motorways of the Sea. The first transaction was signed in 2016. The programme will be rolled out under the European Fund for Strategic Investments for a total amount of EUR 750 million, which is expected to mobilise EUR 3 billion of investments.

ENERGY: In the energy sector, no project has been financed so far under the **CEF Debt Instrument** and there was no contribution in 2016 to the Financial Instruments Work Programme.

TELECOM: The **CEF Broadband Fund** (CEBF) has signed its maiden project in Croatia on 25 January 2019 for an expected contribution of EUR 30m (equity capital). The project aims at deploying high-quality fiber-to-the-home (FtH), open-access network for residential, business and public administration in the rural areas of the Primorje-Gorski Kotar and Istria regions – the two North-Western counties in Croatia – and to cover over 135,000 locations. The CEBF intends to provide up to EUR 30m in equity (preferred shares and shareholder loan) out of total CapEx of EUR 64 million.

A second project is being negotiated, for which signature is expected in April 2019. The project aims at deploying a state-of-the-art high-quality FtH, open access network for residential, business and public administration in the rural areas in Slovenia to cover over 245,000 locations. The CEBF intends to provide up to EUR 30 million in equity (preferred shares and shareholder loan) out of total CapEx of EUR 186 million.

HEADING 1A: Competitiveness for growth and jobs**Interoperability Solutions and common frameworks for European public administrations, businesses and citizens (ISA2)****Lead DG: DIGIT****I. Overview*****What the programme is about?***

The ISA² Programme (spelled “ISA square”), is aimed at facilitating efficient and effective electronic interactions, cross-border or cross-sector, between European public administrations and between them, and citizens and businesses, in order to enable the delivery of electronic public services and to support the implementation of EU policies and activities. The Programme shall develop interoperability solutions autonomously or complement and support other Union initiatives.

EU added value of the programme

ISA² continues and capitalises on the results of the previous ISA programme, broadening its scope to the interactions between public administrations, citizens and businesses.

Important contributions of the ISA² programme are to:

- the Public Sector Modernisation: Interoperability is a necessary condition for the modernisation of public administrations, in particular for “one-stop-shop”, “once only principle” or “end-to-end services”;
- the Digital Single Market (DSM): Actions identified as fundamental to the DSM initiative, such as the revised European Interoperability Framework and the European Catalogue, are supported by ISA² programme preventing the emergence of electronic barriers;
- other EU policies: Almost all EU policies depend for their implementation on the availability of ICT systems that support the interconnection between Member State administrations. The ISA² programme supports the implementation of such interoperable systems either by funding or by providing tools to help the interconnection and implementation of these systems.

Implementation mode

Directorate-General for Informatics (DG DIGIT) is the lead DG for the programme implementation. The programme is implemented through direct management mainly through public procurement.

II Programme Implementation Update***II.1. Implementation status (2016-2019)***

The programme has so far been implemented efficiently with 99.96% of the actions progressing very well as per Q4 2018²⁴². The 2016 - 2018 work programmes of ISA², were performed as envisaged without delays or unforeseen events impacting the objectives stated in the legal decision of the programme. The two biggest packages in terms of funding are the:

- Supporting instruments for public administrations (EUR 5,115 M) – as many of the new actions are proposed to enter in this category and having a higher priority those that would give more impact to Public Administration and Citizen.
- Supporting instrument for EU Policies (EUR 5,08 M) mostly due to the Common Information Sharing Environment for the Maritime Domainaction (CISE) and support to the systems for the implementation of the Single Digital Gateway Regulation.

II.2. Key achievements

The intermediary targets have been met, with eleven key interoperability enablers and twelve supporting instruments for public administrations in use by European public administrations. For example, by systematically supporting Member States in the implementation and monitoring of the European Interoperability Framework (EIF) and the state-of-the-art of Digital Public Administration, ISA² programme has effectively delivered on its objective to develop, maintain and promote a holistic approach to interoperability in the Union in order to eliminate fragmentation in the Union's interoperability landscape. It is expected that timely monitoring of the EIF will help to identify areas to work at Member State level towards efficiency gains for public service delivery, and potential synergies across EC to further common objectives of Digital Public Administration.

Developing common vocabularies and data models, ISA² programme effectively delivers on its objective to facilitate efficient and effective electronic cross-border or cross-sector interaction between European public administrations on the one hand, and between European public administrations and businesses and citizens on the other. It also contributes to the development of a more effective, simplified and user-friendly e-administration at the national, regional and local levels of public administration. Success stories and application of ISA² solutions were presented in the ISA² mid-term conference in November 2018. Members States were keen to share their experience how solutions such as Interoperability Maturity Assessment of a Public Service, European Interoperability

²⁴² Update of the programme's dashboard <https://ec.europa.eu/isa2/dashboard/programme/efficiency>

Reference Architecture, and European Legislation Identifier are helping them in facilitating digitalisation in national public administrations and ensuring interoperability.

In addition, the success of ISA² can be illustrated by an intensive cooperation with other programmes and projects of the EU, such as Connecting Europe Facility (CEF), Structural Reforms Programme (SRSP), projects from Horizon 2020. Some of ISA² actions and pilot solutions have proved to be so successful and impactful, that CEF Telecom programme has proposed to finance them as building blocks: TESTA (Trans European Services for Telematics between Administrations) secure network service and Big Data test infrastructure. Horizon 2020 projects are reusing ISA² created solutions such as European Single Procurement Document, EU Public License and others.

By systematically screening new EU legislation – under preparation by the Commission – for possible ICT impacts, and by providing ICT Impact Assessment guidelines to the policy officers working on the identified ICT-related proposals, the ISA² programme effectively delivers on its objective “to identify, create and operate interoperability solutions supporting the implementation of Union policies and activities.” Timely ICT Impact Assessments result in concrete efficiency gains by identifying and deploying reusable components, thus saving the efforts linked to new developments, and by ensuring thorough planning of IT implementation. Tool #27 of the Commission’s Better Regulation Toolbox contains detailed guidance on digital checks. This Better Regulation Tool also points towards further sources of support available for policymakers and ICT specialists. One of them is the “ICT Impact Assessment Guidelines”, of which the methodology was updated by the ISA² Programme in 2018 and is available for use in work on a legislative proposal which may entail ICT elements.

Evaluations/studies conducted

The interim evaluation in its first results confirms the ISA2 programme’s relevance and effectiveness; moreover, the programme’s implementation is also on track. The Commission Report announcing the interim evaluation’s final results will be available by 30 September 2019 as per article 13 of the legal basis.

II.3.Forthcoming implementation (2019-2020)

A new European interoperability framework was adopted in March 2017. It comes along with an interoperability action plan that includes focus areas and related actions to maximise interoperability impact at national and Union levels. The upcoming ISA² work programmes will be in support of the implementation of the action plan. In 2019, special emphasis will be given to:

- putting in place an integrated mechanism to monitor and evaluate the programme’s actions and the new European interoperability framework;
- reuse of monitoring mechanism and information to support the follow-up of the Tallinn declaration, calling for the implementation of the European interoperability framework;
- identify means to engage interoperability stakeholders including capturing their needs;
- extend the catalogue of interoperable solutions;
- continue work on data management and their semantics;
- continue the support to the implementation of the INSPIRE Directive on the creation of a European Union spatial data infrastructure for the purposes of EU environmental policies and policies or activities which may have an impact on the environment, through actions targeting interoperability of location data;
- support the implementation of the Single Digital Gateway;
- support initiatives related to making better legislation.

II.4. Outlook for the 2021 – 2027 period

Subject to the negotiations in the adoption process, the Proposal for Regulation COM(2018) 434, establishing the Digital Europe programme for the period 2021-2027, covers the scope of the ISA2 Programme mainly in the provisions of the Specific Objective 5, “Deployment, best use of digital capacity and interoperability”.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Decision (EU) of the European Parliament and of the Council No 2015/2240 of 25 November 2015 establishing a programme on interoperability solutions and common frameworks for European public administrations, businesses and citizens (ISA ² programme) as a means for modernising the public sector	2016 - 2020	130,9

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support			0,4	0,4	0,4	0,4	0,4	2,0
Operational appropriations			24,4	25,1	25,8	26,5	27,1	128,9
Total			24,8	25,5	26,2	26,9	27,5	130,9

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	26,200	100,00 %	24,868	96,82 %	26,232	2,21 %	22,924	22,20 %
Authorised appropriations (*)	28,119	99,84 %	26,692	96,62 %	26,360	2,20 %	23,687	23,24 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific objectives

Specific Objective 1: to facilitate efficient and effective electronic cross-border or cross-sector interaction between European public administrations and between them and citizens and businesses, in order to enable the delivery of electronic public services supporting the implementation of Union policies and activities

Indicator 1: the number of key interoperability enablers

Baseline	Milestones foreseen				Target 2020
	2016	2017	2018	2019	
3*	9	9	9	10	10
	Actual results				
	9	9	11		

Indicator 2: the number of supporting instruments for public administrations delivered to and used by European public administrations

Baseline	Milestones foreseen				Target 2020
	2016	2017	2018	2019	
4*	9	9	11	13	13
	Actual results				
	9	9	12		

* The number mentioned in the baseline for both indicators corresponds to the major actions that were carried over to the new programme ISA² and should not be confused with the amount of outputs created by the previous ISA programme.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Key interoperability enablers	26 03 01	11	6
Support the effective implementation of EU legislation	26 03 01	14	11,2
Supporting instruments for European public administrations	26 03 01	13	5,6
Accompanying measures	26 03 01	6	3,3
Monitoring activities	26 03 01	4	1
Total		48	27,1

Outputs		Number of outputs foreseen (F) and produced (P)				
		2016	2017	2018	2019	2020
Key interoperability enablers	F	9	9	11	11	11
	P	9	8	11		
Support the effective implementation of EU legislation	F	13	13	14	14	14
	P	13	13	14		
Supporting instruments for European public administrations	F	9	9	12	12	13
	P	9	8	12		
Accompanying measures	F	4	4	6	6	6
	P	4	4	6		
Monitoring activities	F	4	4	3	3	4
	P	4	3	3		

Justification of changes to the financial programming and/or to the performance information

The 2019 ISA² work programme includes actions with changes in their scope or implementation. Some of the actions have been concluded in the previous years; therefore they do not appear as contributors to results/outputs. At the same time, new actions have been included in the WP, which modifies the overall number of results/outputs to be delivered in 2019 and influences the number of planned outputs for subsequent years. More information will be available in the full version of the WP 2019 to be adopted by the end of March.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies - not applicable**5. Programme contribution to the Sustainable Development Goals*****SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all***

In particular SDG 8.2, related to economic productivity through technological upgrading and innovation. The programme's main target group is the public sector, which contributes by 20% to the EU GDP through procurement thus making it a key factor of the European and global economy. Modern public sector means better public services, less bureaucracy and consequently more time for citizens and businesses to be productive in their core professional activities. In addition, the public sector holds and manages public data which if published as 'open' can create new innovative business thus increasing the market growth potential. It is estimated that full exploitation of open data can bring an overall market value of EUR 40 billion per year in the Union.

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

The programme produces and sustains interoperable digital solutions, which are open and free to be reused and shared by everyone. This results in putting in place digital infrastructures of cross-border nature, which can enhance collaboration between countries and within them at regional or local levels.

SDG 17 Strengthen the means of implementation and revitalize the global partnership

In particular to SDG 17.6 by promoting collaboration with third countries, international organisations or bodies, and pursuing the reuse of ISA² solutions thereof. The programme has already set up international cooperation with third countries such as the Uruguay, Japan, Australia, Vietnam, etc. in the areas of semantic interoperability and solutions' reuse.

HEADING 1A: Competitiveness for growth and jobs**European statistical programme (ESP)****Lead DG: ESTAT****I. Overview*****What the programme is about?***

Political decision-makers and actors in the market constantly need statistics in order to take fact-based decisions and to monitor and evaluate their implementation. In order to provide an essential infrastructure for democracies and modern economies to function soundly and efficiently, statistics must be reliable, timely and independent of political influence. Together with the national statistical institutes and other national authorities responsible in each Member State for the development, production and dissemination of European statistics, Eurostat has created a partnership collectively called the European Statistical System (ESS).

The European statistical programme (ESP) as laid down in Regulation (EU) 99/2013²⁴³ provides the framework for the development, production and dissemination of European statistics for a period corresponding to that of the multiannual financial framework. The statistics produced within the framework of the ESP, are indispensable for EU decision-making and for the measurement of the performance and impact of key initiatives such as the Investment Plan for Europe, the European Pillar of Social Rights, the European Agenda on Migration, or the Energy Union.

The ESP is designed to provide quality statistical information in a timely manner while keeping a balance between economic, social and environmental fields. It serves the needs of the wide range of users of European statistics, including decision-makers, researchers, businesses and European citizens in general, in a cost-effective manner without unnecessary duplication of effort.

EU added value of the programme

Only a coordinated approach to the development, production and dissemination of European statistics – as provided for in the ESP – guarantees the required coherence, comparability and common quality standards of the statistics that are relevant for EU activities. The programme delivers EU added value by providing trustworthy statistics while maintaining the balance between the needs of a wide range of users and the response burden on citizens and business. Moreover, EU added value is generated through the sharing of knowledge and 'best practices' across Member States and the development of new technologies, common tools and collaborative networks in the ESS with a view to taking advantage of possible synergies and avoiding duplication of effort, thus paving the way for a modern statistical production system equipped to meet future challenges.

Implementation mode

Directorate-General for European statistics (DG ESTAT) is responsible for the programme implementation. The programme is implemented through direct management

II. Programme Implementation Update***Implementation status (2016-2018)***

The Annual Work Programme for 2018 referred to the first year to implement the extended European statistical programme (ESP) to 2020. The extension paved the way for a range of ambitious actions to give the ESS greater capacity and flexibility. In addressing high-level requests from policy-makers, the ESP extension included measures for higher-quality, timelier statistics to support the Commission's 10 political priorities and the European Parliament's political agenda. The 2018 work programme also aimed at carrying forward the ESS Vision 2020, covering key areas such as user needs, data sources, dissemination and communication.

In 2018, 94.9% of planned outputs were achieved or were on target. Those outputs with a status other than "Achieved / On target" have been analysed in detail. None of them put at risk the fulfilment of the ESP objectives. The causes included dependency on partners or contractors; issues related to priority, resource, IT matters; and unexpected complexity or difficulties in executing the tasks. Corrective actions were identified and have been implemented. These actions included reviewing the IT planning procedure, in particular IT prioritisation and HR allocation.

Key achievements

Providing the European Union with statistics at European level that enable comparisons between countries and regions is a key task. Democratic societies do not function properly without a solid basis of reliable and objective statistics. On one hand, decision-makers at EU level, in Member States, in local government and in business need statistics to make those decisions. On the other hand, the public and media need statistics for an accurate picture of contemporary society and to evaluate the performance of politicians and others. While national statistics are important for national purposes in Member States, EU statistics are essential for decisions and evaluation at European level. Statistics can answer many questions: Is society heading in the direction promised by politicians? Is unemployment up or down? Are there more CO2 emissions compared to ten years ago? How many women go to

²⁴³ [Regulation \(EU\) 99/2013](#)

work? How is your country's economy performing compared to other EU Member States? Furthermore, international statistics are a way of getting to know your neighbours in Member States and countries outside the EU. They are an important, objective and down-to-earth way of measuring how we all live.

Examples of the EU added-value of the ESP and success stories:

- As in previous years, Eurostat provided in 2018 comparable, **reliable and timely information and thus supported the evidence-based implementation of EU policies**, in particular the 10 Commission Priorities and the Europe 2020 strategy.
- Eurostat kept on working for the development and production of high quality indicators for key **EU policies such as the European Semester, Europe 2020, the European Pillar of Social Rights (ESPR), Education and Training 2020**, and the underlying Joint Assessment Frameworks (JAF), which included the new JAF-Health. Finally, Eurostat delivered new innovative statistical products for the reinforced role of social indicators to further support the social dimension of Europe.
- Eurostat made significant progress on timelier data and estimates in a wide range of sectors. Timeliness was improved for employment estimates in national accounts, major components of social expenditures (social protection, education and health), the results of the Farm Structure Survey, the share of energy from renewable sources supporting the “decarbonising the economy” pillar of the Energy Union, and estimates on air emission accounts. Similarly, timeliness was increased for the annual energy statistics and prices for electricity and gas, which are used to assess competition in and progress towards the “fully-integrated energy market” objective.
- Eurostat substantially advanced with the improvement of production methods of statistics, notably through the exploration of new data sources for official statistics. For instance, Eurostat developed new procedures for the next round of population projections, which will help better analyse the sustainability of public finances. Another of Eurostat’s achievements is the adoption of a new Implementing Regulation (2018/1799) thanks to which the upcoming population censuses will give key population information geo-coded at 1 km³ grid level, covering the whole of the EU. This will give analysts, researchers and policymakers new opportunities to examine the data at detailed geographical levels. Quality considerations continued playing a central role in Eurostat’s management as well as in its day-to-day statistical operations. Quality in official statistics was also at the very heart of the 2018 European Quality Conference that Eurostat organised in Krakow in June 2018.
- In response to the needs for indicators on natural resources, Eurostat produced harmonised data on prices and rents of agriculture land. These are important for policy debates on direct payments, regional models and the green architecture of the Common Agricultural Policy. New harmonised data on passenger mobility now ensure comparability for integrated urban mobility plans, and three new modules of environmental economic accounts provide indicators for monitoring EU progress on the circular economy, resource efficiency, the European Semester, and the seventh Environment Action Programme.
- Regarding new statistical products and services, Eurostat started disseminating new official and experimental business and trade statistics on topics like e-commerce, cloud computing, and big data analysis. It also progressively expanded trade statistics to provide better information on the traders themselves, complementing the existing statistics on what is traded.
- In relation to communication and dissemination, Eurostat issued around 200 news releases and 350 news items in 2018. Eurostat released for the first time microdata for the European Labour Force Survey and the EU Statistics on Income and Living Conditions as public use files. In line with Eurostat’s digital communication strategy, Eurostat revised numerous dedicated websites by highlighting key topics and guiding users towards interactive tools. Eurostat made increased use of infographics, videos and other innovative products aimed at a general audience to enhance the attractiveness of its publications, news releases, news items and social media posts.

Evaluation / studies conducted

The first mid-term evaluation^[1] of the ESP covered the implementation of the programme in the years 2013 and 2014 plus relevant progress accomplished in 2015. The evaluation also considered the results of the final evaluation^[2] of the linked "Programme for the Modernisation of European Enterprise and Trade Statistics" (MEETS), which finished at the end of 2013, to check that the two programmes were coherent and well-coordinated.

The final evaluation of the programme was originally scheduled for 2018. When the ESP was extended to also cover the period 2018-2020, the final evaluation was postponed to 2021, and no other mid-term evaluation was required by the Regulation. However, with the adoption of the Better Regulation guidelines, the Commission decided that an evaluation of the current programmes was compulsory to support the impact assessment of all new programmes, including the post-2020 ESP. In the specific case of the ESP, the first mid-term evaluation was too old and covering too few years. Therefore, Eurostat needed to do a new one covering the years 2015-2017. Therefore, a second mid-term evaluation of the ESP was performed in 2018. In the context of the new Multiannual Financial Framework it supported the preparation of the impact assessment of the new post-2020 ESP, which was integrated in the adopted proposal for a Single Market Programme^[244].

^[1] <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015DC0309&rid=1>

^[2] <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52014DC0444&rid=1>

^[244] <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52018PC0441>

The results of the second mid-term evaluation indicate that the ESP has shown a high degree of effectiveness. Few problems had been registered in the first mid-term evaluation, which were related to economic governance, people's Europe, geospatial, environmental, agricultural and other sectoral statistics, priority setting and simplification, and the enhancement of the ESS governance framework. The second evaluation shows that they were tackled successfully by implementing a series of measures such as: (i) signing a Memorandum of Understanding with the European Central Bank on the quality of statistics underlying the macroeconomic imbalances procedure; (ii) proposing a framework regulation on Integrated European Social Statistics; (iii) designing improvements for the Household Budget Survey and the data collection on culture statistics; (iv) introducing an internal geoportal which provides the DGs with access to a wide range of geographic datasets; (v) launching projects to explore the potential of geospatial big data and mobile phone data; (vi) adopting a legal basis to collect data for the 2021 population census based on a 1 km square geographical grid; (vii) introducing new approaches for priority setting in the European Statistical System and (viii) implementing the revised Regulation (EC) No 223/2009²⁴⁵ and adopting Commission Decision 2012/504/EU of 17 September 2012 on Eurostat²⁴⁶.

The percentages of planned outputs that were achieved or on target in the last three years were constantly over 90 %. 20 of the 23 detailed objectives of the ESP can be considered on track to be accomplished by the end of the extended programme. The remaining three objectives, (i) objective 2 on economic governance; (ii) objective 4 on economic globalisation and (iii) objective 18 on dissemination and communication, only showed limited problems, which will have to be taken care of in the remaining period of the programme.

The evaluation indicates that the programme is run efficiently, that it provides a clear EU-added value and is coherent internally and consistent externally with other initiatives aiming at producing statistics. The results also show that the ESP has contributed and continues to contribute to satisfy the users' needs and to the design and monitoring of policies but more is needed. Eurostat and the European Statistical System are modernising the statistical production processes to respond to such needs while taking advantage of new technologies. Focus must be given to the implementation of such modernisation, which may require changes in the way statistical authorities gather and process data, as well as adequate resources. The evaluation also showed that in general the ESP's structure is fairly complex, with objectives and sub-objectives covered by areas and measured by indicators which sometimes are not clearly distinct one from another. It is then inherently difficult to understand and monitor the ESP. Therefore, it is recommended to simplify the structure of the programme for the future post-2020 ESP.

Forthcoming implementation (2019-2020)

The main outputs expected to be achieved in 2018

Production and dissemination of the statistical products listed in Annex 4 'Catalogue of Statistical Products' of the Commission decision "on the Financing of the European Statistical Programme 2013-2020 and the adoption of the work programme for 2019".

Efficiency gains and quality improvements in the production of European statistics as well as enhanced flexibility and productivity across the European Statistical System. Better responsiveness to users' requirements and innovative communication of European statistics, use of new data sources, improved data exchange, and a new and future-oriented dissemination chain.

Other outputs listed in the Annex 3 'List of activities and outputs' of the Commission decision "on the Financing of the European Statistical Programme 2013-2020 and the adoption of the work programme for 2019".

Main goals of the ESP extension for the period 2018-2020

The ESP has been extended by Regulation (EU) 2017/1951²⁴⁷ to cover the remaining duration of the current multiannual financial framework. The extension takes into account the growing demands for high quality and timely statistics to support the design and evaluation of European policies. It will ensure the effective contribution of European statistics to the achievement of the Commission's political priorities and at the same time strengthen the capacity of Eurostat and the ESS to react faster to new demands through embracing the potential of big data, geo-spatial data and digital technologies, while limiting the burden on respondents. In the period 2018-2020, a range of measures will be taken to close the most urgent data gaps and increase timeliness of European statistics. For example, the programme will provide better social statistics on income and inequalities as well as skills and equal opportunities on the labour market. Furthermore, the integration of migrants into the labour market will be better monitored. Other actions relate to the improvement of data for the Energy Union and on the circular economy. The programme will also be linked to the United Nations' Agenda 2030 for sustainable development by supporting an indicator framework for monitoring the Sustainable Development Goals (SDGs) at EU level.

Outlook for the period 2021-2027

The European Statistical Programme 2021-27 is included in the Commission proposal for a Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics²⁴⁸. Together with Regulation (EC) 223/2009 on European statistics, the Programme provides the overall framework for the development, production and dissemination of European statistics for 2021-2027. European statistics are developed, produced and

²⁴⁵ Regulation (EU) 2015/759 of the European Parliament and of the Council of 29 April 2015 amending Regulation (EC) No 223/2009 on European statistics.

²⁴⁶ OJ L 251, 18.9.2012, p. 49.

²⁴⁷ [Regulation \(EU\) 2017/1951](#)

²⁴⁸ (COM/2018/441) REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014, (EU) No 258/2014, (EU) No 652/2014 and (EU) 2017/826

disseminated under that framework and in accordance with the principles of the European statistics Code of Practice through close and coordinated cooperation within the European Statistical System (ESS).

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) 2017/1951 of the European Parliament and of the Council of 25 October 2017 amending Regulation (EU) No 99/2013 on the European statistical programme 2013-17, by extending it to 2020 (Text with relevance for the EEA and for Switzerland. Regulation (EU) No 1383/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EU) No 99/2013 on the European statistical programme 2013-17	2013 - 2020	452,9

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	2,9	2,9	3,0	3,1	3,2	3,3	3,3	21,8
Operational appropriations	53,4	54,9	56,4	58,0	58,5	72,2	74,0	427,4
Total	56,3	57,8	59,4	61,1	61,7	75,5	77,3	449,1

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	61,705	99,84 %	64,630	99,30 %	75,498	8,24 %	59,313	23,89 %
Authorised appropriations (*)	76,382	93,17 %	87,107	79,75 %	81,995	9,18 %	77,794	20,17 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The European Statistical System to be the leading provider of high-quality statistics on Europe.

Indicator 1: Eurostat impact on Internet: (a) number of mentions and (b) percentage of negative opinions

Previous indicator²⁴⁹:

Percentage of users that rate as "Very good" or "Good" the overall quality of data and services provided by Eurostat

Baseline 2012	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
70,6%	71,5%	72,4%	73,2%	74,1%	75%			Positive trend
	Actual results							
	69,7%	70,3%	72,4%	70,6%	74,9%			

New indicator²⁵⁰:

Eurostat impact on Internet: (a) number of mentions and (b) percentage of negative opinions

Baseline 2017	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
(a) 264 932 (b) 0,03%	n.a.	n.a.	n.a.	n.a.	n.a.	(a) increase (b) ≤ 2%	(a) increase (b) ≤ 2%	(a) increase (b) ≤ 2%
	Actual results							
	n.a.	n.a.	n.a.	(a) 224 161 (b) n.a.	(a) 264 932 (b) 0,03%	(a) 390207 (b) 0,02%		

Source: monthly report on Eurostat's impact on the web.

Justification of changes to the financial programming and/or to the performance information

New enhanced indicators have been defined when the ESP 2013-2017 has been extended up to 2020.

Specific objectives

Specific Objective 1: To provide statistical information, in a timely manner, to support the development, monitoring and

²⁴⁹ Valid until 31/12/2017

²⁵⁰ As identified in ESTAT's Strategic Plan 2018-2020

evaluation of the policies of the Union properly reflecting priorities, while keeping a balance between economic, social and environmental fields and serving the needs of the wide range of users of European statistics, including other decision-makers, researchers, businesses and European citizens in general, in a cost-effective manner without unnecessary duplication of effort.

Indicator 1: Statistical coverage (measured as number of indicators, sub-indicators and all their breakdowns)

Previous indicator²⁵¹:

"Percentage of users that rate as "Very good" or "Good" the overall quality of European statistics"

Baseline 2012	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
62,9%	64,3%	65,7%	67,2%	68,6%	70%			positive trend
	Actual results							
	62,6%	64,4%	61,2%	63,2%	62,4%			

New indicator²⁵²:

Statistical coverage (measured as number of indicators, sub-indicators and all their breakdowns)

Baseline 2017	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
328 489 272	n.a.	n.a.	n.a.	n.a.	n.a.	increase	increase	increase
	Actual results							
	n.a.	n.a.	n.a.	n.a.	328 489 272	366260359		

Source: report on the content of Eurostat's public databases.

Indicator 2: Number of data extractions made by external users from Eurostat reference databases (EuroBase and Comext) via the Eurostat website (using the Data Explorer or Easy Comext) – Millions

Baseline 2012	Milestones foreseen							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
7,87	7,88	8,1	8,3	8,5	8,7	increase	increase	increase
	Actual results							
	7,98	7,79	8,30	11,34	13,33	16,49		

Source: Monitoring reports on Eurostat electronic dissemination.

Indicator 3: Degree of achievement of the Spec.Objective measured as percentage of the achievement of the Outputs related to it

Baseline 2012	Milestones foreseen							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
N/A*	100%	100%	100%	100%	100%	100%	100%	100%
Actual results								
*indicator created in 2013	87,1%	92,3%	93,8%	92,86%	95,1%	96%		

Sources: ESTAT twice-yearly monitoring reports.

Twice a year, DG ESTAT's units give a mark to each of the outputs under their responsibility. The marks are the following: "Achieved", "On target", "Difficulties", "Revised", "Cancelled". The percentages given in the table include "Achieved" and "On target". The "ideal" target is 100% every year.

Expenditure related outputs

Outputs*	Budget line	Draft Budget 2020	
		Number	EUR million
Statistical activities-total	29 02 01	198	51.117
Of which:			
PA1: Europe 2020		1	0.189
PA2: Economic governance		21	2.196
PA3: Economic globalisation		8	2.676
PA4: Economic and social performance		25	11.707
PA5: Environmental sustainability		6	1.435
PA6: Business statistics		26	10.611
PA7: People's Europe		34	6.021
PA8: Geospatial, environmental, agriculture and other sectoral statistics		49	10.035
PA12: Dissemination and communication		23	5.26
PA13: Training, innovation and research		3	0.987

(* In this context "outputs" are understood as activities to be listed in the annex to the draft 2019 Annual Work Programme.

Outputs	Number of outputs foreseen (F) and produced (P)
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²⁵¹ Valid until 31/12/2017

²⁵² As identified in ESTAT's Strategic Plan 2018-2020

		2014	2015	2016	2017	2018	2019	2020
Outputs related to the Statistical activities	F	126	126	224	201	199	198	198
	P	110	121	208	201	191		

Justification of changes to the financial programming and/or to the performance information

New enhanced indicators have been defined when the ESP 2013-2017 has been extended up to 2020.

In the period 2014-2015 the "outputs" corresponded to the foreseen Implementing Measures of the Financing Decisions of those years. In the period 2016-2020 the "outputs" corresponds to the foreseen activities (processes and projects) listed in the ad hoc annex of the Annual Working Programs (AWP) of those years. The reasons of this change are that (1) the AWP's activities correspond better to the definition of programme's outputs and (2) the granularity of the Financing Decisions has been revised.

Specific Objective 2: To implement new methods of production of European statistics aiming at efficiency gains and quality improvements.

Indicator 1: Timeliness of a sub-set of the statistics provided by Eurostat measured as number of days between the last day of the statistics' reference period and the release day of the related news release

Previous indicator²⁵³:

Percentage of users that rate as "Very good" or "Good" the timeliness of European statistics for their purposes

Baseline 2012	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
56,3%	56,5%	57,8%	58,5%	59,3%	60%	**		positive trend
	Actual results							
	55,1%	58,4%	56,2%	57,3%	56,1%			

Source: Eurostat annual User Satisfaction Survey. The full reports are available on demand.

New indicator²⁵⁴: Timeliness of a sub-set of the statistics provided by Eurostat measured as number of days between the last day of the statistics' reference period and the release day of the related news release

Baseline 2017	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
Quarterly: 85,7 Monthly: 35,9	n.a.	n.a.	n.a.	n.a.	n.a.	decrease in the number of days	decrease in the number of days	decrease in the number of days
	Actual results							
	n.a.	n.a.	n.a.	n.a.	Quarterly: 85,7 Monthly: 35,9	Quarterly: 85,4 Monthly: 36		

Source: Eurostat's news releases.

Indicator 2: Degree of achievement of the Specific Objective measured as percentage of the achievement of the Outputs related to it

Baseline 2012	Milestones foreseen							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
N/A*	100%	100%	100%	100%	100%	100%	100%	100%
Actual results								
*Indicator created in 2013	86,1%	86,4%	88,7%	91,23%	88,9%	95,4%		

Sources: ESTAT twice-yearly monitoring reports. Twice a year, Eurostat units give a mark to each of the outputs under their responsibility. The marks are the following: "Achieved", "Not achieved", "Output revised" (which are counted as "Not achieved"). The target is 100% every year.

Expenditure related outputs

Outputs*	Budget line	Draft Budget 2020	
		Number	EUR million
Statistical activities	29 02 01	65	22.935
Of which:			
PA9: European Statistical System (ESS) quality management		6	1.435
PA11: Multipurpose statistics and efficiency gains in production		59	21.50

(*). In this context "outputs" are understood as activities to be listed in the annex to the 2019 Annual Work Programme.

Outputs	Number of outputs foreseen (F) and produced (P)							
	2014	2015	2016	2017	2018	2019	2020	
Outputs related to the Statistical Activities	F	39	39	57	51	65	65	65
	P	34	38	52	54	62		

²⁵³ Valid until 31/12/2017

²⁵⁴ As identified in ESTAT's Strategic Plan 2018-2020

Justification of changes to the financial programming and/or to the performance information

New enhanced indicators have been defined when the ESP 2013-2017 has been extended up to 2020.

Specific Objective 3: To strengthen the partnership within the European Statistical System and beyond in order to further enhance its productivity and its leading role in official statistics worldwide

Indicator 1: Punctuality of statistics: average number of days in advance (positive) or delay (negative), in comparison to the legal target: 1) Principle European Economic Indicators (PEEIs): Euro Area – monthly series 2) Principle European Economic Indicators (PEEIs): Euro Area – quarterly series 3) Foreign trade with countries outside the EU: Comext-Extra: data sent by MS to Eurostat.

Previous indicator²⁵⁵:

Percentage of users that rate as "Very good" or "Good" the comparability of European statistics among regions and countries

Baseline 2012	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
56,2%	56,4%	57,8%	58,5%	59,3%	60%			positive trend
	Actual results							
	58,0%	58,6%	58%	58,6%	55,2%			

Source: Eurostat annual User Satisfaction Survey. The full reports are available on demand.

New indicator²⁵⁶: Punctuality of statistics: average number of days in advance (positive) or delay (negative), in comparison to the legal target:

1) Principle European Economic Indicators (PEEIs): Euro Area – monthly series 2) Principle European Economic Indicators (PEEIs): Euro Area – quarterly series 3) Foreign trade with countries outside the EU: Comext-Extra: data sent by MS to Eurostat.

Baseline 2012	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
1) -0,10 2) -10,2 3) +3	≥ 0	≥ 0	≥ 0	≥ 0	≥ 0	≥ 0	≥ 0	≥ 0
	Actual results							
	1) -0,6 2) -10,1 3) +2	1) -1,2 2) -10,5 3) +2	1) -1,8 2) -10,3 3) +3	1) -0,7 2) -10,3 3) +2	1) 0,0 2) -11,2 3) +3	1) -1,1 2) -8,5 3) +2		

Source for PEEIs: annual Status report on information requirements in EMU to the Economic and Financial Committee. The list of PEEIs is defined in the Communication of the Commission to the European Parliament and the Council on Eurozone statistics COM/2002/661.

Source for Comext-Extra: Eurostat internal report on Comext database: More detailed information is available on demand.

The worsening of the average delay in the monthly statistics is due to delays in March 2018 of two indicators related to short term business statistics, which were caused by the implementation of the change of the base year from 2010 to 2015.

Indicator 2: Degree of achievement of the Specific Objective measured as percentage of the achievement of the Outputs related to it

Baseline 2012	Milestones foreseen							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
NA –indicator created in 2013	100%	100%	100%	100%	100%	100%	100%	100%
	Actual results							
	92,8%	93%	94,3%	92,86%	100%	85,7%		

Twice a year, Eurostat units give a mark to each of the outputs under their responsibility. The marks are the following: "Achieved", "On target", "Difficulties", "Revised", "Cancelled". The percentage given in the table includes "Achieved" and "On target". The "ideal" target is 100% every year.

Sources: ESTAT twice-yearly monitoring reports.

For 2018, Eurostat has analysed in details the outputs with a status other than "Achieved / On target". None of them put in danger the achievements of the ESP objectives. The causes can be broken down in the following main categories:

- Dependency on international partners, Member States, external contractors (and related administrative procedures).
- Priorities related issues
- Resources related issues.
- IT related issues.
- Unexpected complexity or difficulties in the execution of the tasks

Corrective actions are being or will be soon taken – for instance reviewing the IT planning procedure, in particular prioritisation and HR allocation.

Expenditure related outputs

Outputs*	Budget line	Draft Budget 2020	
		Number	EUR million
Statistical activities	29 02 01	24	1.435
Of which:			
PA 14: Partnership with the European Statistical System (ESS) and beyond		24	1.435

(* In this context "outputs" are understood as activities to be listed in the annexe to the 2018 Annual Work Programme.

²⁵⁵ Valid until 31/12/2017

²⁵⁶ As identified in ESTAT's Strategic Plan 2018-2020

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Outputs related to the Statistical activities	F	17	17	28	14	28	24	24
	P	16	14	26	27	24		

Specific Objective 4: To ensure that delivery of statistics is kept consistent throughout the whole duration of the programme, provided that this does not interfere with the priority-setting mechanisms of the ESS.

Indicator 1: Percentage of the time series that cover 10 or more consecutive years

Previous indicator²⁵⁷:

Length of the time series of a sample of statistics: Euro Indicators (active series)

Baseline 2012	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
≥15 years: 41,7%	>40%	48,8%	52,5%	56,3%	n.a.	n.a.	n.a.	
	Actual results							
	40,7%	44,5%	Not available	n.a.**	n.a.**			
≥10 years: 94,4%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	≥ 90%			
	Actual results							
	94,8%	95%	Not available	n.a.**	n.a.**			

* This indicator was abandoned in 2015 and replaced in January 2018 due to serious technical problems in the calculation IT software.

** The indicator refers to the duration (in years) of a sample of statistics. Accordingly, there are two different indicators (1a and 1b) measured.

Source: analysis of the series of the datasets included in EuroInddomain available on Eurostat website http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database

New indicator²⁵⁸: Percentage of the time series that cover 10 or more consecutive years

Baseline 2017	Milestones foreseen*							Target 2020
	2013	2014	2015	2016	2017	2018	2019	
37,35%	n.a.	n.a.	n.a.	n.a.	n.a.	do not decrease	do not decrease	do not decrease
	Actual results							
	n.a.	n.a.	n.a.	n.a.	37,35%	48,5%		

Source: report on the content of Eurostat's public databases.

Expenditure related outputs

There is no specific action (budget) allocated to the objective N°4. All the actions related to it are fulfilling the specific objective N°1.

Justification of changes to the financial programming and/or to the performance information

New enhanced indicators have been defined when the ESP 2013-2017 has been extended up to 2020.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

The European statistical programme (ESP) is the basic instrument for the production of high quality statistical information necessary to support the development, monitoring and evaluation of EU the policies.

5. Programme contribution to the Sustainable Development Goals: *The ESP will also be linked to the United Nations' Agenda 2030 for Sustainable Development: it will support an indicator framework to monitor progress towards the Sustainable Development Goals (SDGs) at EU level.*

6. Information about financial instrument(s) and trust fund(s) financed by the Programme Not applicable.

7. Programme related additional information: The current European Statistical Programme (ESP) originally covered the period 2013 to 2017. It has been extended by Regulation (EU) 2017/1951 to cover the remaining duration of the current multiannual financial framework until 2020. It entails some revised performance indicators.

²⁵⁷ Valid until 31/12/2017

²⁵⁸ As identified in ESTAT's Strategic Plan 2018-2020

HEADING 1A: Competitiveness for growth and jobs

Specific activities in the field of financial reporting and auditing

Lead DG: FISMA

I. Overview

What the programme is about?

The programme involves co-financing of activities of three organisations, namely the International Financial Reporting Standards Foundation (IFRS Foundation), the European Financial Reporting Advisory Group (EFRAG) and the Public Interest Oversight Board (PIOB). It contributes to the achievement of the policy objectives of the Union in relation to financial reporting and auditing. The IFRS Foundation develops international financial reporting standards (IFRSs) via its International Accounting Standards Board (IASB), while EFRAG provides the European Commission with endorsement advice on new or modified standards and monitors the standard setting activities undertaken by the IASB to ensure that European interests are safeguarded. The PIOB conducts oversight of three Standard Setting Boards supported by the International Federation of Accountants (IFAC) in the areas of audit and assurance, education, and ethics with the aim of ensuring their public interest responsiveness.

EU added value of the programme

The strategic objectives of the programme include ensuring the credibility and the independence of the beneficiaries to promote the international use and the acceptance of financial reporting and auditing standards while also preserving the European Union's influence in the standard-setting process. This is particularly important for International Financial Reporting Standards, because they are incorporated into the European Union law and provide for the accounting framework applicable to the consolidated financial statements of companies issuing securities listed on the EU regulated market. The voluntary EU co-financing of the IFRS Foundation ensures a robust and transparent due process whereas the funding of EFRAG guarantees that the interests of European stakeholders are properly addressed in the international standard-setting process.

In addition to increasing the beneficiaries' independence and ability to carry out their public interests missions, the programme aims at establishing a level playing field for all stakeholders within the Internal Market. The European Union funding strives to ensure a fair contribution from all Member States across the Union and guarantees that the interests of all Member States are represented.

Implementation mode

Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA) is the lead DG for the programme. The programme is implemented through direct management with annual work programmes in the form of operating grants.

II. Programme Implementation Update

Implementation status (2016-2018)

Following a public consultation, the 2015-2020 Work Programme established by the International Accounting Standards Board now aims at improving and supporting the implementation of existing standards and enhancing the way the information is disclosed in the financial statements. Accordingly, in 2018, the work priorities of the IASB have focused on facilitating the operational implementation of IFRS 17 – *Insurance Contracts* among insurance undertakings and improving the presentation of IFRS financial statements through the “Primary Financial Statements” and “Disclosure Initiative” projects. Meanwhile EFRAG carried out its preliminary technical analysis of IFRS 17 and the assessment of its consequences on the European economy and financial stability.

Over the period 2014-2018, the IFRS Foundation issued four major standards including IFRS 15 - *Revenue from Contracts with Customers*, IFRS 9 – *Financial Instruments*, IFRS 16 - *Leases* and IFRS 17 - *Insurance Contracts*. Furthermore, in 2018, the International Accounting Standards Board issued its revised conceptual framework.

Over the same period, EFRAG implemented its internal reform in line with the recommendations from the Maystadt Report of October 2013, which contributed to broadening its representation of European stakeholders. Meanwhile, for all newly issued standards, EFRAG has provided the IASB with comment letters at an early stage of the IFRS Foundation's due process and issued endorsement advices about whether IFRS meet the technical criteria of the IAS Regulation, including the true and fair view principle and the conduciveness to the public good.

The achievements of both beneficiaries ensure that European stakeholders benefit from a robust accounting framework for preparing financial statements, which improves corporate governance and management accountability and fosters the trust in the European financial system.

Key achievements

From 2014 to 2018, the international use and acceptance of IFRS has kept progressing with 30 additional jurisdictions requiring the use of IFRSs. The European Union commitment to IFRS provides an impetus to the international acceptance of the standards,

which ultimately foster the ability of European companies to trade, raise capital and expand internationally while benefiting from administrative savings.

In December 2018, on the basis of the taxonomy maintained by the IFRS Foundation, the European Commission adopted the Regulatory Technical Standard on the specification of a single electronic reporting format which, from 2020 onward, requires the issuers of securities listed on a regulated market to prepare their IFRS Financial Statements in iXBRL format. This achievement will ease the access of European citizens and investors to regulated information thus fostering transparency and lowering the cost investment research. Over the period, EFRAG significantly strengthened its assessment about whether new standards are conducive to the European Public Good. In particular, the Commission appreciated the EFRAG's fully-fledged impact analysis (economic and behavioural impact) for the endorsement advice on IFRS 16 *Leases* in 2017 and EFRAG's work on the endorsement advice on IFRS 17 *Insurance Contracts* underpinned by an in-depth impact analysis including a field testing of the standard. More recently, EFRAG also conducted an impact analysis (as a pilot) of the IASB Discussion Paper *Financial Instruments with Characteristics of Equity* (FICE) as part of its mandate to influence the standard setting agenda of the IASB.

Furthermore, in response to the European Commission's Action Plan on Financing Sustainable Growth, EFRAG also initiated a Research Project on the consequences of IFRS 9 with a view to monitoring the conduciveness of accounting standards to the European Union policy objective of fostering long-term investment.

In 2018, the PIOB continued to carry out its oversight function and outreach activities. The PIOB closely liaised with the standard setting boards under its oversight, their three Consultative Advisory Groups, the Compliance Advisory Panel and the Nominating Committee and IFAC leadership. The PIOB was also actively engaged in the discussions with the Monitoring Group – of which the European Commission is a member – to strengthen the current governance and oversight model of international audit-related standards in the public interest. The PIOB contributed to the development of a “Public Interest Framework” that aims at providing a better mechanism for assessing how the public interest is captured throughout the standard setting process. The “Public Interest Framework” will be a key element of a public consultation on the new governance and oversight model that the Monitoring Group expects to launch in the course of 2019.

Evaluations/studies conducted

In June 2015, the European Commission published its evaluation of Regulation N°1606/2002 on the application of IFRS. The evaluation reported that the use of International Financial Reporting Standards had improved the transparency and comparability of financial reporting and thus enhanced the effective functioning of the EU capital markets and the single market. The evaluation concluded that the adoption of IFRSs had significantly increased the credibility and acceptance of IFRS worldwide and furthered the move toward a single set of globally accepted high-quality standards. However, the evaluation also highlighted that the convergence programme initiated in 2002 between the International Accounting Standard Board (IASB) and the US Financial Accounting Standard Board (FASB) had achieved mixed results with only partial convergence on financial instruments and leases. Since then, the IASB and FASB have given up their convergence project on inter alia insurance contracts.

In addition, according to Regulation (EU) No 258/2014, the European Commission provides annual Reports to the European Parliament and the Council, retrospectively assessing the activities of the IFRS Foundation, EFRAG and the PIOB. It includes the relevant findings and achievements of the implementation of the programme. The latest report is related to the activities of the IFRS Foundation, EFRAG and PIOB in 2017²⁵⁹. It concluded that Union funding of the Programme is vital to ensure that these bodies continue to contribute to ensuring the comparability and transparency of company accounts throughout the Union, and to ensure that needs of the Union are heard in the context of the global harmonisation of financial reporting standards.

Forthcoming implementation (2019-2020)

With a view to achieving its 2015-2020 work programme, the IFRS Foundation is now focusing on supporting the implementation and maintaining existing standards while carrying on research projects to enhance the relevance of the disclosures in the financial statements. Furthermore, the IASB decided in 2018 to postpone the implementation date of IFRS 17 to January 1st 2022 and to consider amendments to the standard.

In 2019, EFRAG's work programme will to a large extent be driven by the IASB's standard setting agenda. The endorsement activity of EFRAG will remain important, especially in light of the IASB's decision to consider amendments to IFRS 17 which will require EFRAG to issue a comment letter on the amendments while considering the implications on its draft endorsement advice of the standard. Furthermore, it will maintain its active contribution to the Action Plan on Sustainable Growth by carrying on its research activities on the accounting treatment of equity instruments with a view to identifying possible alternative accounting treatments to the fair value measurement of portfolios of equity and equity type instruments. Finally, EFRAG will closely follow up the IASB's research activities pertaining to goodwill and impairment, the presentation of financial statements and the disclosure requirements.

The European Corporate Lab set up in 2018 will stimulate innovation in the field of corporate reporting in light of the European Commission's action plan on Financing Sustainable Growth. Following a call for candidates in December 2018, the first project task force will be established and operational in February 2019.

As regards the PIOB, in 2019, in addition to its continued oversight function and outreach activities, the key objective remains to ensure a stable, diversified and adequate funding system for the future governance and oversight structure, which is less dependent

²⁵⁹ COM (2018) 705 final of 19.10.2018

on the financing from the audit profession. The latter is important to preserve the independence and continuity of the PIOB in order to have a credible oversight function. The money granted by the Union has limited the PIOB's dependence on funding from IFAC, especially Article 9(5) of Regulation (EU) 258/2014 provides that the Commission shall limit its annual contribution of EUR 300 000, if funding by the IFAC in a given year reaches more than two-thirds of the total annual PIOB funding.

Outlook for the 2021-2027 period

The Commission has proposed that Union support for the development of high-quality international financial reporting and auditing standards, facilitate their integration into the Union law and promote the innovation and development of best practices in corporate reporting be continued during the 2021-2027 period under a new Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics [see COM(2018)441 final].

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 2017/827 of the European Parliament and of the Council of 17 May 2017 amending Regulation (EU) No 258/2014 establishing a Union Programme to support specific activities in the field of financial reporting and auditing for the period of 2014-20 (OJ L129, 19.5.2017, p. 24-26). Regulation (EU) No 258/2014 of the European Parliament and of the Council of 3 April 2014 establishing a Union programme to support specific activities in the field of financial reporting and auditing for the period of 2014-20 and repealing Decision No 716/2009/EC (OJ L 105, 8.4.2014, p. 1-8).	2014 - 2020	57,0

	Financial Programming (EUR million)							DB2020	Total Programme
	2014	2015	2016	2017	2018	2019			
Operational appropriations	6,8	8,0	8,1	8,2	8,2	8,6	8,8	56,7	
Total	6,8	8,0	8,1	8,2	8,2	8,6	8,8	56,7	

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	8,201	100,00 %	7,703	100,00 %	8,615	72,92 %	8,515	0,00 %
Authorised appropriations (*)	8,275	99,54 %	7,777	100,00 %	8,653	73,04 %	8,515	0,00 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific objectives

Specific Objective 1: to improve the conditions for the efficient functioning of the internal market by supporting the transparent and independent development of international financial reporting and auditing standards

Indicator 1: number of countries using International Financial Reporting Standards (IFRS)

Baseline 2013	Milestones foreseen					Target 2020
	2014	2015	2016	2017	2018	
In 2013 approximately 128 countries use IFRS.	130		130		150	Maintain positive trend
	Actual results					
	130	130	133	140	156	

Indicator 2: percentage of standards endorsed in the EU compared to the number of standards issued by the IASB

Baseline	Milestones foreseen					Target 2020
	2014	2015	2016	2017	2018	
On 29 October 2012, 89 % of IFRSs was endorsed in the EU (124 standards out of 139).	96 %		96 %		96%	100 %
	Actual results					
	96%	95%	96%	97%	96%	

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Support to IFRS Foundation	12 02 03		4.9
Support to the European Financial Reporting Advisory Group (EFRAG)	12 02 03		3.6
Support to the Public Interest Oversight Board (PIOB)	12 02 03		0.3
Total			8.8

4. Contribution to Europe 2020 Strategy and mainstreaming of policies - not applicable**5. Programme contribution to the Sustainable Development Goals****SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

The funding programme contributes to improving the conditions for the efficient functioning of the Single Market by supporting the transparent and independent development of international financial reporting (including in relation to the interaction between and interdependencies of financial reporting and broader corporate reporting requirements) and auditing standards. This in turn facilitates the optimal allocation of savings and the reduction of the cost of capital for companies in the EU and elsewhere. Therefore, the funding programme is, particularly, in line with SDG 8, as it directly helps to promote sustained inclusive and sustainable economic growth, full and productive employment and decent work for all.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme Not applicable**7. Programme related additional information**

On 13 April 2016, the Commission proposed to extend the financing of EFRAG for the period 2017-2020 through amending the Regulation No 258/2014. The proposal has not yet been adopted by the European Parliament and the Council.

HEADING 1A: Competitiveness for growth and jobs**Enhancing consumers involvement in EU policy making in the field of financial services**

Lead DG: FISMA

I. Overview***What the programme is about?***

The objective of the programme is to give consumers and other financial services end-users a stronger voice in EU policy-making. Thus, the programme aims at involving consumers and other financial services end-users in Union and relevant multi-lateral policy-making in the area of financial services as well as informing them about issues at stake in the financial sector. Details on the history of the programme are available in the next section.

The programme has two beneficiaries: Finance Watch²⁶⁰ and Better Finance²⁶¹. Finance Watch is a non-profit association, its mission being to strengthen the voice of consumers and end-users of financial services and to defend their interests in the financial sector. Finance Watch strives to address also the bigger societal challenges related to finance, focusing on financial inclusion and sustainable finance. Better Finance is a European federation of investors, shareholders and financial services users, who are independent from the financial industry. Better Finance grew into a centre of financial expertise, advocating for an open, transparent and efficient financing of the real economy, served by financial institutions that keep in mind the interests of customers and the public.

Every year since 2011, both beneficiaries have been submitting work programmes annually focussing on activities that would broaden their outreach and sharpen their impact on EU policy-making in the area of financial services. In general terms, these activities include:

- publications of research and policy papers;
- activities engaging existing members and stakeholders (workshops, conference calls, public events, etc.), including in Member States;
- increased and diversified membership, in particular covering more Union Member States;
- communication and outreach activities, including organisation of high-level conferences, participation in hearings, good press coverage and social media activities, and financial education and training;
- increased representation of consumer and end-user interests in the Union policy-making through regular meetings with policymakers and through participation in expert or stakeholder groups with EU institutions and European Supervisory Authorities (ESAs).

EU added value of the programme

The new regulation establishing a Union programme for the period 2017-2020 follows on a previous pilot project and preparatory action, which were positively evaluated in 2015. In particular, the evaluation assessed positively the Union added value of the previous pilot project and preparatory action since national organisations dealing with various consumer issues lack technical expertise and cannot cover such a broad and highly specialised scope of policy areas related to financial services. In addition, no other similar organisations were identified at EU level at the time. The new regulation also complies with the subsidiarity principle since, in accordance with Article 5 of the Treaty on the European Union, its objectives cannot be sufficiently achieved by the Member States and can, by virtue of the scale and the effect of the action, be better achieved at Union level.

Implementation mode

Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA) is the lead DG for the programme. The programme is implemented through direct management with annual work programmes.

II. Programme Implementation Update***Implementation status (2016-2018)***

Through the pilot project and subsequent preparatory actions, the Commission awarded, via yearly calls for proposals, grants to two Brussels-based non-profit entities, Finance Watch and Better Finance since 2012. On 17 May 2017, a new legal basis entered into force transforming the former pilot programme into a multi-annual programme ending on 31 December 2020, hence ensuring that the interests of consumers and other financial services end-users continue to be represented in EU policy making in the area of financial services.

The two beneficiaries contributed to the objectives of the programme by performing research, advocacy and awareness raising in relation with a comprehensive range of EU financial legislation.

Finance Watch invested its efforts in files related to the Capital Markets Union, pensions, fintech and sustainable finance. In 2018, it focused on adding relevant issues to the agenda of policy-makers, related to the sustainable finance package, insurance recovery

²⁶⁰ <http://www.finance-watch.org/fr>

²⁶¹ <http://www.betterfinance.eu/>

and resolution and non-performing loans. The one-year Change Finance campaign was a priority in 2018, with local activities being organised in more than 18 countries.

Better Finance concentrated on in-depth and consistent research work on pensions, funds and robo-investing, while its advocacy and communication activities concerned shareholder interests, MiFID and sustainable finance products. In 2018, Better Finance focused on policy issues related to pensions, including the pan-European personal pension product, the review of the European Supervisory Authorities, sustainable finance, investors' financial education and a new deal for consumers.

Key achievements

This is a small programme, the importance of which outstrips the modest budget (EUR 1.5 million per annum). Through intensified advocacy actions with increased influence on policy-making, a better outreach to users of financial services, including a wider geographical coverage in the EU, the beneficiaries continue to substantially raise the profile of the interests of consumers and other financial service end-users in EU policy making.

Better Finance continues to assert itself as a specialised EU non-industry association with a primary focus on retail investments. Its annual report on the real returns of pension products is a respected source of information for industry, consumers and specialised media alike. The report offers comprehensive information on the returns of pension funds, with easy to understand content and country-specific parts translated in the respective languages. Each year, Better Finance extended the geographical scope of the report, which covered 16 Member States in 2018 and 87% of the EU population.

In 2017, Better Finance launched a new product (checkyourfund.eu) which continues to generate interest. This website helps investors identify potentially falsely active investment funds (known as closet indexers). In 2018, Better Finance continued its research on this topic and published "Fund Benchmark Disclosure Compliance", a research into breaches of EU disclosure rules. Thus, individual investors have the possibility to check the list of funds not reporting any benchmark in their prospectuses, consequently being able to take more informed investment decisions. In line with its priority to represent consumer and end-user interests in the Union policy-making and to bring in other views than those expressed by the financial industry, Better Finance kept stable participation in expert groups run by the Commission or European Supervisory Authorities (22 experts in 2017 and 24 in 2018).

Finance Watch continued to develop comprehensive expertise in financial services policy. It is particularly active in the area of sustainable finance, a policy area of increasing importance. In this context, in 2018 Finance Watch published two editions of the Global Green Finance Index, an index measuring the "greenness" of financial centres. The Index ranks the world's financial centres according to perceptions of the quality and depth of their green finance offerings, identifying best practices and areas for improvement. The publication of the Index and the workshops organised by Finance Watch help civil society organisations in their advocacy efforts for sustainable finance. It also fosters qualitative competition between financial centres and it helps mobilise them to approach sustainable investments, to the benefit of all citizens, society and the planet.

Finance Watch expanded its focus from regulatory work and developed a wide audience outreach, in line with its priority to address the bigger societal challenges related to finance. For instance, in 2018 Finance Watch undertook a year-long campaign called "Change Finance" with the main message that the financial sector should above all serve the needs of people and the planet. The campaign was a joint effort of over 60 organisations, coordinated by Finance Watch, combining different perspectives to reimagine the financial system and drafting policy proposals. The campaign was addressed to all citizens and it illustrated how finance affects every citizen, being closely involved with every major social goal, e.g. education, health, housing, rights and work, transport, infrastructure etc. The campaign resulted in events for civil society actors, trade unions, academics and ordinary citizens.

Evaluations/studies conducted

Evaluation of the pilot project and subsequent preparatory action took place in 2015 and the outputs of this evaluation were made publicly available in a Commission Staff Working Document²⁶² on DG FISMA's website. Before the end of 2019, an evaluation report on the achievement of the Programme's objectives is to be submitted to the European Parliament and the Council.

Forthcoming implementation (2019-2020)

In 2017, a new legal basis entered into force transforming the former pilot programme into a multi-annual programme ending on 31 December 2020. The substance of the beneficiaries' activities continues from predecessor initiatives. No changes are expected until end-2020. According to their work programmes for 2019 and strategic priorities for 2020 and beyond, the two beneficiaries will continue their contributions to the objectives of the programme. Better Finance plans to focus on increasing the attractiveness of European capital markets for individual investors and SMEs, on fair and equal access to redress for individual investors, on consistent consumer protection rules and on promoting financial education. Finance Watch plans to focus on financial inclusion, on promoting simple and standardised financial retail products, including default options, as a way to avoid discrimination and improve financial inclusion, and on sustainability by raising awareness among citizens of the need to consume financial products with responsibility.

Outlook for the 2021-2027 period

The Commission has proposed that Union support for enhancing the participation of consumers, other financial services end-users and civil society in financial services policy-making as well as for promoting a better understanding of the financial sector be

²⁶² https://ec.europa.eu/info/system/files/staff-working-document-22122015_en.pdf

continued during the 2021-2027 period under a new Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics [see COM(2018)441 final].

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) 2017/826 of the European Parliament and of the Council of 17 May 2017 on establishing a Union programme to support specific activities enhancing the involvement of consumers and other financial services end-users in Union policy-making in the area of financial services for the period of 2017-2020	2017 - 2020	6,0

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Operational appropriations				1,1	1,5	1,5	1,5	5,6
Total				1,1	1,5	1,5	1,5	5,6

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	1,500	100,00 %	1,305	100,00 %	1,500	55,00 %	1,500	27,50 %
Authorised appropriations (*)	1,500	100,00 %	1,305	100,00 %	1,500	55,00 %	1,500	27,50 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific objectives

Specific Objective 1: To further enhance the participation and involvement of consumers and other financial services end-users in Union and relevant multi-lateral policy-making in the area of financial services

Indicator 1: Number of position papers and responses to public consultations for both beneficiaries (both a tangible output of advocacy activities) – N.B. The Commission will adopt no legislative proposals after May 2018. So a decline in advocacy output is to be expected.

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
56	n.a.	n.a.	n.a.	n.a.	30	30	Maintain positive trend
	Actual results						
	n.a.	n.a.	n.a.	n.a.	30*		

Specific Objective 2: To contribute to the information of consumers and other financial services end-users about issues at stake in the financial sector

Indicator 1: Number of Twitter followers – Twitter is an efficient means to distribute information and to link followers to websites or Facebook pages where more material can be retrieved

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1740	n.a.	n.a.	n.a.	n.a.	2 100	2 300	Maintain positive trend
	Actual results						
	n.a.	n.a.	n.a.	n.a.	9 624*		

*The full data for 2018 is expected in the mid-2019.

Justification of changes to the financial programming and/or to the performance information

The Commission will adopt no legislative proposals after May 2018. Therefore, a decline in advocacy output is to be expected.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Action grants awarded to two beneficiaries	12 02 08		1.5
Total			

HEADING 1A: Competitiveness for growth and jobs**European Defence Industrial Development Programme**

Lead DG: GROW

I. Overview***What the programme is about?***

The European Defence Industrial Development Programme (EDIDP) was adopted on 18 July 2018 for a two - year duration. It aims to support the competitiveness and innovative capacity of the EU defence industry, specifically in the development of prototypes and in the acquisition of defence equipment and technology through co-financing from the EU budget and practical support from the Commission.

The programme will help creating a collaborative approach between defence industrial players of the Member States. The financial contribution of the EU will unlock development projects that otherwise would not have started considering their financing needs or the technological risks involved, leading to additional collaborative defence development projects.

Member States may for example jointly invest in developing drone technology or satellite communication, or bulk buy helicopters to reduce costs. Only collaborative projects will be eligible, and a proportion of the overall budget will be earmarked for projects involving cross-border participation of SMEs.

EU added value of the programme

The EU right to act on is based on article 173 of the Treaty on the functioning of the European Union.

The defence industry projects are managed at a national level and the development phase is the most risky one. The European defence sector is suffering from low level of investment and is characterised by fragmentation along national borders leading to persistent duplications. Besides, a look at the defence industries available in the EU, uncovers growing shortfalls, ageing technologies and a lack of new programmes, especially collaborative one. Cross border cooperation can help to better capture scale effects by reducing duplications and allowing for the development of the products and technologies needed.

Also, the lack of coordination and coherence between Member States is a source of competitive disadvantage for the European defence industry vis-a-vis its international counterparts. At the same time, it remains a major source of costs for the national budget and constitutes a significant impediment for the implementation of the Common Security and Defence Policy (CSDP).

Action at EU level will provide added-value by means of further stimulating industrial defence cooperation through positive incentives, targeting projects in the development phase of defence products and technologies that cannot be undertaken at national level in view of the costs and risks associated.

The increased cooperation is expected to reduce wasteful duplications, dispersions and create economies of scale. This will eventually lead to lower unit costs, benefiting to the Member States and having a positive effect on exports. The support of the European Union will allow the defence industry to allocate the necessary funding to projects that are frequently beyond the means of a single country: the nature of these projects and their costs make a trans-national cooperation necessary. The common technical specifications that will be legally required by the Regulation will drive the Member States and their defence industry towards common standards, leading to a better and more efficient collaboration.

Implementation mode

The Programme is implemented by the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) mainly in direct management through grants and, in exceptional circumstances, public procurement.

II. Programme Implementation Update***Implementation status (2019-2020)***

EDIDP has a financial envelope of EUR 500 million for the period from 1 January 2019 to 31 December 2020. Implementation is foreseen through grants and in exceptional cases public procurement.

Following its adoption on 18 July 2018 the preparatory works for establishing the work programme have begun. As the legal basis (EDIDP) provides that the work programme should be adopted by implementing act the Committee of Member States is regularly consulted and is expected to vote on the draft work programme. Following approval of the Standing Committee the Commission adopted the Work Programme on 19 March 2019 and the first calls will follow soon after (March 2019).

Key achievements

As this is a new programme, it is too early to mark any achievements with regard to its implementation.

Evaluations/studies conducted

On 7 June 2017, the Commission adopted a Staff Working Document (SWD)²⁶³ accompanying the proposal of the programme.

²⁶³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52017SC0228>

The SWD analysed the lessons learned from previous programmes taking into account feedback from the Member States and all relevant stakeholders, analysed the objectives and the challenges (problems and problem drivers) and offered options as to how to tackle the identified problems. The SWD highlighted the need for an EU initiative aimed at supporting the competitiveness and innovation capacity of the European defence industrial base that will allow strengthening European strategic autonomy and reducing dependencies for key defence competencies and capabilities.

The SWD pointed out that cooperation is an effective way to achieve this, since it is likely that in the long run no single European country can afford to maintain a full spectrum defence industrial base and corresponding defence capabilities on its own. The EU can make a substantive contribution to fostering defence cooperation schemes and provide targeted incentives to support legal entities in developing new defence products and technologies while bearing in mind the specificities of the defence market where solely Member States as end users create the demand. The SWD concluded that the European defence industry faces significant challenges linked to low investments in defence development projects, fragmentation and lack of cooperation and that EDIDP will bring significant value added by incentivising collaboration and unlocking additional defence development projects. It will foster the competitiveness of the European defence industry whilst the expected benefits will outweigh the costs.

The EDIDP Regulation provides for the Commission to regularly monitor the implementation of the programme and report annually on progresses. Additionally, the Commission will draw an evaluation report to assess the progress towards the achievements of the objectives as set out in the EDIDP Regulation.

Forthcoming implementation (2019-2020)

The priorities for 2019 are as follows:

- Adoption of the EDIDP Work Programme; The thematic priorities areas of the programme are the “Preparation, protection, deployment and sustainability”, “Information management and superiority and command, control, communication, computers, intelligence, surveillance and reconnaissance, cyber defence and cybersecurity”, “Engagement and effectors”, and “cross-domain capabilities”.
- Launching the EDIDP calls in 2019 and preparing the launch of the EDIDP calls for 2020;
- Preparing for the further implementation of the programmes after 2020 under EDF.

Outlook for the 2021-2027 period

In 2018, the Commission adopted a proposal for a European Defence Fund (EDF) for the EU long-term budget for the period 2021-27. In preparation for this proposal, the Commission services carried out an impact assessment addressing the further implementation of the EDIDP after 2020. The new EUR 13 billion European Defence Fund will provide EUR 4.1 billion to directly finance competitive and collaborative research projects, in particular through grants. Beyond the research phase, EUR 8.9 billion will be available to complement Member States' investment by co-financing the costs for prototype development and the ensuing certification and testing requirements. The Fund will place the EU among the top four defence research and technology investors in Europe, and act as a catalyst for an innovative and competitive industrial and scientific base.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) 2018/1092 of the European Parliament and of the Council of 18 July 2018 establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and innovation capacity of the Union's defence industry	2019 - 2020	500,0

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support						1,8	0,5	2,2
Operational appropriations						243,2	254,5	497,8
Total						245,0	255,0	500,0

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations		0,00 %		0,00 %	245,000	0,02 %	147,000	0,01 %
Authorised appropriations (*)		0,00 %		0,00 %	245,000	0,02 %	147,000	0,01 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective : To enhance the competitiveness and innovation capabilities of the European defence industry

Specific objectives

Specific Objective 1: To support and leverage the cooperation between undertakings, including small and medium-sized enterprises, in the development of technologies or products in line with defence capability priorities commonly agreed by Member States within the Union

Indicator 1: Number of funded cooperative projects

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	n.a.	n.a.	n.a.	n.a.	n.a.	0	20
	Actual results						
	n.a.	n.a.	n.a.	n.a.	n.a.	-	

Indicator 2: Total value of funded cooperative projects

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	n.a.	n.a.	n.a.	n.a.	n.a.	0	250.0
	Actual results						
	n.a.	n.a.	n.a.	n.a.	n.a.	-	

Indicator 3: Average number of Member States in which the undertakings participating in a consortium receiving funding are established

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	n.a.	n.a.	n.a.	n.a.	n.a.	0	3
	Actual results						
	n.a.	n.a.	n.a.	n.a.	n.a.	-	

Indicator 4: Number of companies involved as consortium members in a funded cooperative project and their size

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	n.a.	n.a.	n.a.	n.a.	n.a.	0	5
	Actual results						
	n.a.	n.a.	n.a.	n.a.	n.a.	-	

Indicator 5: Number of SMEs involved in projects funded

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	n.a.	n.a.	n.a.	n.a.	n.a.	0	80
	Actual results						
	n.a.	n.a.	n.a.	n.a.	n.a.	-	

Specific Objective 2: To foster better exploitation of the results of defence research and contribute to closing the gaps between research and development.

Indicator 1: Share of the projects funded that involve prototyping

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	n.a.	n.a.	n.a.	n.a.	n.a.	0	50%
	Actual results						
	n.a.	n.a.	n.a.	n.a.	n.a.	-	

Indicator 2: Share of the budget funding prototyping actions

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	n.a.	n.a.	n.a.	n.a.	n.a.	0	30%
	Actual results						
	n.a.	n.a.	n.a.	n.a.	n.a.	-	

Expenditure related outputs : DG GROW cannot provide any figure as the work programme 2019-2020 is still under discussion and the split between the different activities and their qualification under the specific objectives is yet unknown.



HEADING 1B

Economic, social and territorial cohesion

1.2: Economic, social and territorial cohesion

HEADING 1B: Economic, social and territorial cohesion

European Social Fund (ESF)

Lead DG: EMPL

I. Overview

What the programme is about?

The ESF is Europe's main instrument for supporting jobs, helping people get better jobs and ensuring fairer job opportunities for all and supporting upskilling and reskilling. It works by investing in Europe's human capital – its workers, its young people and all those seeking a job. ESF financing of EUR 10 billion a year is improving job prospects for millions of Europeans, in particular those who find it difficult to get work.

EU added value of the programme

The ESF is the EU's main financial instrument to support structural reforms in the fields of employment, education and training, with a direct link to the priorities and headline targets of the Europe 2020 strategy in terms of employment, education and poverty. It contributes to the promotion of economic and social cohesion and social inclusion within the EU and serves as an instrument for financial solidarity and economic integration.

Ample evidence demonstrates that EU policies supported by the ESF would not have been implemented or would have been realised to a significantly lesser extent had it not been for EU investment. At the same time, through European funding, Member States invest in areas and target groups (or pursue reforms) which they would have not pursued - even when national funding is available. As such, the ESF acts as an important instrument to support reform efforts of many Member States in areas of crucial importance for the European economy in line with recommendations issued in the context of the European Semester: reforms in labour market policies, youth employment, modernisation of vocational education and training, welfare system and administrative reforms.²⁶⁴ Member States often refer to the fact that even when national resources are available to fund areas of social expenditure, the ESF has in fact provided the necessary incentive framework to deliver on long term investments supporting structural reforms (often in a sustainable manner spanning more than one political cycles). In particular, Administrative capacity building financed by the ESF has supported the implementation of the structural reforms underlying Country Specific Recommendations (CSRs).²⁶⁵

The ex-post evaluation of ESF during the 2007-2013 programming period showed that the fund brings significant and lasting effects in terms of volume, scope, role and process effects. The evaluation identified also aspects for improvements which have been addressed to a large extent in the 2014-2020 programming period. These refer notably to the closer alignment with EU and national priorities, keeping flexibility to adjust to emerging needs, ensuring coverage of disadvantaged groups, focusing on young and older people, promoting the customisation of support, strengthening the results orientation and synergies with other EU instruments. These include also addressing the limitations faced regarding the design of programmes, aggregation of data on participations and results. Others areas to be considered in the context of preparations for the ESF post-2020 related to the continued need to simplify and reduce administrative burden.

The update of the 2007-2013 ex-post evaluation data carried out to take into account the final reports submitted in 2017 also confirm the impact of the ESF, as each 1EUR invested in ESF during the 2007–2013 programming period will lead to an estimated 3EUR increase in GDP by 2023, according to a simulation carried out by JRC (Joint Research Center) based on the RHOMOLO model.

Implementation mode

The European Social Fund is implemented under shared management. Delivery modes include grants, public procurement, calls for proposals and financial instruments.

II. Programme Implementation Update

Implementation Status (2016-2018)

The year 2018 has marked a further acceleration of implementation for all operational programmes despite important disparities between Member States and programmes. The European Structural and Investment Funds (ESIF) 2018 Summary Report²⁶⁶ of the programme's annual implementation reports and progress reports covering implementation up until end 2017 was published and transmitted to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on 19 December 2018. This report underlines that the ESI Funds provide a stable, long-term investment framework for

²⁶⁴ Ismeri Europe (2018) 'Support of ESI Funds to the Implementation of the country-specific recommendations (CSRs) and structural reforms in Member States' - <https://publications.europa.eu/en/publication-detail/-/publication/de79c16e-6eb4-11e8-9483-01aa75ed71a1/language-en> .

²⁶⁵ Ismeri Europe (2018) 'Support of ESI Funds to the Implementation of the country-specific recommendations (CSRs) and structural reforms in Member States' - <https://publications.europa.eu/en/publication-detail/-/publication/de79c16e-6eb4-11e8-9483-01aa75ed71a1/language-en> .

²⁶⁶ http://ec.europa.eu/regional_policy/en/policy/how/stages-step-by-step/strategic-report/

Member States and their regions. It also shows that the largest annual rise of number of projects selected in 2017, indicating that Member States are reaching full speed in turning the ESI Funds into concrete results and improving people's lives in Europe.

The first years of a programming period require efforts from the managing authorities to set up programme structures and processes in order to ensure sound and quality investments. They include the designation of authorities, the mobilisation of stakeholders, the setting-up of IT systems, the establishment of monitoring committees, the definition of selection criteria and the launch of calls for proposals. By end 2018, all programmes' designation packages were received. However, in 2017, the programmes designation package were still expected for 36 operational programmes. The lack of designation during the first years prevents Member States from sending payment applications to the Commission; it however did not prevent implementation on the ground.

In 2018, nearly EUR 12.1 billion has been paid by DG EMPL for the 2014-2020's ESF programmes (including pre-financing) and by the end of 2018 the absorption rate (interim payments vs. 2014-2020 allocation) for the ESF was 19.1%. By end 2018, the average project selection rate on the ground had exceeded 68%, paving the way for a strong contribution of the ESI Funds to the Europe 2020 objectives in these areas.

Concerning the Youth Employment Initiative (YEI), a mature phase of implementation continued in 2018. By end 2018, the total eligible cost of YEI operations selected for support was EUR8.8 billion and nearly EUR 5.4 billion had been declared by beneficiaries. By end 2018, the Commission had paid to the Member States nearly EUR 4.8 billion in relation to YEI (including interim payments and initial and annual pre-financing). By end 2017, around 2.4 million young people had been included in YEI-supported measures.

Simplified Cost Options (SCOs): Following the adoption of Delegated Regulation 2015/2195²⁶⁷ in July 2015, the Commission adopted six amendments of the regulation and should adopt two further amendments by end 2019. So far, 19 Member States benefit from the legal certainty of having their simplified cost methodology and amount defined in advance and also from the consequent reduction in the administrative burden associated with reduced documentation that need to be retained for management verification. Since the start of the current programming period, the total ESF expenditure which has been reimbursed on the basis of unit costs and lump sums under Article 14(1) is approximately EUR 10 billion.

In 2018, the Commission also adopted EU-level SCOs under Article 14(1) ("Simplified cost options") of the ESF regulation for three new areas:

- i.) training for the unemployed
- ii.) counselling services
- iii.) training for employed people

Furthermore, following a call for proposals, the Commission awarded two pilot Joint Action Plans (one in The Netherlands and one in Portugal). Their implementation will run from January 2019 till June 2020. In 2018, the Commission published an Annual Summary Report based on the information included in the annual implementation reports (AIRs) submitted by Member States to the attention of the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions. It was accompanied by an update and further development of the ESIF Open Data Platform.

In line with the Better Regulation guidelines, DG EMPL prepared an Impact Assessment in 2018 accompanying its legislative proposal for an ESF+ in the 2021-2027 MFF. The assessment was based on evaluations, studies, as well as on public and targeted consultations on the implementation and impact of the current funds under DG EMPL's remit. The Impact assessment looked at the socio-economic challenges in the EU and how the ESF+ can best address them within its legal scope. The IA focused on 5 areas in particular: coherence and synergies between EU funds investing in the social domain; the funds' flexibility and policy alignment; simplification (including greater use of simplified cost options); and performance and result orientation.

The impact assessment analysed information obtained through the 2007-2013 ex post evaluations, DG REGIO-led and DG EMPL-led studies, public consultations and the analysis of the implementation data. In this context, in February 2018 DG EMPL organised a conference on 'Investing in People – the way forward' together with the Bulgarian Presidency of the Council of the EU. The conference's objectives were to identify main trends for future funding in human development investments, to harvest concrete suggestions for the future Commission legislative proposal, and to test the various options in this regard. Some of the key findings of this conference were that the ESF+ should:

- prepare the European workforce to the challenges of the future (including for technological transformation);
- continue to be inclusive to tackle the challenges of those further away from the labour market;
- be a key EU instrument to deliver the European Pillar of Social Rights;
- continue to promote partnerships and innovative actions;
- offer more flexibility and simplify delivery for all stakeholders.

Key achievements

While implementation greatly varies between Member States and operational programmes, in aggregate terms the ESF and YEI actions delivered by end 2017²⁶⁸:

- 15,3 million participants supported, including 7,9 million unemployed and 4,9 million inactive participants;

²⁶⁷ Commission Delegated Regulation (EU) 2015/2195 of 9 July 2015 on supplementing Regulation (EU) No 1304/2013 of the European Parliament and of the Council on the European Social Fund, regarding the definition of standard scales of unit costs and lump sums for reimbursement of expenditure by the Commission to Member States

²⁶⁸ 2017 is the last year for which implementation data are reported by Member States. 2018 data will be reported in June 2019

- 2,8 million long-term unemployed participants supported;

Amongst all participants 1,4 million were in employment, 1,9 million have gained a qualification and 870 000 participants were in education or training thanks to ESF or YEI support. By end of 2017, 2.4 million young people had benefitted from the YEI.

In terms of financial implementation, the average project selection rate had exceeded 68%, which shows that implementation on the ground is well under way. Consequently, the level of ESF expenditure certified to the Commission increased significantly in comparison to 2017. A mature phase of implementation has been reached for the majority of programmes.

Examples of projects under the employment, social inclusion and education objectives are included below. They were published in the ESIF Annual Summary Report 2018²⁶⁹.

- In Luxembourg, the ESF-funded project "Fit4Entrepreneurship" targets 200 job seekers willing to set up their own business. Managed by the Chambre de Commerce, the public employment service and the Chambre des Métiers, it includes a diagnosis of entrepreneurial skills, a training programme, individual support by entrepreneurs and post-creation assistance.
- The ESF project "Second Chance School" in Gijón (Spain) offers vulnerable young people (low-skilled, early-school leavers, people lacking socio-family support, having health problems, etc.) practical and tailor-made trainings focussed on skills and abilities to help them reintegrate/stay in education or find a job. Between 2009 and 2017, 1 400 people participated.
- In Latvia, the aim of one ESF-funded project is to increase the number of qualified VET students through participation in work-based learning (WBL) and practices (or traineeships) in enterprises. By May 2018, 1 400 enterprises, 34 vocational education establishments and 2 900 VET students were involved, out of which 640 were WBL students and 2 275 were involved in traineeships.

Evaluations/ Studies conducted

Youth Employment Initiative: Article 19(6) of the ESF Regulation sets out that Member States will conduct at least two evaluations to assess the effectiveness, efficiency and impact of the YEI. The first evaluation had to be completed by 31 December 2015 and the second evaluation was due by 31 December 2018. Ten Member States have submitted their 2018 YEI evaluations via SFC2014²⁷⁰. It is premature to draw any conclusions at the stage since some of them are indicated as provisional.

European Social Fund: As regards the evaluation planning, the focus is shifting to impact evaluations, which aim at assessing in depth the Fund's achievements.

Overall, Member States have completed 164 ESF and multi-fund evaluations relating to 2014-2020 till mid-2018, but very few of them go beyond process and implementation. In view of this situation, the Commission has launched two thematic evaluations in 2018 (on support to youth employment and on ESF support to employment and mobility) and two further evaluations will be launched in 2019 (on ESF support to education and training and on ESF support to social inclusion). The Commission also continues promoting the use of counterfactual impact evaluations by Member States, with the support of the Joint Research Center of the Commission and through a feasibility study assessing ways to access existing data registers.

Some highlights of the evaluations carried out so far provide a varied picture as regards their findings. For instance, an evaluation of the effects of Le Chéile's mentoring services for young people in Ireland found that the model put in place was robust and worked efficiently with positive results, a social return of 4 times the cost of the project being estimated from cost-benefit analysis. In Germany, an evaluation of the progress achieved and effects of 7 ESF-supported projects in the city of Hamburg to increase the employability of disadvantaged people and to help women into employment found that a close relationship between coaches and participants was created and the capabilities of participants improved. The main reasons for success lay in the adaptable and integrated approach adopted, the well-developed network of coaches and the relatively long duration of projects.

In Italy, an evaluation of the "Employment and Labour Policies Integrated Plan" (PIPOL), co-funded by the Friuli Venezia Giulia regional OP concluded that participants had a higher probability of finding a job than non-participant and that overall, traineeships were more effective than training programmes. The measures were also more effective for women, young people, the low-educated and people from abroad.

In Estonia, the "My First Job" initiative to support the (re)entry of young people into the labour market through wage and training subsidies and training was found to have had a significant effect in reducing youth unemployment, though there were large numbers of dropouts and relatively few who continued working for their original employer over the long-term.

It was recommended that awareness-raising campaigns among young people and employers should be carried out and the selection criteria for participation broadened to include unemployed parents, in particular.

An evaluation of four specific activities under the ESF Knowledge, Education, Growth operational programme in Poland, aimed at strengthening institutional capacity and efficient public administration (Thematic Objective n°11) found that they did not appear to have a significant effect on international good governance indicators.

²⁶⁹ https://ec.europa.eu/regional_policy/sources/docoffic/official/reports/asr2018/esif_asr2018_en.pdf

²⁷⁰ System for Fund Management, electronic exchange of information concerning shared Fund management between Member States and the European Commission.

Forthcoming implementation (2019-2020)

Member States will submit their Annual Implementation Reports (AIRs) by 30 June 2019, which contain both quantitative and qualitative evidence on the implementation of the Funds. In addition, by 31 August 2019, Member States will submit progress reports on the implementation of the Partnership Agreements covering all ESI Funds. These reports will contain information as to the progress made towards the achievement of Union strategy for smart, sustainable and inclusive growth as well as Fund-specific thematic objectives.

On the basis of these reports, the four ESIF Directorate Generals²⁷¹ will prepare a Strategic Report to the attention of the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions. To accompany this report, EMPL, together with the other ESIF DGs, will also continue making relevant data available to all on an ESIF Open Data Platform²⁷².

In 2019 EMPL will also continue providing technical and policy guidance on the operational programmes through the monitoring committees to ensure that the programmes are on track to deliver the expected results. EMPL will also continue to be actively involved in the 9 transnational thematic networks²⁷³ set up in 2015. Implementation of the programmes should continue at cruising speed in 2019, reinforcing the trend observed in 2016 and 2017, as reported in the annual implementation reports submitted in 2018.

Project selection rates and payment requests should increase steadily. Furthermore, EMPL will continue its work on the assessment of programme amendment requests submitted by Member States in order to ensure the policy and result-orientation of the ESF and YEI programmes.

In 2019, the Commission, in cooperation with the Member States, will also undertake a review of the performance of programmes in each Member State with reference to the performance framework set out in their respective programmes. The performance reserve will be allocated to the priorities that have achieved their milestones. When a priority axis has not reached its milestone, the Commission will assess the Member States' proposals for reallocation.

Outlook for the period 2021-2027

The proposal for the ESF+ Regulation integrates the current ESF, YEI, FEAD, EaSI and the EU Health programme. The aim is to enhance synergy of actions, streamline management of priorities and reduce administrative burden. By building on the strengths of its components, the ESF+ will be the key funding arm for the European pillar of social rights. It will also be key to align policy and investment priorities in the EU.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006	2014 - 2020	

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Total	13 194,7(*)	16 528,5	12 015,0	13 893,5	13 776,2	14 128,7	14 014,6	97 551,2
<i>Of which Youth Employment initiative to up allocation</i>	<i>1 706,6(*)</i>	<i>1 504,6</i>	<i>0,0</i>	<i>500,0</i>	<i>350,0</i>	<i>350,0</i>	<i>116,7</i>	<i>4 527,9</i>

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	13 418,515	99,99 %	10 641,305	100,00 %	13 778,731	99,15 %	10 825,000	9,72 %
Authorised appropriations (*)	15 575,690	99,45 %	13 855,375	94,46 %	13 864,684	99,16 %	11 593,412	15,55 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Note concerning all tables for all ESF indicators, data for 2018 will be submitted by Member States by end of May 2019.

²⁷¹ REGIO, EMPL, AGRI and MARE

²⁷² <https://cohesiondata.ec.europa.eu/>

²⁷³ The 9 thematic networks are the following: Partnership, Learning and Skills, Simplification, Inclusion, Employment, Youth, Social economy, Governance and Migration.

Specific objectives

Specific Objective 1: Promoting sustainable and quality employment and supporting labour mobility*

Indicator 1: Number of participants benefiting from ESF under this thematic objective

Baseline 2007 - 2013	Milestone 2018						Target 2023
21,7 million cumulative	14,6 million cumulative						21,7 million cumulative
	Actual results						
	2014	2015	2016	2017	2018	2019	
	0.45	1	4.1	7.41			

* It should be noted that these indicators under this specific objective cover all actions under all thematic objectives, unless specified otherwise in the name of the indicator.

Note 1: Due to the multiannual nature of the programme and the large annual variances, comparing to a full programming period is the most relevant indicator. Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Note 2: "Number of participants" measures the number of participations per operation. Over the programming period, one person can participate in several ESF operations and be counted more than once. Compared to the 2007-2013 period definitions on the number of participations have been clarified to prevent double reporting of participations by the same individual in several activities within a single operation and to exclude indirect participants such as those benefiting from change in a system. This change in the definition of "participants" is the reason why achievements seem delayed compared to the milestone and target, while implementation is now running smoothly.

Indicator 2: Participants (unemployed or inactive) in employment, including self-employment, upon leaving

Baseline	Milestone 2018						Target 2023
Employment result estimate for participants in all activities 2007-2013 period 14%	24%						24%
	Actual results						
	2014	2015	2016	2017	2018	2019	
	7.7%	10.3%	16.5%	17.1			

Note 1: These success rates are reported for participants in all investment priorities. Employment results depend on the nature of investment priorities (IP) and interventions. For comparative purposes, in Employment, results for participations in 'Access to Employment' activities during 2007-2013 period were 28%, while for 'Human capital and Social Inclusion' activities employment results made up 10% and 26% of all reported results and correspondingly lower employment rates. Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Note 2: The success rates reported in the table above are based on cumulative data. Due to the nature of ESF interventions, results are reported later than outputs. It is therefore important to assess success rates over time. Overall, for the whole programming period, a 24% success rate is expected. This is reflected in the milestone and target for this indicator.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of ESF participants (in million)	04 02 60; 04 02 6; 04 02 62	2.8 million	4 946

Outputs	Number of outputs foreseen (F) and produced (P)										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Number of ESF participants (in million)	F*	0.2	1.1	1.7	2.2	2.8	2.8	2.8	2.8	2.6	2.6
	P	0.6	1.4	2.0	3.3						

* Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Specific Objective 2: Promoting social inclusion, combating poverty and any discrimination*

Indicator 1: Participants considered as part of disadvantaged groups that are reached by the ESF

Baseline 2007-2013 ²⁷⁴	Milestone 2018						Target 2023
Average programming period 2007-2013: 20.1% (Disabled, Migrants, Minorities & Others ²⁷⁵)	40%						40%
	Actual results						
	2014	2015	2016	2017	2018	2019	
	39.8%	43.1%	40.4%	40%			

²⁷⁴ Annual Implementation Reports.

²⁷⁵ Migrants, participants with a foreign background, minorities (including marginalised communities such as the Roma); Participants with disabilities; Participants who live in a single adult household with dependent children; Participants who live in jobless households; Other disadvantaged. These will be broken down by the different categories. Persons may cumulate several disadvantages.

* It should be noted that these indicators cover all actions under all thematic objectives.

Indicator 2: Inactive participants engaged in job searching upon leaving						
Baseline	Milestone 2018					Target 2023
No data available from the previous period	27%					27%
	Actual results					
	2014	2015	2016	2017	2018	
	1.4%	5.5%	6.8%	12.2%		

Note 1: rates of participants engaged in job searching upon leaving are affected by the slow start of implementation. Given the length of the operations, results might only become available at a later stage. It is therefore important to assess success rates over time. Overall, for the whole programming period, a 27% success rate is expected. This is reflected in the milestone and target for this indicator.

Note 2: Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Indicator 3: Participants above 54 years of age.						
Baseline 2007-2013	Milestone 2018					Target 2023
Average programming period 2007-2013: 6.2%	6% of all ESF participants					6% of all ESF participants
	Actual results					
	2014	2015	2016	2017	2018	
	4.8%	5.5%	5.9%	6.3%		

Note 1: Only a very limited number of operational programmes have targets set specifically for this category for the period 2014-2020. The target set for 2023 is therefore based on the results of the indicator "Older people (55-64 years)" from the 2007-2013 programming period.

Note 2: Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Note 3: The data reported in the table above is based on cumulative data. Overall, for the whole programming period, a share of 6% of all participants is expected to be above 54 years of age. This is reflected in the milestone and target for this indicator.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of ESF participants (in million)	04 02 60; 04 02 61; 04 02 62	2.5 million	3 375

Outputs	Number of outputs foreseen (F) and produced (P)										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Number of ESF participants (in million)	F*	0.2	1	1.5	1.9	2.5	2.5	2.5	2.5	2.3	2.3
	P	0.2	0.7	0.8	1.6						

* Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Specific Objective 3: Investing in education, training and vocational training for skills and life-long learning*

Indicator 1: Number of participants benefiting from ESF under this thematic objective						
Baseline	Milestone 2018					Target 2023
23.8 million cumulative	15.9 million cumulative (2014-2018)					18 million cumulative
	Actual results					
	2014	2015	2016	2017	2018	
	0.18	0.35	1.9	2.5		

* It should be noted that these indicators under this specific objective cover all actions under all thematic objectives, unless specified otherwise in the name of the indicator.

Note 1: Due to the multiannual nature of the programme and the large annual variances, comparing to a full programming period is the most relevant indicator. Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Note 2: "Number of participants" measures the number of participations per operation. Over the programming period, one person can participate in several ESF operations and be counted more than once. Compared to the 2007-2013 period definitions on the number of participations have been clarified to prevent double reporting of participations by the same individual in several activities within a single operation and to exclude indirect participants such as those benefiting from change in a system. This change in the definition of "participants" is the reason why achievements seem delayed compared to the milestone and target.

Indicator 2: Participants gaining a qualification upon leaving		
Baseline	Milestone 2018	Target 2023
No data available from the previous period	48%	48%
	Actual results	

	2014	2015	2016	2017	2018	2019	
	18.8%	20.4%	21.1%	22.3%			

Note 1: rates of participants gaining a qualification upon leaving are affected by the slow start of implementation. Given the length of the operations, results might only become available at a later stage. It is therefore important to assess success rates over time. Overall, for the whole programming period, a 48% success rate is expected. This is reflected in the milestone and target for this indicator.

Note 2: Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of ESF participants (in million)	04 02 60; 04 02 61; 04 02 62	2.3 million	3 204

Outputs		Number of outputs foreseen (F) and produced (P)									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Number of ESF participants (in million)	F*	0.2	0.9	1.4	1.8	2.3	2.3	2.3	2.3	2.2	2.2
	P	0.3	0.5	1.1	2.5						

* Based on the first three reporting by all MS on common indicators (AIR submitted in 2016, 2017 and 2018), the initial milestone and target are maintained. The target will be reviewed following the performance review.

Specific Objective 4: Enhancing institutional capacity of public authorities and stakeholders and efficient public administration

Indicator 1: Number of projects targeting public administrations or public services at national, regional or local level

Baseline	Milestone 2018						Target 2023	
185 projects per year	900 projects (cumulative 2014-2018)						2 250 projects	
	2014	2015	2016	2017	2018	2019		2020
	0	31	3 970	13 017				

Note 1: The overachievement of this indicator is mainly due to Italy, which accounts for 68% of all projects targeting public administrations or public services at national, regional or local level. This could be explained by different interpretations of the definition of this indicator. While some Member States will count one project even if this project covers several public administration, other Member States will count each public administration supported under one project.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of projects	04 02 60; 04 02 61; 04 02 62	225	582

Outputs		Number of outputs foreseen (F) and produced (P)									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Number of projects	F*	225	225	225	225	225	225	225	225	225	225
	P	144	985	2 841	9 047						

* As explained above, the target number of projects was maintained, and the phasing was reviewed based on the AIR received in 2016. EMPL will revise the target again following the performance review.

Specific Objective 5: Promoting specific support to young NEETs (15-24)*

Indicator 1: Number of participants aged 15-24 benefiting from ESF

Baseline (period 2007-2013)	Milestone 2018						Target 2023	
23,1 million cumulative	15,5 million cumulative (2014-2018)						23,1 million cumulative	
	2014	2015	2016	2017	2018	2019		2020
	0.33	0.72	3.1	6.6				

* It should be noted that the output indicator 1 cover participants benefitting from ESF under all thematic objective whilst the other indicators (2 to 5) refer exclusively to the YEI supported actions. In compliance with Art. 16 of the ESF Regulation (EU) No 1304/2013, Member States may decide to extend the YEI target group to include young persons under the age of 30.

Note 1: "Number of participants" measures the number of participations per operation. Over the programming period, one person can participate in several ESF operations and be counted more than once. Compared to the 2007-2013 period definitions on the number of participations have been clarified to prevent double reporting of participations by the same individual in several activities within a single operation and to exclude indirect participants such as those benefiting from change in a system. This change in the definition of "participants" is the reason why achievements seem delayed compared to the milestone and target, while implementation is now running smoothly.

Indicator 2: Unemployed participants who complete the YEI supported intervention								
Baseline	Milestone 2016							Target 2020
No baseline	750 000*							2,5 million*
	2014	2015	2016	2017	2018	2019	2020	
	21 163	144 502	579 759	1 214 269				

Indicator 3: Unemployed participants in education/training, gaining a qualification or in employment, including self-employment, upon leaving the YEI supported intervention*

Baseline	Milestone 2016							Target 2020
No baseline	347 000*							1,1 million*
	2014	2015	2016	2017	2018	2019	2020	
	8 843	74 052	266 754	622 687				

This indicator is not a direct subset of indicator 2 as it may also include participants who did not complete the intervention.

Indicator 4: Inactive participants not in education or training who complete the YEI supported intervention

Baseline	Milestone 2016							Target 2020
No baseline	220 000*							714 000*
	2014	2015	2016	2017	2018	2019	2020	
	6 527	30 331	132 474	258 559				

Indicator 5: Inactive participants not in education or training in education/training, gaining a qualification or in employment, including self-employment, upon leaving the YEI supported intervention*

Baseline	Milestone 2016							Target 2020
No baseline	107 000*							345 000*
	2014	2015	2016	2017	2018	2019	2020	
	2 395	23 439	79 320	153 788				

This indicator is not a direct subset of indicator 4 as it may also include participants who did not complete the intervention.

* Initial targets and milestones were calculated based on the initial allocation. While the milestones only referred to the initial allocation, the targets have been reviewed following the increase of the YEI in 2017.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of participants	04 02 60; 04 02 61 04 02 62	337 500 (tbc)	

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Number of participants	F	290 000	580 000	725 000	725 000	580 000	337 500	337 500
	P	184 000*	317 000*	583 000	1 200 000			

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
The share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree
20 million less people should be at risk of poverty

The alignment of the 2007-2013 ESF with EU policy priorities has been sought by establishing thematic objectives and investment priorities closely aligned to Europe 2020 objectives. The 2014-2020 programmes are designed to be consistent with the European Semester priorities, taking into account the national reform programmes, the most recent CSRs (and where relevant the economic adjustment programmes) and the use of thematic ex ante conditionalities. The Common Provisions Regulation for the 2014-2020 programming period provides for flexibility to adjust programmes in the light of changing needs and new political priorities (such as new CSRs or for instance the need to further increase the focus on how to prepare for the transition to a low carbon, resource efficient economy). A review of the 2014-2020 framework would need to evaluate whether sufficient alignment with the EU policy priorities has been achieved²⁷⁶.

²⁷⁶ SWD(2016) 452 Ex-post evaluation of the 2007-2013 ESF programmes

Contribution to Europe 2020 priorities

Smart growth: 22% (lines 04 02 60; 04 02 61; 04 02 62; 04 02 64)

Inclusive growth: 78% (lines 04 02 60; 04 02 61; 04 02 62; 04 02 64)

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Climate actions under ESF investment priorities	1 000,0	1 000,0
Total	1 000,0	1 000,0

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
	22,5	135,9	383,7	1 201,9	1 000,0	1 000,0	3 744,0

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Climate change expenditure within ESF can be tracked through the ESF secondary theme 01 'supporting the shift to a low-carbon, resource efficient economy' indicated in the Implementing Regulation (EU) No 215/2014..The intervention fields in Annex I of Regulation (EU) No 215/2014 match the ESF investment priorities defined in Article 3 of the ESF Regulation. Unlike for the ERDF categories of intervention which have the support to climate objectives as their primary objective, one cannot establish ex-ante an automatic link between one ESF investment priority and the impact on climate objectives.

Climate actions can be undertaken under the majority (if not all) of the ESF investment priorities (whether it is in the context of SME support, Vocational Education and Training systems, life-long learning, youth employment measures, etc.). It is for this reason that the Commission decided to use for the ESF an additional dimension to track climate change expenditure: the ESF secondary theme. All expenditure under the ESF secondary theme has a 100% coefficient.

For the programming period 2014-2020, Member States have earmarked in their operational programmes EUR 1.1 billion (EU amount) for the shift to a low-carbon and resource efficient economy²⁷⁷. This represents a conservative estimate based on Member States' declarations in their operational programmes.

In their operational programmes, Member States set estimates for the EU share and not for the EU + national co-financing. However, reporting is done solely on the basis of total costs (EU + national). In order to follow progression towards the target, the ESIF DGs have created a report that allows for the systematic application of the co-financing rate from the programmes to the information declared in the financial data. It provides a more accurate picture of the ESF contribution (EU only) to low-carbon, resource efficient economy and allowed for comparison with the amounts programmed.

As a result, by end of December 2018, already above EUR 1.7 billion of eligible ESF expenditure declared (EU share) were reported by Member States as having contributed to the shift to a low carbon, resource efficient economy. This represents more than the amount set in the operational programmes. In terms of projects selected, the EU amount was already EUR 5.9 billion, which is five times the amount set in the programmes.

2014 – 2016			2017-2018 estimates		2019-2020 programming***		Total 2014-2020
2014	2015	2016	2017	2018	2019	2020	
0*	22.5*	135.9*	383.7*	1201.9	1000	1000	3744**

* The allocations per year are based on information submitted through the financial data submitted in January 2019 for year 2018.

** Compared with the estimates in the MTR, the total has been adjusted to data of implementation as received from Member States.

*** The amount set out in the programmes by Member States (EUR 1.2 billion) has already been exceeded. The estimates for 2019 and 2020 have been reviewed to align with the latest implementation data submitted in January 2019.

Note: This methodology is set out in the Commission' Implementing Regulation (EU) No 2015/2014.

Gender mainstreaming

Gender mainstreaming is a horizontal principle of the ESI Funds. The Member States and the Commission must promote it throughout the preparation, implementation, monitoring and evaluation of the operational programmes. The Annual Implementation Reports submitted in 2017 had to assess the implementation of the actions addressing this principle. Moreover, under ESF, Member States have the obligation to programme targeted actions aimed at increasing the sustainable participation and progress of women in employment. The ESF has a dedicated investment priority for equality between men and women in all areas, including in access to employment, career progression, reconciliation of work and private life and promotion of equal pay for equal work. Member States have earmarked EUR 1.6 billion for 2014-2020 (EU share) under this priority.

²⁷⁷ The commitment appropriations for the period 2014-2020 are estimated at EUR 1133.33 million.

Specific targeted actions can yet be programmed under any other ESF investment priority. Across all investment priorities, the indicative amount for targeted actions for gender equality captured through the ESF secondary theme in programmes was of EUR 5.6 billion (EU share).

In their operational programmes, Member States set a target for the EU share and not for the EU + national co-financing. However, reporting is done solely on the basis of total costs (EU + national). In order to follow progression towards the target, the ESIF DGs have created a report that allows for the systematic application of the co-financing rate from the programmes to the information declared in the financial data. It provides a more accurate picture of the ESF contribution (EU only) to gender equality.

By end of December 2018, the volume of the projects supported under the dedicated gender equality investment priority (EU share) was about EUR 370 million of declared EU eligible expenditure. Under the other ESF investment priorities, an additional EUR 529 million has been allocated to gender equality projects. In total, EUR 899 million under the ESF have effectively been dedicated to projects for gender equality between 2014 and 2018 (EU expenditure declared). In terms of selected projects, EUR 1.7 billion have been committed to gender equality projects across all investment priorities.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere: Sustainable development is embedded in the ESF's mission. Through measures investing in job creation, quality employment, education, and combating social exclusion and discrimination, which also target the most marginalised members of European societies, the ESF contributes directly to ending poverty and hunger (SDG1 and 2) and ensuring healthy lives and promoting the well-being for all at all ages (SDG3). Furthermore:

SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture See above.

SDG 3 Ensure healthy lives and promote well-being for all at all ages See above.

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all In addition, ESF investments under Education Thematic Objective contribute to ensuring inclusive and equitable quality education and promote lifelong learning opportunities for all (SDG 4)

SDG 5 Achieve gender equality and empower all women and girls : Importantly, the ESF Regulation strongly reflects the EU's commitment to eliminate inequalities between women and men following a combined approach of gender mainstreaming and specific activities for women in different fields and the principle of equality between the sexes is a key horizontal one of ESF programmes, thus contributing to achieving gender equality and empower all women and girls (SDG 5).

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: ESF investment in the adaptation of workers and skilling is crucial, as jobs may be created, other jobs will be lost, and yet other jobs will require different skills as they are "greened" in order to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (SDG 8) and make cities and human settlements inclusive, safe, resilient and sustainable (SDG 11).

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation: ESF investments under Education Thematic Objective contribute to building resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (SDG 9), by supporting the development of necessary skills in the transition to a low carbon economy will have consequences for the labour market, for employment, and for the skills required for the new 'green' jobs and greening of existing jobs in the future.

SDG 10 Reduce inequality within and among countries: The ESF can help job creation to enhance SDGs in particular through supporting existing companies to develop their activities in the environmental sector, enhancing entrepreneurship oriented toward the green economy or providing technical, administrative and financial support that encourages companies to provide 'green jobs', in particular to the most disadvantaged groups. Moreover, the ESF is the EU's main fund to reduce the gap in living standards between regions and between people and to promote economic and social cohesion across Europe thus aiming to reduce inequality within and among countries (SDG 10).

SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable - See under *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*

SDG 12 Ensure sustainable consumption and production patterns: The European Social Fund can support efforts to strengthen sustainable consumption and production patterns (SDG 12) and action to combat climate change and its impacts (SDG 13) at all stages of life from raising children's awareness in schools, to supporting trainings for green skills and green entrepreneurship and also social inclusion through green careers.

SDG 13 Take urgent action to combat climate change and its impacts See above.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: The ESF contributes to promoting peaceful and inclusive societies for sustainable development, providing access to justice for all and build effective, accountable and inclusive institutions at all levels (SDG 16) through investment under Institutional Capacity Thematic Objective. The ESF finances the strengthening of institutional capacity and the efficiency of public administration with a view to reforms, better regulation and good governance, especially in the economic, employment, education, social, environmental and judicial fields.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

At the end of 2017, a total contribution of EUR 557 million from operational programmes was committed to FIs, of which EUR 361 million from ESF and EUR 20 million from YEI. Of such amount, EUR 158 million were paid to the FIs (of which EUR 87 million of ESIF and 20 million YEI contributions).

Eight FIs in four Member States (DE, IT, LT, PL), had committed EUR 50 million, of which EUR 37 million of ESF resources. The eight FIs had made payments of EUR 20 million to final recipients, of which EUR 13 million was ESF. FIs supported some 888 final recipients of which 356 were micro-enterprises and 341 were individuals, mainly through loans.

TO 8 is assigned EUR 497 million (90% of the total amount committed). The other commitments are to TO 9 with EUR 59 million (10%), through five FIs in four Member States (BG, HU, IT, PL).

This significant progress demonstrates that an improved regulatory framework and extended support activities provided ground for a substantial increase in the role that FIs can play in order to achieve the goals of the ESF.

It should be also stressed that financial instruments cannot be taken as an alternative to ESF grants, due to the specific nature of ESF activities (small projects, difficult target groups, limited or no direct financial return on investment, etc. all elements which circumscribe per se the use of FIs). Yet, for a number of operations with potential financial viability, they represent beyond any doubt a resource-efficient way of deploying cohesion policy resources in pursuit of the Commission political objectives.

New data will be submitted together with the Annual Implementation Reports by end of June 2019, covering implementation until end 2018.

7. Programme related additional information Programmes' implementation 2014-2020 –

Thematic objectives of the Common Strategic Framework	Commitments 2014-2020 EUR million (1)	Cumulative payments declared by Member- states at end 2018 (2)	(2)/(1)%
1.Promoting sustainable and quality employment and supporting labour mobility*	31.875,0	13.256,4	41.6%
2.Promoting social inclusion, combating poverty and any discrimination	22.575,2	8.897,8	39.4%
3. Investing in education, training and vocational training for skills and life-long learning	26.171,8	10.234,1	39.1%
4. Enhancing institutional capacity of public authorities and stakeholders and efficient public administration	4.040,7	1.055,6	26.1%
5. Promoting specific support to young NEETs (15-24) **	4.527,9	2.710,7	59.9%
Technical Assistance***	3.716,2	1.270,1	34.2%
TOTAL ****	92.906,7	37.424,7	40.3%

* Corresponding to Thematic Objective 8 in the Common Strategic Framework (CSF) although excluding the YEI specific allocation which is shown on a separate line (5.)

** These appropriations do relate to the YEI specific allocation only. This objective was created to plan and report on the YEI results in the Management Plans and Annual Activity Reports although it does not exist in the CSF (part of Thematic Objective 8 in the CSF).

*** Technical assistance of the Member States as foreseen by Article 119 of the Common Provisions Regulation (CPR - Regulation (EU) No 1303/2013)

HEADING 1B: Economic, social and territorial cohesion

European Regional Development Fund (ERDF)

Lead DG: REGIO

Associated DGs: NEAR

I. Overview

What the programme is about?

The ERDF aims to strengthen economic and social cohesion in the European Union by reducing disparities between its regions and supporting the full integration of less developed regions within the EU's internal market.

EU added value of the programme

This section is also applicable and relevant for Cohesion Fund

Solid evidence justifies an EU-level intervention to fulfil the long-term cohesion policy objectives. Cohesion Policy brings together different governance levels at European, national and regional level. The main advantages of Cohesion Policy as compared to resources being spent solely by Member States are the following:

- **Aligning investment to EU priorities.** Once EU priorities are agreed by all Member States, Cohesion Policy can ensure that resources are aligned with and concentrated on such priorities and are not spread across too many issues having only local or regional importance. As a result of this approach, EU priorities are given preference across the investment fields covered by Cohesion Policy, often influencing national investment policies thus resulting in a coordinated EU-wide action, key to tackling global challenges. This is done inter alia through support to research and innovation, the competitiveness of SMEs, the digital agenda, the shift towards a low-carbon economy and climate change, as well as new challenges such as migration. The policy also takes into account the priorities of other sectoral EU policies such as the TEN-T priorities and the European Energy Union where the completion of strategic EU infrastructure is essential for removing missing links and bottlenecks for the better functioning of the single market.
- **Contributing to economic governance:** having in place specific provisions designed to establish a close relationship between the ESIF and sound economic governance, Cohesion Policy incentivises (through in-built mechanisms to improve fiscal and macroeconomic governance, such as ex ante or macroeconomic conditionalities) and provides concrete support for structural reforms through its link (i.e. via programming or re-programming) to Country Specific Recommendations (CSRs) established in the framework of the European Semester. Moreover, empirical evidence suggests that the ex-ante conditionalities introduced in the current programming period have played so far a significant role in improving application of EU legislation in Member States, as well as in fostering structural reforms. All these have played an important role for improving the overall investment climate in the Member States having a positive broader spill-over effect on investments beyond Cohesion policy.
- Cohesion Policy has consistently shown a **continuous drive to improve its result-orientation** across successive programming periods. In 2014-2020 the orientation towards results and impacts of the policy has been further strengthened owing notably to the reinforced intervention logic underpinning investments, improvements in the indicator system and in reporting requirements. This period also saw the introduction of a performance framework linked to a 6% performance reserve designed to incentivise quality implementation.
- **Multianual programming provides stability, certainty and sustainability** to investment plans in MSs, reducing their vulnerability across economic and political cycles and improving prospects for implementation on the ground. The multianual nature of Cohesion Policy enhances managerial and institutional capacity, inducing – through its delivery system and the support mechanisms provided by the Commission – institutional and administrative change, promoting long-term planning, mobilising a wide range of partners, diffusing a culture of evaluation and monitoring of public policies, and reinforcing control and audit capacities. This strengthened administrative capacity also positively influences the management of domestic policies and improves in general governance in MSs.
- **The place-based approach** of ERDF programming maximises the territorial dimension of the policy: in particular, it allows 1) the identification of development needs specific to each territory, 2) the definition of appropriate multithematic investment strategies aligned to EU priorities and 3) better conditions for sound implementation of those investments on the ground through mobilisation of national, regional and local players, as well as civil society, thus ensuring ownership of objectives and achievements. In this way, the efficiency of the investments in regions and cities can be strengthened and, consequently, European citizens can experience the positive effects of EU-policy in a very direct way, which in turn favourably shapes their view of the EU and re-establish their trust in the Union. The smart specialisation strategies, promoted by Cohesion policy are an excellent example of the benefits of this approach.

- **Interregional cooperation and the exchange of experience:** Cooperation - both cross-border and across the EU - is an area where the ERDF brings clear European added value. This applies not just to the European territorial cooperation (ETC), but across the entire Cohesion Policy, where programmers can benefit from a wider exchange of experiences and practices supported by knowledge sharing platforms and thus follow good practice examples and increase efficiency and effectiveness of investment. A clear added value is provided as well by broader territorial strategies, the so-called macro-regional strategies, such as the Baltic, Danube, Adriatic and Ionian or Alpine strategies.
- **Concentration of resources on the less developed and transitional regions:** Cohesion Policy supports key investments which would not otherwise take place in poorer regions. Recent data show that the ESIF constitute a high share (up to 60%, re: 7th Cohesion Report) of the public investments in a significant number of MSs over the period 2015-2017. This enhances the potential for jobs and growth and contributes to a more harmonious development of the Union as a whole. The Cohesion policy supports the development of the Single Market, while also producing spill-over effects from less developed regions to the rest of Europe, notably via increased connectivity and trade flows (the average net positive impact of 2007-2013 programmes for non-cohesion countries is estimated at 0.4% of GDP by 2023).
- **Effective pooling of resources from different sources:** Cohesion Policy has demonstrated a capacity to foster the pooling and leveraging of finances from different EU and national sources and provides a clear added value compared to purely national resources. This is done through its investment framework that facilitates the combination of the ESIF and the European Fund for Strategic Investments (EFSI), an enhanced use of financial instruments, as well as effective complementarities with other EU funding instruments.

Implementation mode

The ERDF is delivered through shared management in over 290 national, regional and Interreg programmes. Under the shared management mode, the co-legislators fix the legal framework and the overall funding and determine the allocations by Member States and category of region. The Commission adopts the programmes. As regards implementation, the Commission cooperates with Member States' administrations (at national, regional and local level), which are in charge of the operational implementation

II. Programme Implementation Update

Implementation status (2016-2018)

In assessing the performance of the 2014-2020 ERDF programmes several elements need to be taken into account. In terms of tracking financial implementation, data on project selection rates and EU payment rates are available. Project selection rates have increased significantly since 2017 reaching 74% at end 2018, covering over 278,000 concrete projects. This corresponds to EUR 205.7 billion at the end of 2018 already allocated to specific projects supporting the EU 2020 objectives for jobs and growth as against EUR 128.4 billion by end-2017 (52.2% of total) thus almost doubling the value at that date. The end-2018 data showed more homogeneous progress across most of the Member States and themes with respect to end 2017 thus clearly indicating that the Member States are turning the investment plans into concrete projects to deliver sustainable social and economic benefits. The selection rate of operations provides a more comprehensive and accurate picture of expected implementation on the ground. As for payments, in the first half of the 2014-2023 spending period (N+3 rule) the EU payments tend to be low in line with the previous programming periods. Due to the nature of Cohesion policy investments, the latter have typically a long start-up phase (planning, programming, authorisations) without significant financial execution resulting in a longer life cycle. The ERDF financial execution rate (prefinancing and interim payments minus recoveries) stand at 23% at end 2018.

In terms of **tracking performance**, indicator targets are set in ERDF programming documents and forecasts for indicators from selected operations and implemented values are reported on an annual basis. It is worth noting that there is always a time lag for investment policies between selection of operations and implementation on the ground. Past evidence shows that the bulk of tangible achievements take place only in the second half of any programming cycle. Many of the operations funded by ERDF, such as infrastructural investments, have a long implementation cycle, while others such integrated urban development investments require comprehensive administrative organisations and arrangements in place before they could start. The nature of those investments explains the time gap between the start of operations and the reporting of achievement.

Key achievements

The Commission has agreed with MSs end-of-period (2023) achievements targets for ERDF common indicators and programme specific indicators and receives annual monitoring data on indicator achievements. The legislation did not require the setting of annual targets or milestones. Indicator forecasts from the selection of projects provide important information on the project pipeline over the period and can be compared to the indicator targets. The data from the third annual reporting exercise with the most recent data from the end of 2017 (transmitted by the Member States to the Commission at the end of May 2018) are presented in the performance tables below. (N.B. Depending on the demand for different types of support and changing economic conditions the 2023 targets may be revised by Member States.)

As regards ERDF achievements already reported by Member States up to end 2017, while implementation varies across and within Member States, in aggregate terms the actions financed have already delivered:

- Support to 193 365 enterprises(88 962 at end-2016), of which more than 50 000 are supported by financial instruments (36 182 at end-2016);
- More than EUR 2.54 billion of Private investment leveraged, matching public support to enterprises (grants) , against the EUR 414 million at end-2016;
- More than EUR 489 million of Private investment leveraged, matching public support to enterprises (non-grants) against the EUR 173 million at end-2016;
- 42 745 jobs created along with 2 472 new researchers employed, which is a significant increase compare to 11 300 jobs at end-2016;
- 15 207 researchers working in improved research infrastructures(11 213 at end-2016);
- 79 375 households with an improved energy consumption classification which is almost double than the 42 542 households at end-2016;
- 33 382 997 kWh/year of decrease of annual primary energy consumption of public buildings;
- 10.6 million people benefitting from improved health services which is a significant increase compare to 2.4 million people at end-2016;
- 1 409 317 Hectares of habitats supported to attain a better conservation status against the 109 000 hectares at end-2016;
- 17.9 million people living in areas with integrated urban development strategies (6.3 million at end-2016).

Evaluations/studies conducted

In line with the regulatory requirements, all the operational programmes submitted to their monitoring committees an evaluation plan within one year from adoption. In total, the programmes expect to carry out 1 500 evaluations for ERDF/CF over the programming period. The number of foreseen evaluations and, especially, impact evaluations is substantially larger than in the past programming period (around 1000 impact evaluations vs 200). Most of the evaluations were planned to be carried out between 2018 and 2022. For the year 2018, the focus was primarily on the assessments of implementation and progress monitoring, with a more conspicuous number of impact evaluations expected in 2019-2020.

In addition to this, within the framework of its own evaluation activities, the Commission has started evaluating major projects supported by ERDF and the Cohesion Fund between 2000 and 2013 with a view to analysing the long-term contribution of major investment projects on economic and environmental development, the quality of life and the well-being of citizens. The first evaluation study, dedicated to the policy area of transport, has shown that major transport projects can positively contribute to increasing the transport efficiency within EU regions, supporting the shift to cleaner urban mobility and facilitating cross-border transport connections. This evaluation is now continuing to cover major projects in the policy area of environment.

Further to that, the Commission carried out an ex post evaluation of the EU Solidarity fund since its establishment in 2002 and is running a mid-term review of JASPERS initiative during the period 2014-2020. In the course of 2019 the Commission will launch an evaluation on investment projects in Research and Technological Development (RTD) infrastructures, competence centres and activities financed by the ERDF during the period 2007-2013, aimed to identify factors contributing to the success or failure of these investments under different socio-economic conditions. In 2019, the Commission will also launch a mid-term evaluation of the Urban Innovative Actions, in order to assess whether the initiative was able to provide the conditions for cities to test innovative solutions where knowledge acquired can be capitalised for the benefits of other EU cities.

Forthcoming implementation (2019-2020)

As the main EU investment instrument for supporting the delivery of Commission priorities, Cohesion Policy has become a key part of Europe's economic governance and an increasingly important means of tackling the effects of the economic crisis in the short term and of enhancing the regions' endogenous potential for development in the medium term. ERDF interventions are focusing and will continue to focus in the forthcoming years on strengthening the basis for economic competitiveness and job creation, particularly in SMEs, thanks to their capacity to adjust to and to address specific national, regional and local contexts, with all levels of governance joining forces to contribute to our shared European objectives. In doing so, they contribute to the Investment Plan for Europe and complement the European Fund for Strategic Investments (EFSI). This is being done in several ways: by leveraging public and private investment, supporting structural reforms, and improving access to funding. ERDF investments will ultimately target boosting jobs, growth and investment across Europe, with a focus on the least developed areas. They also contribute to addressing together shared challenges and exploiting common potential via territorial cooperation and the macro-regional strategies.

To this end, funding is being strategically invested in research and innovation, support to small businesses and digital technologies, thereby contributing to the EU's smart growth objectives. Funding will also be essential for EU's sustainable growth. Thanks to the highest EU budget ever allocated to investments in energy, environment, climate and sustainable transport, a significant contribution to steering Europe on the path to a low-carbon economy is being made.

Based on past experience and the progress made in 2018, we expect that implementation rates for investment expenditure and the delivery of outputs and results will continue to increase in 2019, with this trend continuing until the end of the programming cycle. The upcoming performance review in 2019 and the subsequent potential reallocation of funds will further optimise investments in the thematic areas with the highest added value of ERDF contribution.

Outlook for the 2021-2027 period

On 2 May 2018, the Commission adopted a proposal for the next multi-annual financial framework for the period 2021-2027 (COM(2018)322 final, 2.5.2018). This includes the European Regional Development Fund ('ERDF') and the Cohesion Fund.

On 29 May 2018 the Commission proposed the legislative architecture for cohesion policy comprising:

- Common Regulation for 7 shared management funds (COM(2018)375 final - 2018/0196 (COD)): European Regional Development Fund (ERDF), the European Social Fund Plus (ESF+), the Cohesion Fund (CF), the European Maritime and Fisheries Fund (EMFF), The Asylum and Migration Fund (AMIF), the Internal Security Fund (ISF) and the Border Management and Visa Instrument (BMVI).
- Specific regulation for the ERDF and Cohesion Fund (COM/2018/372 final - 2018/0197 (COD)).

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006	2014 - 2020	

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Total	17 090,4(*)	33 267,6	26 952,1	29 269,0	30 262,2	31 148,1	32 015,5	200 004,8

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	30 248,381	100,00 %	20 455,225	100,00 %	31 148,062	99,94 %	24 019,873	17,74 %
Authorised appropriations (*)	34 813,652	100,00 %	25 057,412	98,87 %	31 148,062	99,94 %	24 302,481	18,70 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To reduce disparities between the levels of development of the various regions, in particular for rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps and to contribute to achieving the targets set out in the Europe 2020 strategy of smart, sustainable and inclusive growth, and in particular towards the achievement of quantitative headline targets identified in that strategy

Indicator 1: Employment rate by sex, age group 20-64

Former situation*	Evolution	Target 2020
71.1% (2016)	72,2% (2017)	75 % of the population aged 20-64 should be employed by 2020

Indicator 2: Gross domestic expenditure on R&D (GERD)

Former situation*	Evolution	Target 2020
2.03 % (2016)	2.07 % (2017)	3 % of the EU's GDP should be invested in R&D by 2020

Indicator 3: Greenhouse gas emissions, base year 1990

Former situation*	Evolution	Target 2020
77.6 (2016) (index 1990 =100)	78.2 (2017 prox estimates by EEA)	By 2020 greenhouse gas emissions are expected to decrease further to 74 with the current measures that are already in place. Additional measures (currently planned by Member States) could further reduce emissions to 73 of 1990 levels

Indicator 4: Share of renewables in gross final energy consumption

Former situation*	Evolution	Target 2020
16.7% (2015)	17 % (2016)	Increase in the share of renewable energy sources in final energy consumption to 20 % by 2020

Indicator 5: Energy intensity of the economy (proxy indicator for Energy savings, which is under development)		
Former situation*	Evolution	Target 2020
Primary energy consumption: 1 529.1 Mtoe (2015) Final energy consumption: 1 082.2 Mtoe (2015)	Primary energy consumption: 1.542.7 Mtoe (2016) Final energy consumption: 1.107.8 Mtoe (2016)	20% increase in energy efficiency by 2020 Primary energy consumption: 1 483 Mtoe (2020) Final energy consumption: 1 086 Mtoe (2020)

Indicator 6: Early leavers from education and training by sex; Tertiary educational attainment by sex, age group 30-34		
Former situation*	Evolution	Target 2020
(1) Total: 11.2% (2014) Female: 9.6% Male: 12.7%	10.6% (2017) 8.9% 12.1%	The share of early school leavers should be under 10 % and at least 40 % of the younger generation
(2) Total: 38,0 % (2014) Female: 42.3% Male: 33.6%	39,9 % (2017) Female: 44.9% Male: 34.9%	

Indicator 7: People at risk of poverty or social exclusion		
Former situation*	Evolution	Target 2020
118.0 million (2015, estimated)	112,9 million (2017)	At least 20 million people fewer than in 2008 (116.2 million)

* Source: Eurostat

Simulations based on economic models (namely QUEST and RHOMOLO) suggest a positive and significant impact of cohesion policy interventions on GDP and employment during and after the implementation of operational programmes. In the EU-12, programmes of the 2007-2013 period are expected to have increased the level of GDP by 2,7 % per year between 2007 and 2016 and employment by around 735,000 units. Programmes of the 2014-2020 period are expected to increase the level of GDP by 1,7 % per year between 2014 and 2023 in the EU-12.

However, it must be noted that the estimates of impact delivered are to a large extent dependent on the assumptions built into these models.

Specific objectives

Target setting during the negotiations was challenging, not least because of the economic conditions following the recent economic crisis. When compared to target values reported in the past it has to be noted that these values are subject to change as the legislation allows for programme amendments during the implementation period. Only in the course of 2018 more than 180 programme amendments were adopted by the Commission, many of these adjusting their 2023 target values. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in national or regional development needs, changing economic conditions and the varying demand for different types of support, that necessitate reallocation of funding among the investment areas concerned, affecting obviously the targets set for the programmes.

When interpreting the actual results caution should be applied as interventions tend to have a longer programme cycle (especially in cases of infrastructure interventions) – actual achievements may not be visible from the beginning. The implementation of the 2014-2020 programming period lasts until 2023 (n+3 rule), therefore the achievement values refer to the situation at the 4th year of a 9 years long implementation cycle. Furthermore, the common indicators used for reporting only give partial information about the performance of the programmes as they are estimated to cover between 50-60% of the funding. The programmes use over 8000 specific indicators beyond the 46 common indicators, which cannot be aggregated at EU level due to the specific nature.

Specific Objective 1: Strengthening research, technological development and innovation

Indicator 1: Number of new researchers in supported entities							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			30 140
Actual results							
	463	834	2 472				

Indicator 2: Number of enterprises cooperating with research institutions							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			63 071
Actual results							
	89	807	6 999				

Indicator 3: Number of researchers working in improved research infrastructure facilities							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				28 250			129 895
Actual results							
	4 697	11 213	15 207				

Indicator 4: Private investment matching public support in innovation or R&D projects							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			13 089 664 098
	Actual results						
	293 230 782	588 902 439	921 563 910				

Indicator 5: Number of enterprises supported to introduce new to the market products							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			28 881
	Actual results						
	367	948	3 291				

Indicator 6: Number of enterprises supported to introduce new to the firm products							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			64 918
	Actual results						
	246	857	3 746				

* Milestone figures concerning indicators 1, 2, 4, 5 and 6 associated with specific objective 1 are not included in the tables above, as the programmes which include these indicators in the performance framework where milestones are set represent a small share of the total, which render the milestone values available not representative at EU level.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			27%	53%	73%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			14.226	30.729	52.152		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			878 133 181,84	3 528 830 401.05	11 215 804 006.61		

Specific Objective 2: Enhancing access to, and use and quality of, information and communication technologies

Indicator 1: Additional households with broadband access of at least 30 Mbps							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			14 538 844
	Actual results						
	2 000	7 144	226879				

*No milestone figure concerning this indicator associated with specific objective 2 is included in the table above, as the programmes which include this indicator in the performance framework where milestones are set represent a small share of the total, which render the milestone value available not representative at EU level.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			18%	47%	63%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			1 465	5 485	7773		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			258 290 110,75	746 377 092.31	2 358 214 057.66		

Justification of changes to the financial programming and/or to the performance information

See at the beginning of this chapter (Specific objectives).

Specific Objective 3: Enhancing the competitiveness of small and medium-sized enterprises							
Indicator 1: Number of enterprises receiving support							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				181 831			1 117 749
	Actual results						
	31 617	88 962	193 365				
Indicator 2: Number of enterprises receiving grants							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			376 255
	Actual results						
	2 068	10 441	31 331				
Indicator 3: Number of enterprises receiving financial support other than grants							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			208 671
	Actual results						
	6 308	36 182	50 035				
Indicator 4: Number of enterprises receiving non-financial support							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			464 880
	Actual results						
	21 128	36 744	89 219				
Indicator 5: Number of new enterprises supported							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			159 815
	Actual results						
	4 494	18 483	35 084				
Indicator 6: Private investment matching public support to enterprises (grants)							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			26 772 888 248
	Actual results						
	76 072 919	414 227 702	2 542 931 465				
Indicator 7: Private investment matching public support to enterprises (non-grants)							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			7 134 794 848
	Actual results						
	47 284 273	172 905 970	489 137 327				
Indicator 8: Employment increase in supported enterprises							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			422 546
	Actual results						
	4 317	11 300	42 745				
Indicator 9: Increase in expected number of visits to supported sites of cultural and natural heritage and attractions							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				15 260 700			38 006 316
	Actual results						
	3	577 184	5 071 565				

* Milestone figures concerning indicators 2, 3, 4, 5, 6, 7, 8 and 9 associated with specific objective 3 are not included in the tables above, as the programmes which include these indicators in the performance framework where milestones are set represent a small share of the total, which render the milestone values available not representative at EU level.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			40%	64%	88%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			28 458	61 127	95 158		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			2 445 595 546,72	5 562 900 503,23	13 109 153 575,89		

Specific Objective 4: Supporting the shift towards a low-carbon economy in all sectors

Indicator 1: Additional capacity of renewable energy production (KM/MWH)

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				19 586			88 857
	Actual results						
	1	4	195				

Indicator 2: Number of households with improved energy consumption classification

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				121 057			745 997
	Actual results						
	20 259	42 542	79 375				

Indicator 3: Decrease of annual primary energy consumption of public buildings

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			4 235 032 317
	Actual results						
	0	0	33 382 997				

Indicator 4: Number of additional energy users connected to smart grids

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			1 243 944
	Actual results						
	0	0	5				

Indicator 5: Estimated annual decrease of GHG

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			23 993 753
	Actual results						
	18 499	29 992	314 174				

* Milestone figures concerning indicators 3, 4 and 5 associated with specific objective 4 are not included in the tables above, as the programmes which include these indicators in the performance framework where milestones are set represent a small share of the total, which render the milestone values available not representative at EU level.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			20%	42%	58%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			4 912	16 163	21 543		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			659 853 154,75	1 980 760 734,50	5 081 303 922,45		

Specific Objective 5: Promoting climate change adaptation, risk prevention and management

Indicator 1: Population benefiting from flood protection measures

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			9 101 265
	Actual results						
	0	18 991	1 502 811				

Indicator 2: Population benefiting from forest fire protection measures

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			7 461 731
	Actual results						
	-	-	1 362 645				

* Milestone figures concerning indicators 1 and 2 associated with specific objective 5 are not included in the tables above, as the programmes which include these indicators in the performance framework where milestones are set represent a small share of the total, which render the milestone values available not representative at EU level.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			16%	53%	82%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			659	1 907	1 883		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			84 450 341,19	329 369 663.03	627 302 549.50		

Specific Objective 6: Preserving and protecting the environment and promoting resource efficiency

Indicator 1: Additional waste recycling capacity

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			2 286 741
	Actual results						
	-	-	500				

Indicator 2: Additional population served by improved water supply

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				379 412			4 563 643
	Actual results						
	-	24 407	66 898				

Indicator 3: Additional population served by improved wastewater treatment

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				841 425			8 524 195
	Actual results						
	-	65 288	249 215				

Indicator 4: Total surface area of rehabilitated land

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				207			12 048
	Actual results						
	-	-	53				

Indicator 5: Surface area of habitats supported to attain a better conservation status

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			18 302 668
	Actual results						
	13 443	108 984	1 409 317				

* Milestone figures concerning indicators 1 and 5 associated with specific objective 6 are not included in the tables above, as the programmes which include these indicators in the performance framework where milestones are set represent a small share of the total, which render the milestone values available not representative at EU level.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			16%	49%	73%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			2 643	8 957	9 049		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			186 178 773,25	1 129 459 924.20	2 441 061 772.68		

Specific Objective 7: Promoting sustainable transport and removing bottlenecks in key network infrastructures

Indicator 1: Total length of new railway line of which: TEN-T

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				N/A			883 km 1 167 km (TEN-T)
	Actual results						
	-	-					

Indicator 2: Total length of reconstructed or upgraded railway line of which: TEN-T

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				272 *(TEN-T)			3 901 km 1 608 km (TEN-T)
	Actual results						
	-	-					

Indicator 3: Total length of newly built roads of which: TEN-T

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				142 14 (TEN-T)			1 440 km 327 km (TEN-T)
	Actual results						
	- (TEN-T)	8 (TEN-T)	158 54 (TEN-T)				

Indicator 4: Total length of reconstructed or upgraded roads of which: TEN-T

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				1 094 *(TEN-T)			9 299 km 127 km (TEN-T)
	Actual results						
	1 (TEN-T)	69 (TEN-T)	597 (TEN-T)				

Indicator 5: Total length of new or improved tram and metro lines

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				150			470 km
	Actual results						
	-	-					

Indicator 6: Total length of improved or created inland waterway

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				542			650 km
	Actual results						
	-	-	-				

* Milestone figures concerning indicators 1 and 5 associated with specific objective 7 are not included in the tables above, as the programmes which include these indicators in the performance framework where milestones are set represent a small share of the total, which render the milestone values available not representative at EU level.

N/A - Milestone figures concerning indicator 1 associated with specific objective 7 is not provided for in the relevant performance framework.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			22%	56%	81%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			531	3 403	1 791		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			819 247 294,63	2 952 557 450.26	7 002 222 638.28		

Specific Objective 8: Promoting sustainable and quality employment and supporting labour mobility

Indicator 1: Employment increase in supported enterprises

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			422 546
	Actual results						
	4 317	11300	42 745				

* No milestone figure concerning indicator 1 above is included in the table above, as the programmes which include this indicator in the performance framework where milestones are set represent a small share of the total, which render the milestone value available not representative at EU level

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			26 %	53%	71%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			592	2 440	2 289		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			55 765 439.30	177 051 214.32	392 620 094.31		

Specific Objective 9: Promoting social inclusion, combating poverty and any discrimination

Indicator 1: Population covered by improved health services

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				21 866 946			46 936 594
	Actual results						
	-	2 423 181	10 636 697				

Indicator 2: Open space created or rehabilitated in urban areas

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				3 350 732			29 386 534
	Actual results						
	-	35 367	1 041 320				

Indicator 3: Public or commercial buildings built or renovated in urban areas

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				164 870			2 244 400
	Actual results						
	-	3 146	58 470				

Indicator 4: Rehabilitated housing in urban areas

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				2 767			20 590
	Actual results						
	-	-	289				

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			12%	44%	62%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			959	6 324	7 886		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			140 104 164,71	784 796 799,90	1 571 812 875,37		

Specific Objective 10: Investing in education, training and vocational training for skills and lifelong learning

Indicator 1: Capacity of supported childcare or education infrastructure

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 (2014)					*		6 900 747
	Actual results						
	-	1 105	8 636	70 852			

* No milestone figure concerning this indicator associated with specific objective 10 is included in the table above, as the programmes which include this indicator in the performance framework where milestones are set represent a small share of the total, which render the milestone value available not representative at EU level.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			19%	53%			
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			597	16 786	21 337		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			124 786 169,45	605 636 169,18	1 471 114 905,38		

* No values for yearly outputs are defined for the 2014-2020 programmes.

Specific Objective 11: Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration

Indicator 1: Population living in areas with integrated urban development strategies

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			45 90 137
	Actual results						
	149 602	6 313 535	17 917 547				

* No milestone figure concerning indicators 1 above is included in the tables above, as the programmes which include this indicator in the performance framework where milestones are set represent a small share of the total, which render the milestone value available not representative at EU level.

Expenditure related outputs

Budget lines :13 03 60; 13 03 61; 13 03 62; 13 03 63 and 13 03 64 01, no values for yearly outputs are defined for the 2014-2020 programmes.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			29%	50%	85%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			369	1 248	1 277		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			11 160 449,94	61 865 748,24	268 076 600,02		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
3% of the EU's GDP should be invested in R&D
The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)

Contribution to Europe 2020 priorities

Smart growth: 28.58% (lines 13 03 60; 13 03 61; 13 03 62; 13 03 63; 13 03 64 01)
 Sustainable growth: 60.06% (lines 13 03 60; 13 03 61; 13 03 62; 13 03 63; 13 03 64 01)
 Inclusive growth: 11.36% (lines 13 03 60; 13 03 61; 13 03 62; 13 03 63; 13 03 64 01)

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Supporting the shift towards a low-carbon economy in all sectors	3 837,9	3 944,9
Promoting sustainable transport and removing bottlenecks in key network infrastructures	767,6	789,0
Promoting climate change adaptation, risk prevention and management	456,8	469,6
Preserving and protecting the environment and promoting resource efficiency	326,3	335,4
Enhancing the competitiveness of SMEs, of the agricultural sector (for the EAFRD) and of the fishery and aquaculture sector (for the EMFF)	164,8	169,4
All other thematic objectives	167,8	172,4
Total	5 721,2	5 880,7

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
3 138,0	6 111,2	4 948,1	5 376,7	5 554,4	5 721,2	5 880,7	36 730,3

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The methodology used for estimating ERDF contribution to mainstreaming of climate action in 2019 and 2020 remains stable and coherent with last year's programme statement. As explained in previous programme statement, an accurate estimation of the contribution of ERDF to the mainstreaming of climate action can be done globally, through the Member States' funding priorities as reflected by the categories of intervention, and expressed as a percentage of the budget to be made available in 2019 (18,37%). This tracking methodology covers climate and biodiversity objectives, in line with regulatory requirements. The same percentage is applied uniformly to all relevant ERDF budget lines (13 03 60 - Less developed regions; 13 03 61 – Transition regions; 13 03 62 - More developed regions; 13 03 63 - Additional allocation for outermost and sparsely populated regions; 13 03 64 01 - European territorial cooperation).

Since the applicable regulatory requirements do not allow a precise calculation of the contribution to mainstreaming of climate action per thematic (specific) objective, the split per specific objective provided above is only indicative. It results from a review of correspondence between categories of intervention and thematic objectives.

As for the updated estimations related to past commitments, the contribution to mainstreaming of climate action has been revised .

Contribution to biodiversity

Relevant objective/output	Budget 2019	DB 2020
Preserving and protecting the environment and promoting resource efficiency	684,9	704,0
Promoting climate change adaptation, risk prevention and management	212,8	218,7
Promoting sustainable and quality employment and supporting labour mobility	20,0	20,5
Supporting the shift towards a low-carbon economy in all sectors	10,0	10,3
Other thematic objectives: SMEs, sustainable transport, social inclusion and institutional capacity	6,4	6,8
Total	934,1	960,3

Programming biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
512,5	998,0	808,1	878,1	907,1	934,1	960,3	5 998,2

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The methodology used for estimating ERDF contribution to financing biodiversity in 2019 and 2020 remains stable and coherent with last year's programme statement. As explained in previous programme statement, an accurate estimation of the contribution of ERDF to financing biodiversity can be done globally, through the Member States' funding priorities as reflected by the categories of intervention, and expressed as a percentage of the budget to be made available in 2019 (3,0%). This tracking methodology covers climate and biodiversity objectives. The same percentage is applied uniformly to all relevant ERDF budget lines (13 03 60 - Less developed regions; 13 03 61 – Transition regions; 13 03 62 - More developed regions; 13 03 63 - Additional allocation for outermost and sparsely populated regions; 13 03 64 01 - European territorial cooperation).

Since the applicable regulatory requirements do not allow a precise calculation of the contribution to financing biodiversity per thematic (specific) objective, the split per specific objective provided above is only indicative. It results from a review of correspondence between categories of intervention and thematic objectives. As for the updated estimations related to past commitments, the contribution to financing biodiversity has been revised.

Gender mainstreaming

For the 2014-2020 programming period the European Commission introduced a condition (ex-ante conditionality) requiring the existence of administrative capacity for the implementation and application of the EU's gender equality law and policy when implementing the ESIF programmes. In particular, the programmes co-financed by ESIF must include information on how equality between men and women is taken into account and promoted throughout the preparation and implementation of programmes.

Following the 2014-2020 regulatory framework, the scope of the ERDF support is based on infrastructure developments and not target groups. Hence the ERDF doesn't have a specific investment priority on gender equality. However, ERDF can support investments in social, health, education, housing and childcare infrastructure and business start-ups, which contribute to the progressive establishment of gender equality.

Financial allocations related to the inclusive growth objectives from the European Regional Development Fund (ERDF), namely thematic objectives 8-9-10, amount to EUR 21,4 billion over the 2014-2020 programming period. Approximately EUR 1.23 billion from the European Regional and Development Fund has been programmed for **early childhood education and care infrastructure** in the 2014-2020 period. These investments directly contribute to the Commission's recent **Work Life Balance** initiative.

DG REGIO was involved in the study '**Gender budgeting in the European Structural and Investment Funds (ESF and ERDF): the needed change towards gender equality**'. Based on the analysis of ESIF case studies related to gender budgeting, the study will propose methods and tools for more effective gender mainstreaming with the ESIF.

Example: Car-maker mobilises cutting-edge childcare in DE: A major employer on the outskirts of Kassel in central Germany has established a brand new state-of-the-art childcare centre. Partly supported by EU funds, the facility is hosted on the site of car-maker Daimler Benz. The project's main goal was to make life easier for employees juggling work duties with care for their young children. It should also increase the participation of women in the local labour force.

5. Contribution to the Sustainable Development Goals (SDGs)

ERDF contributes directly to 11 SDGs. The overall mission of the Funds is to reduce economic, social, and environmental territorial disparities, therefore targeting SDG10 on reduced inequalities on medium to long term. The distribution of investments across SDGs is illustrated in the table below. Of these, more than 70% of investments are planned for objectives under the goals of industry, innovation and infrastructure (SDG9), economic growth (SDG8) and energy (SDG7).

As regards implementation by December 2018 the data for projects selection indicates significant progress, with selection rates above 50% of the planned allocation for each SDG, and above 80% for SDG8, SDG13 and SDG6. Contribution of ERDF to SDGs

SDG	SDG Title	EU amount planned	% of total	Total amount planned	Eligible cost of selected operations	Selection rate
SDG1	No poverty	7.597	4%	10.216	5.955	58%
SDG3	Good health and well being	5.765	3%	7.596	5.556	73%
SDG4	Quality education	7.252	4%	9.256	7.229	78%
SDG6	Clean water and sanitation	4.110	2%	5.496	4.440	81%
SDG7	Affordable and clean energy	22.790	11%	33.686	20.396	61%
SDG8	Decent work and economic growth	45.687	23%	67.453	58.616	87%
SDG9	Industry, innovation, infrastructure	75.895	38%	104.750	76.550	73%
SDG11	Sustainable cities and communities	3.497	2%	4.665	2.566	55%
SDG12	Responsible consumption and production	3.291	2%	4.819	2.573	53%

SDG13	Climate action	3.728	2%	5.323	4.468	84%
SDG15	Life on land	5.797	3%	7.960	4.930	62%
No SDG assigned		13.196	7%	17.679	12.314	70%
Total		198.606	100%	278.900	205.593	74%

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

The data reported by Member States in relation to ERDF and CF by the end of 2015 demonstrate a positive trend in setting up financial instruments (FI) for the first years of programme implementation. Managing authorities in 21 Member States reported information concerning the progress in setting financial instruments covering 64 operational programmes. 65 financial instruments have received commitments from managing authorities. At least 12 of these instruments have made investments in final recipients. The total volume of operational programme contributions committed to the financial instruments at end 2015 amounts to EUR 5,571.63 million, out of which EUR 5,005.25 million of ERDF and CF. EUR 1,169.41 million (around 20%) of the amounts committed has been paid to financial instruments, including EUR 1,102.17 million ERDF. Amounts committed to final recipients follow closely the amounts available in the funds with EUR 1,033.67 million, out of which EUR 939.58 million ERDF. Out of these committed amounts, EUR 98.56 million have been paid to final recipients, out of which EUR 91.21 million ERDF.

Leverage of additional resources already reported in some financial instruments in the first reporting exercise demonstrates the role and ability of ERDF and CF to mobilise and attract private capital for the benefit of final recipients and to the wider Cohesion policy objectives. Based on the information provided, expected leverage for loans varies between 1.3 and 3.1, for equity leverage is expected between 1.3 and 4, while for the two guarantee instruments it is estimated that loans provided by commercial banks with the support of the guarantee facility will be 4 to 5 times higher than the ERDF contribution to the guarantees. Compared to the forecasts, the evidence in a number of cases demonstrates a significantly higher leverage achieved as revealed in the case of the 'SME loan fund' in Schleswig-Holstein where leverage of additional resources is 4.8 in contrast to the expected effect of 2.2.

7. Programme related additional information

Programmes' implementation 2014-2020 (Common Strategic Framework)*

Thematic objectives of the Common Strategic Framework	Commitments ²⁷⁸ 2014-2020 EUR million (1)	Cumulative payments declared by Member- states at end 2016 (2)	(2)/(1) %
1.Strengthening research, technological development and innovation	55 827.18	11 215.80	20%
2.Enhancing access to, and use and quality of, information and communication technologies	16 198.34	2 358.21	15%
3.Enhancing the competitiveness of small and medium-sized enterprises	38 975.54	13 109.15	34%
4.Supporting the shift towards a low-carbon economy in all sectors	32 132.35	5 081.30	16%
5.Promoting climate change adaptation, risk prevention and management	3 685.61	627.30	17%
6.Preserving and protecting the environment and promoting resource efficiency	17 030.33	2 441.06	14%
7.Promoting sustainable transport and removing bottlenecks in key network infrastructures	26 981.40	7 002.22	26%
8.Promoting sustainable and quality employment and supporting labour mobility	2 678.90	392.62	15%
9.Promoting social inclusion, combating poverty and any discrimination	9 940.31	1 571.81	16%
10.Investing in education, training and vocational training for skills and lifelong	6 220.62	1 471.11	24%
11.Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration	1 719.82	268.08	16%
Other amounts not linked to the 11 thematic objectives above	66 278.09	14 952.06	23%
TOTAL	277 668.51	60 490.75	22%

*The data presented cover all adopted MS' Partnership Agreements, as well as all operational programmes.

Information on the predecessor programme 2007 - 2013

Comprehensive information on the final performance of 2007-2013 ERDF programme was reported in the 2019 programme statement. DG Regional and Urban Policy is not requesting the inclusion of payment appropriations for these lines in the 2020 draft budget.

²⁷⁸ Total Commitment is the Total Funding amount i.e. Union support and National co-financing

HEADING 1B: Economic, social and territorial cohesion**Cohesion Fund (CF)**

Lead DG: REGIO

I. Overview***What the programme is about?***

The CF aims to strengthen economic and social cohesion in the European Union by reducing disparities between its regions and supporting the full integration of less developed regions within the EU's internal market.

EU added value of the programme

The main advantages and added value of Cohesion Policy, equally applicable to ERDF and CF, is described in the ERDF programme statement.

Implementation mode

The CF is delivered through shared management in regional and national programmes. Under the shared management mode, the co-legislators fix the legal framework and the overall funding and determine the allocations by Member States and category of region. The Commission adopts the programmes. As regards implementation, the Commission cooperates with Member States' administrations (at national, regional and local level), which are in charge of the operational implementation.

II. Programme Implementation Update***Implementation Status (2016-2018)***

In assessing the performance of the 2014-2020 ERDF/CF programmes several elements need to be taken into account. In terms of **tracking financial implementation**, data on project selection rates and EU payment rates are available. Project selection rates have increased significantly since end 2017 reaching 87% at end 2018, covering more than 12,700 concrete projects. This corresponds to EUR 65.1 billion at the end of 2018 already allocated to specific projects supporting the EU 2020 objectives for jobs and growth. This also showed that the project pipeline further accelerated, with 87% of the total for the period allocated to specific projects by end-2018 compared to EUR 42.9 billion by end-2017 (64% of total). The end-2018 data showed more homogeneous progress across most of the Member States and themes.

It clearly indicates that the Member States are turning the investment plans into concrete projects to deliver sustainable social and economic benefits. The selection rate of operations provides a more comprehensive and accurate picture of expected implementation on the ground. In the first half of the 2014-2023 spending period (N+3 rule) the EU payments tend to be low, as it was the case during the previous programming periods. This applies particularly when we consider CF projects which, due to their nature of large infrastructure investments, have typically a long life cycle and a start-up phase (planning, programming, authorisations) without significant financial execution. For the above mentioned reasons, currently the selection rate of operations provides a more accurate picture of implementation. The CF financial execution rate (prefinancing and interim payments minus recoveries) stands at 29% at end 2018.

In terms of tracking performance, indicator targets are set in CF programming documents and forecasts for indicators from selected operations and implemented values are reported on an annual basis. It is worth noting that there is always a time lag for investment policies between selection of operations and implementation on the ground. Past evidence shows that the bulk of tangible achievements take place only in the second half of any programming cycle. Many of the operations funded by CF, such as infrastructural investments, have a long implementation cycle. The nature of those investments explains the time gap between the start of operations and the reporting of achievements.

Key achievements

The Commission has agreed with MSs end-of-period (2023) achievements targets for ERDF/CF common indicators and programme specific indicators and receives annual monitoring data on indicator achievements. The legislation did not require the setting of annual targets or milestones. Indicator forecasts from the selection of projects provide important information on the project pipeline over the period and can be compared to the indicator targets. The data from the third annual reporting exercise with the most recent data from the end of 2017 (transmitted by the Member States to the Commission at the end of May 2018) are presented in the performance tables below.

As regards CF achievements already reported by Member States up to end 2017, while implementation varies across and within Member States, in aggregate terms the actions financed have already delivered:

- Estimated annual decrease of greenhouse gas emissions of 91 499 tonnes of CO₂eq, which is the first achievement value reported by programmes in the 2014-2020 period;
- Improved energy consumption classification for 5 490 households (against 833 households at end-2016);
- Additional population of 174 570 served by improved water supply (against 135 032 households at end-2016);

- Additional population of 53 391 served by improved waste water treatment, which is a sharp increase from 7 840 at end-2016 (against 135 032 households at end-2016);
- Increase of waste recycling capacity of 47 245 tonnes/year, which is a sharp increase compared to 2 187 tonnes/year at end-2016;
- 336 km of new TEN-T roads and 387 km of reconstructed or upgraded roads which are significant increases compared to 41 km and 274 km respectively at end-2016;
- 281 km of reconstructed or upgraded TEN-T railway line (against 92 km at end-2016).

Evaluation/ Studies conducted

In line with the regulatory requirements, all the operational programmes submitted to their monitoring committees an evaluation plan within one year from adoption. In total, the programmes expect to carry out 1 500 evaluations for ERDF/CF over the programming period. The number of foreseen evaluations and, especially, impact evaluations is substantially larger than in the past programming period (around 1000 impact evaluations vs 200).

Most of the evaluations were planned to be carried out between 2018 and 2022. For the year 2018, the focus was primarily on the assessments of implementation and progress monitoring, with a more conspicuous number of impact evaluations expected in 2019-2020.

In addition to this, within the framework of its own evaluation activities, the Commission has started evaluating major projects supported by ERDF and the Cohesion Fund between 2000 and 2013 with a view to analysing the long-term contribution of major investment projects on economic and environmental development, the quality of life and the well-being of citizens. The first evaluation study, dedicated to the policy area of transport, has shown that major transport projects can positively contribute to increasing the transport efficiency within EU regions, supporting the shift to cleaner urban mobility and facilitating cross-border transport connections. This evaluation is now continuing to cover major projects in the policy area of environment.

Further to that, the Commission carried out an ex post evaluation of the EU Solidarity fund since its establishment in 2002 and is running a mid-term review of JASPERS initiative during the period 2014-2020. In the course of 2019 the Commission will launch an evaluation on investment projects in Research and Technological Development (RTD) infrastructures, competence centres and activities financed by the ERDF during the period 2007-2013, aimed to identify factors contributing to the success or failure of these investments under different socio-economic conditions. In 2019, the Commission will also launch a mid-term evaluation of the Urban Innovative Actions, in order to assess whether the initiative was able to provide the conditions for cities to test innovative solutions where knowledge acquired can be capitalised for the benefits of other EU cities.

Forthcoming implementation (2019-2020)

As the main EU investment instrument for supporting the delivery of Commission priorities, Cohesion Policy has become a key part of Europe's economic governance and an increasingly important means of tackling the effects of the economic crisis in the short term and of enhancing the regions' endogenous potential for development in the medium term. CF interventions are focusing and will continue to focus in the forthcoming years on reducing the economic and social shortfall of Member States with a GNI per inhabitant of less than 90% of the EU average, as well as on stabilising their economy. This is being done by financing investments in environment (climate change adaptation and risk prevention, water and waste sectors, biodiversity including through green infrastructures, urban environment and low carbon economy) and transport (Trans-European Transport Networks, low-carbon transport systems and urban transport).

Based on past experience and the progress made in 2018, we expect that implementation rates for investment expenditure and the delivery of outputs and results will continue to increase in 2019, with this trend continuing until the end of the programming cycle. The upcoming performance review in 2019 and the subsequent potential reallocation of funds will further optimise investments in the thematic areas with the highest added value of CF contribution.

Outlook for the 2021-2027 period

On 2 May 2018, the Commission adopted a proposal for the next multi-annual financial framework for the period 2021-2027 (COM(2018)322 final, 2.5.2018). This includes the European Regional Development Fund ('ERDF') and the Cohesion Fund.

On 29 May 2018 the Commission proposed the legislative architecture for cohesion policy comprising:

- Common Regulation for 7 shared management funds (COM(2018)375 final - 2018/0196 (COD)): European Regional Development Fund (ERDF), the European Social Fund Plus (ESF+), the Cohesion Fund (CF), the European Maritime and Fisheries Fund (EMFF), The Asylum and Migration Fund (AMIF), the Internal Security Fund (ISF) and the Border Management and Visa Instrument (BMVI).
- Specific regulation for the ERDF and Cohesion Fund (COM/2018/372 final - 2018/0197 (COD)).

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1300/2013 of the European Parliament and of the Council of 17 December 2013 on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006	2014 - 2020	

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Total	7 095,6(*)	11 390,2	11 115,0	10 649,1	11 049,0	11 454,1	11 845,2	74 598,2
<i>Of which contribution to the Connecting Europe Facility (CEF)</i>	<i>983,0</i>	<i>1 215,8</i>	<i>2 372,4</i>	<i>1 588,2</i>	<i>1 649,4</i>	<i>1 694,4</i>	<i>1 774,4</i>	<i>11 277,5</i>

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	9 393,849	100,00 %	7 356,482	100,00 %	9 753,622	100,00 %	7 706,279	10,02 %
Authorised appropriations (*)	10 692,528	100,00 %	8 595,161	97,65 %	9 753,622	100,00 %	7 908,596	12,32 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To reduce disparities between the levels of development of the various regions, in particular for rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps and to contribute to achieving the targets set out in the Europe 2020 strategy

Indicator 1: Greenhouse gas emissions, base year 1990

Former situation*	Evolution	Target 2020
77.6 (2016) (index 1990 =100)	78.2 (2017 prox estimates by EEA)	By 2020 by greenhouse gas emissions are expected to decrease further to 74 with the current measures that are already in place. Additional measures (currently planned by Member States) could further reduce emissions to 73 of 1990 levels.

Indicator 2: Share of renewables in gross final energy consumption

Former situation*	Evolution	Target 2020
16.7 % (2015)	17.0 % (2016)	Increase in the share of renewable energy sources in final energy consumption to 20 % by 2020

Indicator 3: Energy intensity of the economy (proxy indicator for Energy savings, which is under development)

Former situation*	Evolution	Target 2020
Primary energy consumption: 529.6 Mtoe (2015) Final energy consumption: 1 082.2 Mtoe (2015)	Primary energy consumption: 1 542.7 Mtoe (2016) Final energy consumption: 1 107.8 Mtoe (2016)	20% increase in energy efficiency by 2020 Primary energy consumption: 1 483 Mtoe (2020) Final energy consumption: 1 086 Mtoe (2020)

Specific objectives

In the indicators tables below, referred to specific objectives from 1 to 11, the "target" values and "actual results" are those published on the Open Data Platform (<https://cohesiondata.ec.europa.eu/>). They refer to the targets set for 2023 in the latest versions of operational programmes for the relevant common output indicators ("targets") and their achievement value by end 2017, as reported by the Member States in the Annual Implementation Reports submitted in May 2018 ("actual results"). Updated information with 2018 figures will be received in the Annual Implementation Reports in June 2019. As to the 2018 milestone values indicated, these refer to the same common output indicator as depicted in the performance frameworks contained in the Operational programmes.

Performance frameworks of the programmes only include a subset of the indicators used in the programmes, therefore milestones (extrapolated from the subset) are indicated in the tables below only for those specific objectives where the representativeness of an indicator in the performance frameworks is above 30%.

Target setting during the negotiations was challenging, not least because the economic conditions following the recent economic crisis. When compared to target values reported in the past it has to be noted that these values are subject to change as the legislation allows for programme amendments during the implementation period. Only in the course of 2018 more than 180 programme amendments were adopted by the Commission, many of these adjusting their 2023 target values. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in national or regional development needs, changing economic conditions and the varying demand for different types of support, that necessitate reallocation of funding among the investment areas concerned, affecting obviously the targets set for the programmes.

When interpreting the actual results caution should be applied as interventions tend to have a longer programme cycle (especially in cases of infrastructure interventions) – actual achievements may not be visible from the beginning. The implementation of the 2014-2020 programming period lasts until 2023 (n+3 rule), therefore the achievement values refer to the situation at the 4th year of a 9 years long implementation cycle. Furthermore the common indicators used for reporting only give partial information about the performance of the programmes as they are estimated to cover between 50-60% of the funding. The programmes use over 8000 specific indicators beyond the 46 common indicators, which cannot be aggregated at EU level due to the specific nature.

Specific Objective 1: Supporting the shift towards a low carbon economy in all sectors							
Indicator 1: Additional capacity of renewable energy production (KM/MWH)							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			1767
	Actual results						
	-	-	3				
Indicator 2: Number of households with improved energy consumption classification							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			92 100
	Actual results						
	42	833	5 490				
Indicator 3: Decrease of annual primary energy consumption of public buildings							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			591 989 937
	Actual results						
	-	-	13 014				
Indicator 4: Number of additional energy users connected to smart grids							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				N/A			2 029 000
	Actual results						
	-	-					
Indicator 5: Estimated annual decrease of GHG							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				*			3 764 199
	Actual results						
	-	0	91 499				

* Milestone figures concerning indicators 1, 2, 3 and 5 associated with specific objective 1 are not included in the table above, as the programmes which include these indicators in the performance framework where milestones are set represent a small share of the total, which render the milestone values available not representative at EU level.

Expenditure related outputs - Budget line 13 04 60

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			20 %	73%	90%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			680	2 708	3 838		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			79 736 394,13	505 322 462.21	1 685 135 999.10		

* No values for yearly outputs are defined for the 2014-2020 programmes, as these only include expected final outputs (captured by the indicators associated with the specific objective above) to be delivered by 2023.

Specific Objective 2: Promoting climate change adaptation, risk prevention and management							
Indicator 1: Population benefiting from flood protection measures							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				2 462 800			5 636 086
	Actual results						
	-	-	165 717				

Indicator 2: Population benefiting from forest fire protection measures							
Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)	Actual results						5 330 000
	-	-	462 660				

Expenditure related outputs - Budget line 13 04 60

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			38 %	60%	94%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			307	1 068	525		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			53 728 235,92	269 893 744,94	450 255 802,83		

* No values for yearly outputs are defined for the 2014-2020 programmes, as these only include expected final outputs (captured by the indicators associated with the specific objective above) to be delivered by 2023.

Specific Objective 3: Preserving and protecting the environment and promoting resource efficiency

Indicator 1: Additional waste recycling capacity

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)	Actual results						3 009 466
	-	2 187	47 245				

Indicator 2: Additional population served by improved water supply

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)	Actual results						7 954 242
	-	135 032	174 570				

Indicator 3: Additional population served by improved wastewater treatment

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)	Actual results						8 534 756
	-	7 840	53 391				

Indicator 4: Total surface area of rehabilitated land

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)	Actual results						796
	-	-		*			

Indicator 5: Surface area of habitats supported to attain a better conservation status

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)	Actual results						326 806
	290	607	353	*			

* Milestone figures concerning indicators 4 and 5 associated with specific objective 3 are not included in the tables above, as the programmes which include these indicators in the performance framework where milestones are set represent a small share of the total, which render the milestone values available not representative at EU level.

Expenditure related outputs - Budget line 13 04 60

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			24 %	59%	76%		

Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			1 003	3 808	3 414		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			360 362 815,74	1 348 925 010,20	2 356 873 125,08		

* No values for yearly outputs are defined for the 2014-2020 programmes, as these only include expected final outputs (captured by the indicators associated with the specific objective above) to be delivered by 2023.

Specific Objective 4: Promoting sustainable transport and removing bottlenecks in key network infrastructures

Indicator 1: Total length of new railway line

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				N/A			64 Km (TEN-T)
	Actual results						
	-	-	0*				

Indicator 2: Total length of reconstructed or upgraded railway line

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				226 (TEN-T)			2 099 Km (TEN-T)
	Actual results						
	-	92 (TEN-T)	281 (TEN-T)				

Indicator 3: Total length of newly built roads

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				62 (TEN-T)			1681 Km (TEN-T)
	Actual results						
	-	41 (TEN-T)	336 (TEN-T)				

Indicator 4: Total length of reconstructed or upgraded roads

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				112			643 Km (TEN-T)
	Actual results						
	88 (TEN-T)	274 (TEN-T)	387 (TEN-T)				

Indicator 5: Total length of new or improved tram and metro lines

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				52			210
	Actual results						
	-	-	6				

Indicator 6: Total length of improved or created inland waterway

Baseline	Milestones foreseen						Target 2023
	2015	2016	2017	2018	2019	2020	
0 (2014)				N/A			327
	Actual results						
	-	-	0*				

* These investments did not generate any output until the end of 2017.

N/A - Milestone figures concerning indicators 1 and 6 associated with specific objective 4 are not provided for in the relevant performance framework.

Expenditure related outputs - Budget line 13 04 60

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Project selection rate (%)	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			25 %	65%	92%		
Number of projects selected	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			247	485	671		
Spending	F	NA*	NA*	NA*	NA*	NA*	NA*	NA*
	P			2 996 098 909,83	6 984 868 830,99	12 790 288 996,25		

* No values for yearly outputs are defined for the 2014-2020 programmes, as these only include expected final outputs (captured by the indicators associated with the specific objective above) to be delivered by 2023.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)
100% of budget line 13 04 60.

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Promoting sustainable transport and removing bottlenecks in key network infrastructures	1 353,5	1 399,7
Supporting the shift towards a low-carbon economy in all sectors	1 129,9	1 168,5
Promoting climate change adaptation, risk prevention and management	433,4	448,2
Preserving and protecting the environment and promoting resource efficiency	249,1	257,6
Total	3 165,9	3 274,0

Programmation climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
1 960,3	3 148,3	3 070,4	2 943,4	3 053,9	3 165,9	3 274,0	20 616,2

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The methodology used for estimating CF contribution to mainstreaming of climate action in 2019 (update) and 2020 remains stable and coherent with last year programme statement. As explained in previous programme statement, an accurate estimation of the contribution of CF to the mainstreaming of climate action can be done globally, through the Member States' funding priorities as reflected by the categories of intervention, and expressed as a percentage of the budget made available in 2018 (27,64%). This tracking methodology covers climate and biodiversity objectives, in line with regulatory requirements. This percentage is applied to the relevant CF budget line (13 04 60).

Since the applicable regulatory requirements do not allow a precise calculation of the contribution to mainstreaming of climate action per thematic (specific) objective, the split per specific objective provided above is only indicative. It results from a review of correspondence between categories of intervention and thematic objectives.

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Preserving and protecting the environment and promoting resource efficiency	637,9	659,6
Promoting climate change adaptation, risk prevention and management	222,9	230,5
Others: low-carbon economy and promoting sustainable transport	4,6	4,8
Total	865,4	894,9

Programmation biodiversity Consolidated and updated comparable information for the annual expenditures adopted, estimated or programmed for the 2014-2020 programming period (totals by programme in EUR Million).

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
535,8	860,5	839,3	804,6	834,8	865,4	894,9	5 635,3

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The methodology used for estimating CF contribution to financing biodiversity in 2019 (update) and 2020 remains stable and coherent with last year programme statement. As explained in previous programme statement, an accurate estimation of the contribution of CF to financing biodiversity can be done globally, through the Member States' funding priorities as reflected by the categories of intervention, and expressed as a percentage of the budget to be made available in 2018 (7,56%). This tracking methodology covers climate and biodiversity objectives, in line with regulatory requirements. This percentage is applied to the relevant CF budget line (13 04 60).

Since the applicable regulatory requirements do not allow a precise calculation of the contribution to financing biodiversity per thematic (specific) objective, the split per specific objective provided above is only indicative. It results from a review of correspondence between categories of intervention and thematic objectives.

Gender mainstreaming

For the 2014-2020 programming period the European Commission introduced a condition (ex-ante conditionality) requiring the existence of administrative capacity for the implementation and application of the EU's gender equality law and policy when implementing the ESIF programmes. In particular, the programmes co-financed by ESIF must include information on how equality between men and women is taken into account and promoted throughout the preparation and implementation of programmes.

Following the 2014-2020 regulatory framework, the scope of the CF support is based on infrastructure developments and not target groups.

The 2007-13 OP Infrastructure and Environment has contributed to implementation of the equal opportunities principle. This OP, which implemented mainly infrastructural projects, brought important changes in the area of preventing discrimination and eliminating physical barriers for people with various disabilities, elderly or caring for children or dependent persons. At the stage of project implementation, there was also a positive impact on strengthening the broadly understood principle of equal opportunities.

Over 100 million EUR (incl. more than 70million EUR from the CF) has been devoted for projects related to the railway infrastructure - modernization and reconstruction of facilities in 55 railway stations. They will be adjusted to the needs of different persons, including with disabilities.

App. 2 billion EUR has been allocated from the CF for supporting public transport. The implemented projects have a positive impact on the principle of non-discrimination and equal opportunities for women and men, including accessibility for people with disabilities - they include the purchase of modern bus and tram fleet, reconstruction of the bus infrastructure or interchanges.

5. Contribution to the Sustainable Development Goals (SDGs)

The Cohesion Fund contributes directly to 8 SDGs. The overall mission of the Funds is to reduce economic, social, and environmental territorial disparities, therefore targeting SDG10 on reduced inequalities on medium to long term. The distribution of investments across SDGs is illustrated in the table below. Of these, 80% of investments are planned for objectives under the goals of industry, innovation and infrastructure (SDG9), clean water and sanitation (SDG6) and responsible production and consumption in the circular economy (SDG12).

As regards implementation by December 2018 the data for projects selection indicates significant progress, with selection rates above 50% of the planned allocation for almost all SDG, and above 80% for SDG13, SDG9, SDG6 and SDG7.

Contribution of Cohesion Fund to SDGs

SDG	SDG Title	EU amount planned	% of total	Total amount planned	Eligible cost of selected operations	Selection rate
SDG6	Clean water and sanitation	11.272	18%	13.299	11.706	88%
SDG7	Affordable and clean energy	4.303	7%	5.310	4.386	83%
SDG8	Decent work and economic growth	50	0%	59	16	26%
SDG9	Industry, innovation, infrastructure	35.665	56%	41.285	39.073	95%
SDG11	Sustainable cities and communities	1.631	3%	1.934	1.200	62%
SDG12	Responsible consumption and production	3.818	6%	4.522	2.359	52%
SDG13	Climate action	2.971	5%	3.495	3.524	101%
SDG15	Life on land	1.320	2%	1.580	1.111	70%
No SDG assigned		2.251	4%	2.648	1.749	66%
Total		63.281	100%	74.131	65.125	88%

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

The data reported by Member States in relation to ERDF and CF by the end of 2017 demonstrate a positive trend in setting up financial instruments (FI). Managing authorities in 24 Member States reported information concerning the progress in setting financial instruments. The total volume of operational programme contributions committed to the financial instruments at end 2015 amounts to EUR 17.9 billion, out of which EUR 13.5 billion of ERDF and CF. EUR 5.3 billion of the amounts committed has been paid to financial instruments, including EUR 4.3 billion ERDF and CF. Payments to final recipients amounted to EUR 1.9 billion.

Leverage of additional resources already reported in some financial instruments in the first reporting exercises demonstrates the role and ability of ERDF and CF to mobilise and attract private capital for the benefit of final recipients and to the wider Cohesion policy objectives. Based on the information provided, expected leverage for loans varies between 1.3 and 3.1, for equity leverage is expected between 1.3 and 4, while for the two guarantee instruments it is estimated that loans provided by commercial banks with the support of the guarantee facility will be 4 to 5 times higher than the ERDF contribution to the guarantees. Compared to the forecasts, the evidence in a number of cases demonstrates a significantly higher leverage achieved.

7. Programme related additional information

*Programmes' implementation 2014-2020 (Common Strategic Framework)**

Thematic objectives of the Common Strategic Framework	Commitments 2014-2020 EUR million (1)	Cumulative payments declared by Member-states at end 2018 (2)	(2)/(1)%
1. Supporting the shift towards a low carbon economy in all sectors Outputs:	9 478.52	1 685.14	18%
2. Promoting climate change adaptation, risk prevention and management Outputs:	2 827.49	450.26	16%
3. Preserving and protecting the environment and promoting resource efficiency Outputs:	15 095.26	2 356.87	16%
4. Promoting sustainable transport and removing bottlenecks in key network infrastructures Outputs:	38 730.02	8 337.54	22%
5. Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration Outputs:			
Other amounts not linked to the 11 thematic objectives above	2 517.33	873.34	35%
TOTAL	74 822.26	19 698.77	26%

* The data presented cover all adopted MS' Partnership Agreements, as well as all operational programmes.

Information on the predecessor programme 2007 – 2013

DG Regional and Urban Policy is not requesting the inclusion of payment appropriations for these lines in the 2020 draft budget. The final achievements of 2007-2013 programme implementation were reported in the 2019 programme statement.

HEADING 1B: Economic, social and territorial cohesion

Fund for European Aid to the Most Deprived

Lead DG: EMPL

I. Overview

What the programme is about?

The Fund for European Aid to the Most Deprived (FEAD) supports EU countries' actions to provide assistance to the most deprived. This includes food, clothing and other essential items for personal use, e.g. shoes, soap and shampoo. Material assistance needs to go hand in hand with social inclusion measures, such as guidance and support to help people out of poverty. National authorities may also support stand-alone social inclusion measures that help the most deprived people integrate better into society. The FEAD complements existing cohesion instruments, in particular the ESF, by providing assistance to those who too far from the labour market to benefit from the activation measures of the ESF.

EU added value of the programme

The Europe 2020 strategy for smart, sustainable and inclusive growth is based on a balanced vision of economic growth and social progress based on ambitious targets for employment, education and for poverty reduction. Poverty and social exclusion are major obstacles to the achievement of the Europe 2020 objectives.

By addressing basic needs, the instrument helps moderate the effects of poverty and social exclusion of people who find themselves in situations of severe deprivation. By enabling the most deprived members of the society to maintain their dignity and human capital it should contribute to strengthening social capital and social cohesion within their communities.

The mid-term evaluation shows that FEAD has a notable volume effect in nearly every Member State. The scope effect of FEAD can be clearly observed in terms of new target groups and new activities and greater territorial coverage. There is also evidence of considerable process effects in terms of mutual learning.

Implementation mode

Directorate-General for Employment, Social Affairs & Inclusion (DG EMPL) is the lead DG for the programme implementation. The programme is implemented through shared management with the Member States.

II. Programme Implementation Update

Implementation Status (2016-2018)

In June 2018, Member States submitted their annual implementation reports for 2017. FEAD was used to alleviate the worst forms of poverty in the EU such as food deprivation, child poverty and homelessness. Despite its limited scope, FEAD has shown that it truly complements national efforts to address material deprivation and combat poverty and social exclusion. By the end of 2017, FEAD was achieving results in 26 Member States, either in terms of provision of material aid and social inclusion measures. The implementation on the ground is also reflected in the financial execution: since 2014 and by 31/12/2018 the Commission had made payments in the amount of EUR 1,37 billion, out of which EUR 955 million in the form of interim payments and EUR 419,5 million in the form of pre-financing.

The outputs and results described above indicate that FEAD objectives are on track to be achieved, and with the exception of the UK, there is no case of de-commitment.

Key achievements

The 2017 implementation reports point towards the following programme achievements:

- **Around 12,9 million people were supported in 2017** by FEAD which is above the average outcome for 2014-2017 (12,7 million people supported, see below under "evaluation")
- About half of the end recipients are women, 30 % children aged 15 or below and about 10% migrants, participants with a foreign background or minorities (including marginalised communities such as the Roma).
- Social inclusion support reached more than 36,000 persons in 2017.
- 370,000 tonnes of food were distributed in 2017 and over 1,3 million cumulatively during the period 2014-2017.
- The monetary value of material support distributed until 2017 reached EUR 19.5 million. Compared to 2016, the monetary value of basic material assistance increased by 25%.

To illustrate the achievements of the Fund on the ground, the following examples are extracted from the annual FEAD case studies publication²⁷⁹, and in the FEAD Summary annual implementation reports.

- In Portugal, a FEAD programme focusing on food aid is delivered. Emphasis is put on distributing food that allows for a balanced, healthy diet. Food baskets are delivered to beneficiaries on a monthly basis and offer 50% of the nutritional needs that an individual requires. The food baskets are composed of 18 food products that include refrigerated, frozen and dry products as well as fresh products such as meat and poultry.

- In Germany, a FEAD programme focusing on social inclusion outreach is delivered. Germany was particularly effective at reaching newly arrived adults (mostly from Roma community) and homeless people and at improving their access to existing counselling and support measures. Indeed, **over 80 % of those newly arrived adults and homeless people reached were able to make use of existing social services after participating in the social inclusion activities in 2017.**

By the end of 2018, 13 FEAD Network meetings were held, dedicated to different aspects of FEAD, including social inclusion, outreach to the most deprived, preventing food waste, homelessness and accompanying measures. The meetings allowed participants to present case studies, share challenges and solutions on issues of common interest in the delivery of FEAD activities.

Evaluations/studies conducted

Following the Regulation requirements, Managing Authorities implementing food and/or basic material assistance operational programme (Operational Programme I) carried out a structured survey on end recipients in 2017. These surveys, together with the findings of an external evaluation, and the results of the open public consultation were used for the Commission mid-term evaluation of FEAD.

The Commission Staff Working Document (SWD)²⁸⁰ shows the following results beyond those on EU added value;

- FEAD is effectively providing much needed food and basic material assistance to a large number of most deprived and is complemented by accompanying measures providing guidance and advice, aiming at their social inclusion. FEAD is also adaptable and responsive to emerging needs. All horizontal principles (gender and equal opportunities, respect of dignity, partnership) are relevant, but food waste reduction through donations could be improved. FEAD is a means to free up financial resources of end recipients for other goods/services.
- A notable impact of FEAD in some countries is **the increased capacity and professionalization of partner organisations** as well as of the organisations involved in the distribution of assistance.
- FEAD is coherent and complementary to the national systems for poverty alleviation, as it has widened the number and type of end recipients reached. FEAD is coherent with the Europe 2020 Strategy, as well as with the newly adopted European Pillar of Social Rights. It complements other EU funds, notably the European Social Fund and the Asylum, Migration and Integration Fund by targeting different groups or providing complementary measures.
- There are large variations in costs per food and costs per person across Member States, due to the different types and frequency of support provided, and the nature of target groups.
- The discontinuation of the FEAD would have significant consequences in many Member States, where FEAD is the main food and material assistance provider. FEAD provides unique social inclusion services to target groups who would otherwise receive no comparable support.
- Stakeholders value and stress the need to preserve the fund specific aspects such as flexibility and generally the less stringent administrative requirements compared to the mainstream ESF programmes, along with the established networks and operational delivery modes. Low thresholds allow aid to be provided to persons not reached by the social services such as homeless, new or undocumented migrants or elderly people at the risk of poverty. It also allows responding quickly to emerging needs and crisis situations. The delivery of aid is mostly based on NGOs relying on volunteers and generally cost-efficient. Much of the administrative burden stems from requirements imposed at MS level, such as narrow definitions on eligibility.
- Member States are encouraged to follow the Regulation closely to avoid ‘gold plating’, and those Member States who implement the programme without adding excessive requirements should be encouraged to share their experience. FEAD’s efficiency could be further improved by building the capacity of programme authorities and partners to implement FEAD. There is scope for requiring more evaluations from Member States and expanding the scope of structured surveys of end recipients.

The mid-term evaluation of FEAD will be presented to the European Parliament and to the Council.

Forthcoming implementation (2019-2020)

The programmes will continue to support to around 13 million people annually among the most deprived. The years 2019 and 2020 will be marked by the preparations of programming of the ESF+ (merging of FEAD with the ESF) for the period 2021-2027 whilst the negotiations of the co-legislators on the future ESF+ continue. Most Member States had a well-established and functioning programme in place that was under constant review and improvement by Managing Authorities. The provision of basic material assistance, initially lagging behind, has recently unfolded as second important component of OP I support. A few specific target groups, and in particular the homeless, have been reached in higher numbers than previously. However, there are some Member

²⁷⁹ <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8165&furtherPubs=yes>

²⁸⁰ SWD Mid-term evaluation of the Fund for European Aid to the Most Deprived (SWD(2019) 148)

States that by 2017 were still in an early phase of implementation and/or experienced a setback in delivery, such as in Romania, resulting in an aggregated drop of food aid delivery figures. It should also be taken into account that Member States provide the Commission with estimations about the number of end recipients, rather than an actual count of the individuals benefitting from the Fund.

The Commission plans to adopt the summary of the 2017 FEAD annual implementation reports in quarter 2 of 2019. The document is based on Member States' reports and includes a detailed Annex with information on indicators.

The Commission is planning four events of the FEAD Network in 2019 to facilitate the exchange of practices and knowledge sharing between Member States, starting with an event on tackling poverty among children. Moreover, in the context of the FEAD Network, further communication/dissemination activities will take place, such as study visits, elaboration of thematic dossiers on topics related to the scope of FEAD, as well as elaboration and publication of catalogues on case studies. In addition, the Commission organises an annual meeting with the EU level organisations representing the partners at national level.

Outlook for the period 2021-2027

In the Commission's proposal for the next Multiannual Financial Framework, the current FEAD is integrated into the ESF+.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 223/2014 of the European Parliament and of the Council of 11 March 2014 on the Fund for European Aid to the Most Deprived	2014 - 2020	

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Total	502,0	536,6	535,1	546,3	556,9	567,8	579,7	3 824,5

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	556,875	99,96 %	361,400	96,02 %	567,780	99,79 %	401,200	17,89 %
Authorised appropriations (*)	556,875	99,96 %	368,108	96,03 %	567,780	99,79 %	401,376	17,89 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To promote social cohesion, enhance social inclusion and therefore ultimately contribute to the objective of eradicating poverty in the Union in accordance with the Europe 2020 Strategy

Baseline (in million)	Milestones foreseen				Target 2020
2013: 122,9	2014	2015	2016	2017	At least 20 million people fewer than in 2008 (116,2)
	Actual results				
	122,0	119,0	118,0	113,0	

Data from EUROSTAT - [t2020_50] - People at risk of poverty or social exclusion

Specific objectives

Specific Objective 1: Alleviating the worst forms of poverty in the Union by providing non-financial assistance to the most deprived persons

Indicator 1: Number of persons receiving assistance from the Fund

Baseline	Milestones foreseen ²⁸¹						Target 2020 ²⁸²
	2014	2015	2016	2017	2018	2019	
0*	8 million	15 million	15 million	15 million	15 million	15 million	98 million
	Actual results						
	8,19 million	13,76 million	15,92 million	12,92 million			

²⁸¹ Annual values

²⁸² Cumulative value

* The FEAD is a new fund, hence with a baseline at 0. The figures used in the framework of the food assistance programme are established through a methodology which does not yield figures that could be comparable to the one of the new FEAD, thus they cannot be used as a baseline.

FEAD supported on average 12,7 million persons per year between 2014 and 2017. There is an overall upward trend in delivery. In 2017, the aggregated drop can be explained by the non-delivery of aid in RO which supported more than 3 million persons in 2016. Nevertheless, half of the Member States reached in 2017 more people than in 2016 showing a solid reach on the ground. It is estimated that cumulatively between 2014 and 2017, 49% of end-recipients were women, close to 30% of end-recipients were children, 9% of end-recipients were persons aged 65 years or above, and 11% of end-recipients were migrants, participants with a foreign background, minorities (including marginalised communities such as the Roma), 5% of end-recipients were persons with disabilities and 4% of end-recipients were homeless persons.

In 2014, the Commission and the Member States agreed on a common set of output and result indicators on which the Member States report annually (in the annual implementation reports) from 2015 to 2024 for both OP I type of programmes (food aid and/or basic material assistance) and OP II type of programmes (social inclusion support). The reporting is done at programme level. As there is no requirement for Member States to set targets for those common indicators, the Commission made forecasts based on actual performance to establish the milestones and 2020 target. The next set of data on 2018 achievements will be delivered by the managing authorities by 30 June 2019.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of deprived persons receiving assistance from the Fund	04 06 01	15 million	576,61
Total			

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of deprived persons receiving assistance from the Fund	F	8 million	15 million	15 million	15 million	15 million	15 million	15 million
	P	8,19 million	13,76 million	15,92 million	12,92 million	Information due mid-2019*		

* Note concerning all tables for FEAD indicators: data for 2018 will be submitted by end of June 2019 by Member States.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

20 million less people should be at risk of poverty

100% of budget line 04 06 01 is dedicated to Europe 2020 priorities.

Gender mainstreaming

Article 5(11) of the FEAD Regulation obliges Member States to ensure that equality between men and women and the integration of the gender perspective are taken into account during the various stages of programme implementation. Based on the information provided in the 2017 implementation reports, about half of all persons who benefited from FEAD in 2015 are women. In the majority of cases, the most deprived individuals are identified on the basis of economic criteria, which prevent discrimination in access to aid based on gender, origin, religion or belief, disability or sexual orientation. This is however a general principle applied across the implementation of the programme and it is not relevant to produce estimate of budget contributions.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere: The FEAD promotes social cohesion, enhances social inclusion and ultimately contributes to achieving the EU2020 poverty reduction target. The FEAD contributes to the specific objective of alleviating the worst forms of poverty by providing non-financial assistance to the most deprived persons.

SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture: Approximately 87% of the support of the fund has been allocated to reducing food deprivation.

SDG 10 Reduce inequality within and among countries: The FEAD also finances specific actions to promote the social inclusion of the end recipients.



HEADING 2

Sustainable growth: natural resources

2: Sustainable growth: natural resources

HEADING 2: Sustainable growth: natural resources

Common Agricultural Policy (CAP) - European Agricultural Guarantee Fund (EAGF) and European Agricultural Fund for Rural Development (EAFRD)

EU added value (ex-ante) CAP

The Common Agricultural Policy (CAP) is a policy of strategic importance to: viable food production; the sustainable use of natural resources, and climate action; and balanced territorial development. Through these three general objectives it contributes to the smart, sustainable and inclusive growth described in the Europe 2020 strategy, while also helping to achieve the 2014-2020 Commission priorities and many of the United Nations Sustainable Development Goals (SDGs). In this regard, the sector has increased its productivity by nearly 9% since 2005 while cutting greenhouse gas (GHG) emissions by 24% since 1990 and reducing fertiliser use with a positive impact on water quality. Moreover, the CAP enabled the development of the most integrated single market. Thanks to the CAP, the EU farm sector is able to respond to citizens' demands regarding food security, safety, quality and sustainability.

It does so through a range of policy tools which offer finance to the farm, food and forestry sectors, as well as to various other entities operating in rural areas – such as other non-agricultural businesses, non-governmental organisations (including environmental bodies) and local authorities. Impact assessment work carried out to prepare the legislative proposals for the 2013 CAP reform clearly showed a high economic, environmental and social cost of "no policy action" in this domain.

The CAP is a genuinely "European" policy. Although Member States enjoy significant powers concerning detailed implementation of the CAP – and although support for rural development under the second pillar of the CAP draws not only on EU level but also national, regional and private funds – the policy is clearly "common", based on well-defined rules and mechanisms and funded primarily by the EU budget. Such a common policy allows a more effective response to transnational goals and cross-border challenges - such as food security, mitigating climate change, enhancing biodiversity and contributing to economic and social cohesion. It also ensures a level playing field in the single market and a stronger position in trade negotiations. The fact that the CAP accounts for a significant proportion of the EU budget flows naturally from its ambitious scope and from this status as an EU level policy. However, the overall approach offers both the most effective response to the policy challenges identified and the most efficient use of budgetary resources, as the running of 28 different and competing national policies would be less effective and more costly. Nevertheless, the approach also allows sufficient flexibility in implementation to cater for local needs.

General objectives

The information provided for general objectives is equally applicable to the EAGF and EAFRD

General Objective 1: To promote a viable food production							
Indicator 1: Agricultural factor income (Definition: Real net value added at factor cost per annual work unit (AWU) (EU-28) ²⁸³)							
Former results (2012)	Actual results						Long term target
	2013	2014	2015	2016	2017	2018	
14 865	15 462	15 704	15 201	15 544	17 304		To increase

Source of the data: Eurostat – Economic Accounts for Agriculture (calculations by DG AGRI)
Eurostat has also updated values for previous years

Indicator 2: Agricultural productivity							
Former results (2005)	Actual results						Long term target
	2014	2015	2016	2017	2018	2019	
Index 2005 - 100	106.4	107	109.4	109.5			To increase

Source of the data: DG AGRI calculation based on Eurostat data

Indicator 3: EU commodity price variability							
Former situation				Evolution			Long term target
Coefficient of variation Commodity	World Jan 2015- Dec 2017	EU Jan 2015- Dec 2017		Coefficient of variation Commodity	World Jan 2016- Dec 2018	EU Jan 2016- Dec 2018	EU variability lower than the world market
Beef	9%	2%		Beef	7%	3%	
Poultry	12%	3%		Poultry	14%	2%	

²⁸³ Change in baseline necessary in order to align the definition with the agreed method for the underlying CAP impact indicator.

Pig	16%	10%	Pig	17%	9%
Soft wheat	10%	7%	Soft wheat	9%	10%
Maize	6%	5%	Maize	5%	6%
Barley	9%	10%	Barley	15%	14%
Butter	30%	29%	Butter	24%	25%
Cheese (Cheddar)	13%	9%	Cheese (Cheddar)	13%	9%
Skimmed milk powder (SMP)	14%	9%	Skimmed milk powder (SMP)	10%	12%
Whole milk powder (WMP)	18%	14%	Whole milk powder (WMP)	15%	13%

Source of the data: DG AGRI

Regarding the higher price variability in the EU than in the world for wheat and maize, butter and skimmed milk powder, 1 pp difference is not considered very significant.

For wheat and maize, it can be explained by the effect of drought in the EU which led to a slightly higher increase of EU crop prices. Regarding butter it could be explained by the shortage of dairy-fat on the EU market due to lower milk production and lower fat content in main EU butter producing countries which led to a higher price increase than in Oceania. For SMP, the high intervention stock of SMP in the last years and the significant release on the market end of 2018 led to a slightly stronger decline of EU prices compared to Oceania.

General Objective 2: To promote a sustainable management of natural resources and climate action

Indicator 1: Emissions from agriculture

Former situation	Evolution	Long term target
Greenhouse gas emissions from agriculture (incl. cropland and grassland) 485 378 (2015) (in 1 000 t of CO2 equivalent) ²⁸⁴	490 098 (2016) (in 1 000 t of CO2 equivalent) Long-term trend	To decrease

Source of the data: Annual European Union GHG inventory (sectors 3.a, 3.b, 3.c, 3.d, 4.c and 4.d). The inventory is based on national submissions to the UNFCCC and to the EU Monitoring Mechanism of CO2 and other GHG emissions. It is compiled and held by the European Environment Agency (EEA) and the European Topic Centre on Air and Climate Change (ETC/ACC) and data are published in the Eurostat database.

Indicator 2: Water abstraction in agriculture: volume of water applied to soils for irrigation purposes

Former situation	Evolution						Long term target	
No reliable EU aggregate figure available; data can only be compared for individual countries over time (see table on the right)	Water abstraction for agriculture - irrigation Fresh surface and groundwater Million cubic metres						To decrease	
		2010	2011	2012	2013	2014		2015
	Belgium	:	:	:	:	:		:
	Bulgaria	753.4	866.6	768.4	549.0	436.6		675.7
	Czech Republic	19.7	21.6	25.3	13.9	16.8		31.8
	Denmark	180.7	242.4	96.9	:	:		:
	Germany	179.6	:	:	:	:		:
	Estonia	:	:	:	:	:		:
	Ireland	:	:	:	:	:		:
	Greece	:	8 232.2	8 232.2	8 232.2	8 232.2		8 232.2
	Spain	21 300.0	22 514.0	23 369.0	:	20 013.7		:
	France	3 033.1	3 035.7	2 913.2	:	:		:
	Croatia	8.5	0.0	:	:	:		:
	Italy	:	:	:	:	:		:
	Cyprus	148.4	163.6	170.0	166.6	147.3		164.2
	Latvia	:	:	:	:	:		:
Lithuania	1.2	0.9	1.0	:	0.9	0.9		
Luxembourg	0.0	:	:	0.0	0.0	0.1		

²⁸⁴ Values have changed compared to figures provided in the previous Programme Statement because the EEA has updated figures also for previous years.

	Hungary	:	99.0	132.5	154.1	98.0	110.0
	Malta	25.7	22.6	24.1	29.0	28.6	28.0
	Netherlands	82.3	81.1	23.0	:	:	:
	Austria	18.0	:	:	:	:	:
	Poland	75.1	83.1	80.1	78.5	80.8	84.9
	Portugal	:	:	:	:	:	:
	Romania	235.0	325.0	371.0	343.0	226.0	364.0
	Slovenia	1.6	3.2	2.2	3.6	1.7	3.6
	Slovakia	7.0	11.9	21.1	16.6	13.7	21.6
	Finland	:	0.0	:	:	:	:
	Sweden	62.0	:	:	:	:	:
	United Kingdom	103.9	117.8	49.0	:	89.2	:

Source of the data: Eurostat – environment statistics

General Objective 3: To promote a balanced territorial development

Indicator 1: Rural employment rate (EU-28)

Former results	Actual results						Target 2023
	2013	2014	2015	2016	2017	2018	
63.4% (2012) 62.5% (2011) 62.7 % (2010)	63.5%	64.3%	65.1%	66.0%	67.7%		To increase

Source of the data: Eurostat – Labour Force Survey

Programme contribution to the Sustainable Development Goals

The information provided for general objectives is equally applicable to the EAGF and EAFRD

<i>End poverty in all its forms everywhere</i>	The CAP aims to ensure a fair standard of living for farmers – and more broadly, to reduce poverty in rural areas. Relevant CAP tools include direct payments to farmers, market support instruments, and rural development support for job creation and training (agricultural and non-agricultural). At global scale, with 80% of the very poor depending on agriculture for their livelihoods, the EU is facilitating responsible private investments in developing countries, notably in the agri-food sector to create growth and jobs and address root causes of irregular migration.
<i>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</i>	The CAP aims to help provide a stable (as well as safe and sustainably produced) supply of food at reasonable prices for consumers. Doing so for EU consumers contributes in itself to global food security. The EU makes a further contribution by supplying large amounts of food (worth around EUR 120 billion a year) according to global demand and without any export refunds, in contrast to previous decades. Relevant CAP tools include direct payments and market instruments (to safeguard production potential against serious disruption), the EU School Scheme (which encourage healthy diets among schoolchildren), and various tools which foster the environmental aspect of sustainability (see SDG 15).
<i>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</i>	The CAP aims to improve knowledge transfer in the farm and forestry sectors and in rural areas overall, as a means of improving sustainability and productivity of agriculture and the economic, environmental and social conditions in rural areas. Relevant tools include support through rural development programmes for training, coaching, workshops, demonstration projects, use of tailored advice etc. – for persons engaged in the agriculture, food and forestry sectors, as well as for land managers and SMEs operating in rural areas.
<i>Ensure availability and sustainable management of water and sanitation for all</i>	The CAP aims to foster sustainable management of natural resources. This explicitly includes the objectives of improving water management (including in terms of water quality) and making the farm sector more water-efficient. Pertinent tools include the water-relevant components of cross-compliance and "greening" (see SDG 15 for further information), various payments through rural development programmes to make farming less intensive (especially agri-environment-climate measures), and support for investments in more efficient irrigation systems.
<i>Ensure access to affordable, reliable, sustainable and</i>	The CAP aims to increase efficiency of energy use in farming and food processing, as well as to facilitate the supply and use of renewable sources of energy. Relevant tools include rural development support for investments in generating renewable energy (including on the farm) and in infrastructure for its distribution – with regard to biomass and other

<i>modern energy for all</i>	renewable sources (for solar, geothermal and wind power).
<i>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</i>	The CAP aims to improve the viability of all types of agriculture in all regions, as well as to foster wider social inclusion and reduce poverty in rural areas. Relevant tools include direct payments and market instruments (for the development of the farm sector, to which many other sectors are connected), the recent initiative to tackle unfair trading practices, as well as risk management tools and rural development support for business start-ups (for new young farmers and non-agricultural businesses) and investments in further business development.
<i>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</i>	The CAP aims to foster innovation in agriculture, forestry and rural areas, as well as to help provide what is needed for general economic development in rural areas (including access to IT services). Relevant tools include rural development support for the development of new products, practices, processes and technologies in the agriculture, food and forestry sectors (especially through the European Innovation Partnership for Agricultural Productivity and Sustainability) as well as for broadband infrastructure, general small-scale infrastructure and training.
<i>Ensure sustainable consumption and production patterns</i>	One of the CAP's main objectives is to provide a stable, sustainably produced supply of safe food at affordable prices for consumers. This includes for examples an EU framework on organic farming, and the integration of environmental concerns, such as biodiversity, water management and use and climate change, into the CAP. The CAP is committed to sustainable use of natural resources and the environmentally-sound management of waste, also for food losses. With regard to the key tools which help to ensure environmentally sustainable production, see SDG 15.
<i>Take urgent action to combat climate change and its impacts</i>	The CAP aims to assist climate change mitigation and adaptation . Relevant tools include those elements of cross-compliance and "greening" (see SDG 15) pertinent to climate change - as well as rural development support for a range of practices and investments that cut greenhouse gas and ammonia emissions from farming (e.g. through more climate-friendly equipment), fix carbon in the soil (e.g. through forest-planting) and make farming more climate-resilient (e.g. with less water-intensive cropping patterns).
<i>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</i>	The CAP aims to ensure the sustainable use of natural resources – including in terms of biodiversity, soil, water and landscapes. A wide range of tools are relevant. Within the system of direct payments to farmers, "cross-compliance" links payments to various basic environmental standards. Beyond that, the "greening" layer of the system rewards farmers for implementing crop diversity, preserving permanent grassland and maintaining biodiversity-friendly zones or landscape features. Within rural development policy, various area-based payments help farmers to pursue organic farming, implement certain Natura 2000 requirements, farm sustainably in areas facing natural disadvantages (especially mountainous areas), and (through agri-environment-climate measures) make extra efforts to benefit soil, water, air and wildlife. Support for eco-friendly investments can cover resource-efficient technologies, establishment of landscape features, and various forest-related activities (planting, protection against fire and other natural threats etc.) Support for training, the use of advice, and innovation is also relevant.

Outlook for the 2021-2027 period

The information is equally applicable to the EAGF and EAFRD

On 1 June 2018, the European Commission presented legislative proposals on the Common Agricultural Policy (CAP) for the period post 2020. These proposals aim to make the CAP more responsive to current and future challenges such as climate change or generational renewal, while continuing to support European farmers for a sustainable and competitive agricultural sector.

- Proposal for a Regulation of the European Parliament and of the Council establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council (COM(2018) 392)
- Proposal for a Regulation of the European Parliament and of the Council on the financing, management and monitoring of the Common Agricultural Policy and repealing Regulation (EU) No 1306/2013 (COM(2018) 393)
- Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products, (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, (EU) No 228/2013 laying down specific measures for agriculture in the outermost regions of the Union and (EU) No 229/2013 laying down specific measures for agriculture in favour of the smaller Aegean islands (COM(2018) 394).

In addition, the Commission has also made a proposal providing certainty and continuity in the granting of support to European farmers in the years 2019 and 2020 (COM(2018) 817 of 07/12/2018). The proposal was adopted by the co-legislators on 13/02/2019.

European Agricultural Guarantee Fund (EAGF)

Lead DG: AGRI

Associated DGs: ESTAT

I. Overview

What the programme is about?

The EAGF limits the loss of viable jobs and output within the farm sector and many sectors which depend on it, improves care for the environment and responds to consumer expectations in terms of food security, food safety, food quality and food nutrition. Direct payments provide a basic protection of farm income against the particular shocks to which agriculture is exposed (notably price- and weather-related). At the same time, direct payments are closely tied to requirements and offer public benefits of importance to EU citizens. Cross-compliance links direct payments to standards concerning the environment, food safety, animal and plant health and animal welfare throughout the EU. Furthermore the "greening" layer of direct payments rewards farmers for additional environmental care (related to crop diversity, permanent grassland and ecologically beneficial zones or landscape features).

The Common Market Organisation provides a framework of rules on issues such as market support measures, product standards, labelling and producer cooperation, helping farmers in times of severe market disturbance, strengthening the competitiveness of farmers and supporting the well-functioning of the internal market.

EU added value of the programme

Within the EAGF, direct payments provide relative income stability to farmers facing significant price and production volatility - which helps to keep the EU's vital high-quality food production base spread around the Union. Market instruments support increasing the potential of certain sectors, organisation and quality improvement and supplement the protection offered by direct payments, stabilising markets in times of serious disturbance. At the same time, the EAGF is closely tied to requirements and public benefits of importance to EU citizens. Cross-compliance links direct payments to standards concerning the environment, food safety, animal and plant health and animal welfare throughout the EU, while the "greening" layer of payments rewards farmers for additional environmental care (related to crop diversity, permanent grassland and ecologically beneficial zones or landscape features). Finally, the EAGF's Common Market Organisation provides a framework of rules on issues such as market support measures, product standards and labelling. The overall effect is that the EAGF helps to limit losses of viable jobs and output (within the farm sector and the many sectors which depend on it), improve care for the environment and meet consumer expectations. It thus encourages smart, sustainable and inclusive growth, helping to achieve the CAP objectives of viable food production, sustainable management of natural resources (with climate action) and balanced territorial development.

The EAGF adds value by operating at EU level primarily in three ways. First, it responds more effectively and efficiently to cross-border challenges – such as underpinning food security, mitigating climate change, caring for natural resources such as soil, air and water, restoring biodiversity and strengthening economic and social cohesion. Secondly, it preserves a level playing field in the single market. Finally, it makes possible a stronger common position in trade negotiations.

Evaluations of the various elements of the CAP are conducted on a regular basis and their results are incorporated in impact assessments preparing new initiatives. The indicators set out in the context of the common monitoring and evaluation framework²⁸⁵ will serve as a basis for future evaluations. Based on these, results on the performance of the CAP were presented in 2018 in a report to the European Parliament and Council²⁸⁶.

Implementation mode

Directorate-General for Agriculture and Rural Development (DG AGRI) is the lead DG for the programme implementation. The bulk of CAP expenditure is implemented through shared management with the Member States for interventions in agricultural markets and direct support (EAGF) as well as rural development (EAFRD). Implementation vis-à-vis final beneficiaries is delegated to the Member States, while the Commission is responsible for the implementation of the overall legal framework, budget implementation and for Member States' supervision. The CAP legislation provides that Member States shall accredit Paying Agencies which are dedicated bodies responsible for the management and control of Union funds, notably payments to beneficiaries and financial reporting to the Commission.

Only a fraction of CAP expenditure concerns actions under direct management by the Commission: contracts are concluded directly with third parties to supply the Directorate General with data, studies, promotion activities and information and communication activities, etc. An important part of the operational management of the promotion of agricultural products is delegated to the Consumers, Health, Agriculture and Food Executive Agency (CHAFEA).

²⁸⁵ Commission Implementing Regulation (EU) No 834/2014 of 22 July 2014 laying down rules for the application of the common monitoring and evaluation framework of the common agricultural policy.

²⁸⁶ Report from the Commission to the European Parliament and the Council on the implementation of the Common Monitoring and Evaluation Framework and first results on the performance of the Common Agricultural Policy (COM(2018) 790 final)
https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/key_policies/documents/report-implementation-cmef_december2018_en.pdf

II. Programme Implementation Update

II.1 Implementation Status 2015-2018

For the EAGF implementation during the initial years of the MFF 2014-2020 has been largely as expected, except for some exceptional market support measures of limited duration that were adopted in years 2014-2017.

Market related expenditure. Within the Common Market Organisation (CMO), sector-specific support programmes are operating at various points in their respective life cycles. For example, for the wine national support programmes, 2019-2023 is the third programming period since the reform in 2009. Support in the wine programmes is concentrated in restructuring of vineyards and wine promotion. The apiculture programmes follow a three-year programming period, with the upcoming programmes covering 2020-2022. Support for producer organisations in the fruit and vegetables sector is implemented on the basis of annual plans. The previous triannual support programmes to producers' and inter-branch organisations in the olive oil and table olives sector were finalised in March 2018. The new triannual support programmes were renewed in April 2018 implementing some simplification adopted in 2017.

The EU school fruit, vegetables and milk scheme, bringing together the former school fruit and school milk schemes under a single legal framework, applied for the first time in school year 2017/2018. In October 2018, the Commission hosted a meeting with representatives from EU institutions, national governments and other public and private bodies (business, trade organisations, environment and health NGOs, civil society) to take stock of achievements, learn from good practices and reflect on possible further improvements. It showed concrete examples of the enhanced health and educational dimension of the reformed scheme.

Additional market support measures such as private storage aid and public intervention for certain dairy products or exceptional support measures for certain producers of fruit and vegetables adopted in the wake of the Russian import embargo since the second half of 2014 were progressively discontinued between 2016 and 2018 thanks to an improvement of the market situation in the sectors concerned. Public stocks of skimmed milk powder bought in between 2015 and 2017 were gradually placed back to the markets particularly in fall and winter 2018.

In general, implementation is on track with a positive evolution of the execution over the years and no significant implementation difficulties.

Direct payments. For direct payments, financial years 2014 and 2015 covered pre-reform schemes. In addition, in 2015 the EAGF covered already some elements of the 2013 CAP reform, including the convergence of the direct payments' aid levels between Member States ("external convergence"). As of financial year 2016, the new structure of direct payments has been financed. Beyond the compulsory elements of the new direct payments schemes, Member States have considerable flexibility in the implementation, following their main implementation choices made in 2014. These choices allow Member States to target support at their specific priorities.

The Commission services have since 2014 assisted Member States in preparing and implementing the reformed direct payments through, for example, guidance documents or discussions in expert group meetings. While in financial year 2016, payments to farmers were in certain cases made later than usual, as of financial year 2017, the implementation has returned to a normal rhythm and thanks to the Commission assistance is more and more uniform across Member States. This implementation of the direct payments has been also accompanied by a green Declaration of Assurance from the European Court of Auditors for 2016 - the first year of implementation of post 2013 reform direct payments schemes. Direct payments were free from material error again in 2017.

In general, implementation is on track with a positive evolution of the execution over the years, with for example a good progress noted for the use of the ceiling for the young farmers scheme.

II.2 Key achievements

Market related expenditure. The EU no longer offers agricultural export refunds. However, with fairness and economic efficiency, the CAP strengthens the farm and agri-food sectors' ability to compete on overseas as well as domestic markets. After several years where market support measures in the fruit and vegetables and livestock sectors have helped rebalance the sectors concerned, 2018 corresponded to a substantial market stabilisation²⁸⁷: the exceptional withdrawal measures in fruit and vegetables sector were discontinued as of mid-2018; over 357 000 tonnes of public intervention stocks of skimmed milk powder (SMP) were sold, reflecting the improved situation on the dairy market. European agriculture showed its resilience after the recent crises, finding alternative domestic markets and abroad (in particular in Asia and the US), as evidenced by the trade statistics.

Total export values over the last 12 months reflect a consolidation in 2018 of the 2017 recovery (- EUR 645 million of agri-food exports for the 12 last months following a + EUR 6.4 billion between 2017 and 2016). Exports of processed products, food preparations and beverages kept on increasing in 2018 by +2.5%, while exports of commodities and other primary products decreased by 2.5%. This is the case for wine confirming the success of wine national support programmes witnessed by the long-term development of EU wine exports - which, between 2012 and 2018, continued to increase in value from EUR 8.9 billion to EUR 12.2 billion and bring now a net contribution of EUR 9.5 billion to the EU trade surplus. Sugar exports have been increasing

²⁸⁷ Between 2015 and 2017, as a result of the combined effect of the end of milk quotas and the Russian ban on a.o. dairy products, milk prices for farmers dropped substantially. Market interventions, including buying up temporarily excess quantities into intervention stocks helped to stabilise the market and prevent the worst for the EU dairy sector. Likewise, exceptional support measures for certain producers of fruit and vegetables have been adopted in the wake of the Russian import embargo since the second half of 2014. They were progressively discontinued between 2016 and 2018.

strongly in this first year post quota (+ EUR 0.6 billion; +84%), as well as more moderately poultry meat (+7%), SMP (+4%) and cheese (+1%), while exports of fresh fruit and vegetables (-9%) or wheat (-12%) decreased more substantially.

Overall price evolution allowed not having recourse to new market intervention measures in 2018. Exceptional support measures were adopted in 2018 to compensate farmers in France, Italy and Poland for the health and veterinary restrictions to address avian influenza. Around 20.8 million children²⁸⁸ participated in the EU school fruit, vegetables and milk scheme in the 2017/2018 school year.

Direct payments. In claim year 2017 (corresponding to financial year²⁸⁹ 2018), the third year of implementation of the reformed system, about 6.3 million farmers (-3% compared to previous year, in line with the average declining trend²⁹⁰ in the total number of farmers) benefited from direct payments and the total determined area (154.1 million hectares, relatively stable²⁹¹ since the entry into force of the 2013 CAP reform) covered some 86% of the EU Utilised Agriculture Area (178.5 million hectares).

The re-balancing of the distribution of payments between and within Member States has continued. The various schemes allowing further targeting of the needs of certain categories of beneficiaries, in particular the young farmers, the small farmers and certain specific sectors or regions with structural problems are fully in place. Where necessary, Member States have revised their decisions within the limits of the flexibility given by the new system in order to adjust the modalities of implementation building on the experience gained in the first year.

From claim year 2018, as a result of the agreement on the so-called "Omnibus Regulation"²⁹², amendments to the rules applicable to certain direct payment schemes came into force. These amendments serve to improve the functioning of the direct payment schemes concerned and to simplify their implementation: e.g. the possibility to overbook the Single Area Payment Scheme; additional review possibilities with regard to voluntary coupled support, decisions on the flexibility between pillars; clarification of the Member States responsibilities with regard to voluntary coupled support with retroactive effect from claim year 2015; amendments to the definition of permanent grassland; the possibility for Member States to stop applying the mechanism of the negative list under the active farmer clause etc. The corresponding alignment of the delegated and implementing acts for direct payments were adopted in 2018.

The "greening" layer of direct payments accounts for 30 percent of Member States' annual direct payment ceilings and covers annual obligations beneficial for the environment and climate (crop diversification, maintenance of permanent grassland, and the dedication of five per cent of arable land to ecologically beneficial areas ("ecological focus areas", or EFAs)). As of 2018, 80% of the total EU agricultural area was subject to at least one "greening" obligation, increasing the environmental impact of the measure.

Starting from 2018, the amendments of the "Omnibus Regulation" that covered for greening new optional criteria on ploughing up permanent grassland, simplification of certain EFA and crop diversification rules and the extension of the list of EFA types to some energy crops and land lying fallow for melliferous plants influenced the implementation of greening obligations. Providing Member States with an option not to classify grassland as 'permanent' if ploughed within a period of 5 years allows accommodating the diversity of agricultural systems across the Union. In 2018, eight MS decided to apply this option. Certain additional flexibility for farmers came from streamlined exemptions from crop diversification or EFA rules for farms with substantial shares of grasslands, fallow land, leguminous crops or crops under water. In turn, new EFA types broadened the choices that Member States may offer to farmers for meeting this requirement. In 2018, 9 MS had fallow land for melliferous on their list of EFAs, 7 opted for adding *Miscanthus* and 5 for *Silphium Perfoliatum*.

For 2017 and 2018, responding to the consequences of the exceptional weather conditions in several Member States (drought, heavy rainfalls, snowfalls, frost), the Commission granted derogations to certain greening rules (EFA, crop diversification) to alleviate the situation of affected farmers in those countries. For 2018, 7 out of 8 authorised Member States decided to exempt affected farmers from crop diversification rules to help coping with the consequences of exceptional precipitation. Preliminary data²⁹³ obtained so far indicate that 3 to 4% of farmers operated under such relaxed rules which applied on 3 to 4% of arable land that would otherwise have to be diversified according to the standard rules. Motivated by the need to alleviate the effects of the drought on the availability of fodder for livestock, 7 Member States in 2017 and 11 (out of 13 authorised) in 2018 applied derogations to some requirements for land lying fallow, and catch crops counted for crop diversification or ecological focus area

²⁸⁸ Source: Member States' monitoring reports due by 31/1/2019. Provisional data: corrections are possible.

²⁸⁹ The agricultural financial year covers expenditure paid and revenue received and entered in the accounts of the Funds budget by the paying agencies in respect of financial year "N" beginning on 16 October of year "N- 1" and ending on 15 October of year "N".

²⁹⁰ The number of beneficiaries declines regularly (on average between -2.3% since 2012). This reflects the trend in the total number of farms (see for example <https://ec.europa.eu/agriculture/sites/agriculture/files/statistics/facts-figures/farm-structures.pdf>). The number of new farmers is always below the number of farmers exiting.

²⁹¹ Since the first year of application of the CAP reform, the determined area is relatively stable at 155-154 million ha. Before that it was around 147-148 million ha. The increase is related to the implementation of the reform, in particular the new allocation of entitlements covering more farmers and thus potentially more areas. Since 2015, the annual changes can be linked to different factors: areas found ineligible by audits excluded, entry of areas not yet declared, exit of other areas...

²⁹² Regulation (EU) 2017/2393 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1305/2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), (EU) No 1306/2013 on the financing, management and monitoring of the common agricultural policy, (EU) No 1307/2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy, (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products and (EU) No 652/2014 laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material (OJ L 350, 29.12.2017, p. 15–49).

²⁹³ As of 7 February 2019.

obligation. Based on information received to date²⁹⁴ for 2018 claim year, derogated EFA areas appear to have supplemented to some extent the overall areas available for fodder production.

Common monitoring and evaluation framework. As a part of the 2013 CAP reform, the common monitoring and evaluation framework (CMEF) has been improved and expanded to provide reliable information on the extent to which the CAP as a whole is achieving its objectives. This framework includes a set of common impact indicators for the overall CAP, as well as separate result and output indicators for the CAP's first pillar (direct payments and market related expenditure) and second pillar (support for rural development).

On 5 December 2018, the European Commission published an initial report to the Council and European Parliament on the [implementation of the CMEF and the first results assessing the performance of the CAP](#)²⁹⁵. All the CMEF indicators were also published. Selected indicators are presented visually and interactively in the [dashboard by theme](#), including farming income support, climate change and air quality, market orientation and organic production. In these dashboards, Member States can find already a large part of the information they need to start working on their Strategic Plans for the period post 2020. By end 2021, a further report will present a more comprehensive assessment of the impact of the CAP.

Simplification. Starting in 2015, a simplification exercise involving the Commission, Member States, other EU institutions and stakeholders has led to a series of changes to regulations and guidance documents to the benefit of Member States' administrations and farmers.

In 2015, legislative amendments had already entered into force or were finalised concerning increased flexibility and simplification in relation to voluntary coupled support; eligibility for the young farmers' payment in the case of farms managed jointly; and five simplifications of the Integrated Administration and Control System (IACS) - including the introduction of preventive preliminary cross-checks. Furthermore, changes were made to guidance documents on direct payments in relation to the implementation of ecological focus area.

A number of further simplifications and modifications of IACS rules, including a lowering of the penalties for area overdeclaration, were introduced with effect for 2016, and a review of certain greening rules after the first year of its application was conducted. In 2017, the Commission pursued amendments of certain greening rules to better specify what is required from farmers, eliminate certain technical requirements, provide more flexibility for farmers or alternative solutions where this would increase the environmental and climate benefit of greening and harmonise selected requirements and conditions. As part of the amended rules, a ban on the use of plant protection products was implemented in 2018 for the 1st time on EFA areas.

As from 2018, the Commission adopted legal provisions²⁹⁶ and provided the technical guidance to enable Member States to take advantage of freely available satellite data (the Copernicus programme) to monitor areas claimed for aid as an alternative to carry out often costly on-the-spot checks. Several Member States have decided to introduce 'checks by monitoring' for part of the aid schemes and/or areas as from 2019. This choice of the monitoring approach will equally deliver on the assurance. The monitoring approach is expected to offer great potential for simplification of administrative and control-related tasks, but also for monitoring of the CAP's performance in a much wider sense.

Secondary legislation was adapted for greening to follow up on the Omnibus amendments allowing Member States to fully benefit from simplifications. For specific programmes for the outermost regions and smaller Aegean islands, secondary legislation was adapted to clarify and simplify amendments of programmes following the conclusions of an evaluation performed in 2017.

In the area of the CMO, several sector specific-rules have been simplified. The EU school fruit, vegetables and milk scheme (School Scheme), which applied as from 1 August 2017, has reduced the administrative and organisational burden and simplified obligations: Member States drew up only one strategy by 31 July 2017, covering a period of 6 years, and are required to submit only one annual request for aid. Several Member States made use of the synergies that are possible for the monitoring and evaluation reports and, in general, as regards implementation of the scheme (distribution of products, educational measures etc.)

At the level of basic acts, the Commission's proposal for a so-called "Omnibus Regulation" included a range of more technical changes to the four basic regulations of the CAP. The Commission proposals covered simplification in a broad sense, including flexibility and subsidiarity. The regulation, in force since 1 January 2018, included most of the Commission's most important simplification proposals. Examples are the provisions on active farmer under direct payments and on the Member State's responsibilities with regard to Voluntary Coupled Support. Also, a number of additional changes proposed by the European Parliament and/or the Council are included, for example on permanent grassland, greening and voluntary coupled support under direct payments and provisions on fruit and vegetables, wine, producer cooperation and competition under the CMO.

II.3 Evaluations/studies conducted

The [evaluation of the payment for agricultural practices beneficial for the climate and the environment](#), for which the support study was already published in 2017, was finalised ([SWD\(2018\) 478 final](#))²⁹⁷. It evaluates the "greening" layer of direct payments with respect to the general objective 'sustainable use of natural resources and climate action'. The study found that overall the greening measures have led to only small changes in management practices, except in a few specific areas. As a result, their environmental

²⁹⁴ As of 7 February 2019.

²⁹⁵ Report from the Commission to the European Parliament and the Council on the implementation of the Common Monitoring and Evaluation Framework and first results on the performance of the Common Agricultural Policy, COM/2018/790 final

²⁹⁶ Commission Implementing Regulation (EU) 2018/746 of 18 May 2018 amending Implementing Regulation (EU) No 809/2014 as regards modification of single applications and payment claims and checks, OJ L 125, 22.5.2018, p. 1–7

²⁹⁷ https://ec.europa.eu/info/sites/info/files/swd_evaluation_greening_in_direct-payment_en.pdf

and climate impacts have been limited and locally specific. They have had a negligible effect on production or economic viability of farms.

The support study for the evaluation of the CAP measures applicable in the wine sector found that at grower level, the support provided by the National Support Programmes for restructuring and conversion of vineyards resulted in considerable mechanisation and a global increase in the cost-effectiveness of vineyards' management. At producer level, the programmes – in particular the investments measure – contributed to the improvement of the EU wine producers' competitiveness and fostered vertical downstream integration. EU labelling rules favoured a level-playing field and fair competition for EU competitors and clear information for consumers. EU rules on oenological practices have had limited effects as regards competitiveness. At international level, they provided a guarantee in terms of quality and safety. The study pointed out that National Support Programmes are generally coherent with the EU environmental objectives but could have played a greater role in the adaptation of the EU vineyards to climate change and more directly fostered sustainability. The study suggested that more coherence between the EU wine policy and the EU public health objective could be sought. It also recommended to require Member States to better justify the strategic choices as regards the measures implemented and to better monitor the effects achieved by the different measures. In the context of the evaluation, it is intended to complement the work of the contractor with a public consultation. The finalisation of the evaluation and publication is scheduled for Q4 2019.

The support study for the evaluation of the impact of the CAP measures towards the general objective "viable food production" shows that direct payments allow farmers to better cope with the negative income effects caused by drops in agricultural prices, hence contribute to the stability of farm income. Yet, even with the CAP direct support, a large share (74% in 2015) of farms does not reach the benchmark of an income per unit amount of labour equalling the average national labour productivity. The study observed that the CAP allowed increasing efficiency: the share of farms creating an income per unit of labour higher than the average national labour productivity that received direct support decreased from 29% in 2013 to 26% in 2015. The decision of some Member States to distribute the resources for Voluntary Coupled Support to a high number of sectors limited its effectiveness/efficiency in respect to its aim. According to the stakeholders' analysis, in these cases, the Voluntary Coupled Support failed its aim of supporting sectors undergoing certain difficulties and resulted in an extra and generalized income aid for the beneficiary farms. Market measures helped to limit domestic prices volatility of most agricultural products. For most agricultural products concerned by market measures, volatility of domestic prices is lower than that of international prices. The existence of the EU market measures seems to play a deterrent role to the adoption of speculative activities. The share of imports in internal consumption has progressively increased. On the international market, EU exports in value increased over the period of analysis. However, world trade increased at a higher rate. Nevertheless, the evolution of the EU's competitive position is similar to that of its main international competitor (USA) and, in 2016, the EU maintained its second position after the USA in the world exports of the set of analysed products. The publication of the support study and the evaluation Staff Working Document is envisaged for Q3 2019.

The support study of the evaluation of the impact of the CAP on climate change and greenhouse gas emissions assessed the impact of CAP measures on agriculture's greenhouse gas emissions and on the sector's ability to adapt to climate change. The study considered 24 CAP measures, including those designed as climate measures and others not so designed but having climate impacts. The impact of CAP measures on emissions was estimated on the basis of uptake data using recognised emission factors. Using a quantitative model, the study simulated EU-wide emission reductions in 2016 of 15.8 Mt CO₂eq attributable to the greening measure 'Environmentally Sensitive Permanent Grassland' and 4 Mt CO₂eq for the greening measure 'Ecological Focus Area'. The study found, based on theory and results from modelling studies, that Voluntary Coupled Support to livestock should lead to a net increase in greenhouse gas emissions although this could not be quantified. Emissions which are avoided when Voluntary Coupled Support protects grassland that would otherwise be ploughed are not judged to offset the emissions impact of supporting additional production. Voluntary Coupled Support support for protein crops was found to reduce emissions, but is to date on a small scale. The impact of the Basic Payment Scheme on greenhouse gas mitigation is likely to be low. A number of factors have determined the extent of the CAP's performance in respect of climate action. Although the CAP has a strategic objective in respect of climate action, it lacks specific targets. Many Member States have been influenced by recent harsh economic conditions facing the livestock industry in particular, which has deterred them from seeking greater reductions in emissions from ruminants. The publication of the support study and the evaluation Staff Working Document is envisaged for Q2 2019.

The support study on Risk management in EU agriculture²⁹⁸ has been carried out in 2017 to shed light on the risks farmers are confronted with and to better understand the design and possible deployment of different tools that can address these risks. The study finds that European farmers are exposed to different risks (e.g. weather, animal and plant health, market dynamics influencing perspectives of farm income and viability), heterogeneously distributed among EU Member States; at the same time, overall availability and uptake of analysed risk management tools in the EU are not very developed with differences among tools, sectors and countries (e.g. insurance being the most common tool). The study underlines the need to strengthen relevant skills and capacities (both at administrative and farm level) and puts forward several recommendations, including the creation of a database to share information related to risk management in agriculture, to further support research and to promote risk management pilot actions.

II.4 Forthcoming implementation 2019-2020

²⁹⁸ https://ec.europa.eu/agriculture/external-studies/2017-risk-management-eu-agriculture_en

The Commission has made a proposal providing certainty and continuity in the granting of support to European farmers in the years 2019 and 2020 by adapting two legislative acts of the Common Agricultural Policy: proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) No 1305/2013 and (EU) No 1307/2013 as regards certain rules on direct payments and support for rural development in respect of the years 2019 and 2020 (COM(2018) 817 of 07/12/2018).

Resulting from the “Omnibus” Regulation, modifications of the delegated act for direct payments to take account of the newly introduced EFA types will become applicable as of 2019.

As regards CMO, various developments will occur concerning sector-specific support programmes, according to the stages reached in their respective life cycles. A new programming period for the wine national support programmes will start in 2019 and run until 2023. Promotion, reconversion and restructuring, harvest insurance, investments and innovation measures are to be continued in the new programmes.

New triannual programmes in the olive oil and table olives sector started in April 2018 in Greece, France and Italy.

A reformed information and promotion policy is applicable since 1 December 2015. The annual work programme setting out the strategic priorities for promotion measures in 2019 is implemented through the publication of calls for proposals in January 2019. In 2019, more than two thirds of the available funding is earmarked for promoting EU food products in non-EU countries, in particular those with which there is a large potential for increasing EU agri-food exports. For programmes within the EU, the focus will be on informing consumers about the various EU quality schemes and labels such as geographical indications or organic products. Sectoral funding will go to particular sectors that are under pressure and/or where there is a particular interest in helping producers and exporters to consolidate or develop new markets, for example through programmes that promote sustainably produced rice in the internal market, and for table olives and beef in third countries markets. Funding has also been set aside for campaigns designed to promote healthy eating and the consumption of fruits and vegetables.

II.5. Outlook for the 2021-2027 period

On 1 June 2018, the European Commission presented legislative proposals on the Common Agricultural Policy (CAP) for the period post 2020. These proposals aim to make the CAP more responsive to current and future challenges such as climate change or generational renewal, while continuing to support European farmers for a sustainable and competitive agricultural sector.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008. Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 Council Regulation (EU) No 1370/2013 of 16 December 2013 determining measures on fixing certain aids and refunds related to the common organisation of the markets in agricultural products	2014 - 2020	307 994,0

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Total	43 778,1	43 454,9	42 219,1	42 610,7	43 233,1	43 191,9	43 887,5	302 375,3

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	43 233,117	98,93 %	43 179,752	98,50 %	43 191,947	32,83 %	43 102,425	-0,03 %
Authorised appropriations (*)	45 284,276	97,97 %	45 436,023	97,52 %	43 659,177	33,40 %	43 775,138	-0,03 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific objectives

Specific Objective 1: To improve the competitiveness of the agricultural sector and enhance its value share in the food chain

Indicator 1: Share of EU agricultural exports in world market

Former results	Latest known result	Target
17,2% (2016)	17% (2017)	Share in world market maintained

Source of data: IHS Markit/Global Trade Atlas (GTA)

Indicator 2: Share of value added for primary producers in the food chain

Former results		Latest known result		Target
(2015 – EU-28)	Value added (in EUR billion)	2016 - EU-28	Value added (in EUR billion)	Improved situation of primary producers in the food chain
Primary sector	214	Primary sector	215	
Processing sector	237	Processing sector	243	
Retail sector (including service activities)	455	Retail sector (including service activities)	470	

Source of data: Eurostat – National Accounts, Structural Business Statistics

Specific Objective 2: To foster market stability

Indicator 1: Export refunds Ratio of the volume of the products exported with export refunds and the total EU production per given period

Former results (December 2017)	Latest known result (December 2018)	Target
Beef: 0%; Pig meat: 0% Poultry: 0%; Cereals, rice & sugar: 0%	Beef: 0%; Pig meat: 0% Poultry: 0%; Cereals, rice and sugar: 0%	0% - Used only in case of market crisis (seen against market developments)

Indicator 2: Public intervention, ratio of volume of the products bought in the intervention storage and the total EU production of those respective products

Former results (2017)	Latest known result	Target
(Skimmed milk powder (SMP) 2.1%)	SMP: 0 % (2018)	0 - Used only in case of market crisis (seen against market developments)

Indicator 3: Private storage, Ratio of volume of the products placed into the publicly aided private storage and the total EU production of those respective products

Former results (2017)	Latest known result	Target
Butter: 0%; SMP: 1.8% Cheese: 0%; Pigmeat: 0%	Butter: 0% (2018), SMP: 0% (2018) Cheese: 0% (2018); Pig meat: 0% (2018)	0 - Used only in case of market crisis (seen against market developments)

Source of data: Market monitoring data DG AGRI

Specific Objective 3: To better reflect consumer expectations

Indicator 1: EU commodity prices compared to world prices

Former and Latest known results (11 January 2019*)											Target
	Ratio EU/world price										Prices brought closer to world prices
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Beef (Australia)	1.63	1.24	1.20	1.17	1.23	0.96	0.92	1.00	0.98	1.07	
Beef (Brazil)	1.79	1.36	1.33	1.61	1.72	1.46	1.50	1.49	1.56	1.79	
Pigmeat (US)	1.64	1.16	1.11	1.21	1.23	0.93	1.06	1.22	1.25	1.29	
Pigmeat (Brazil)	1.45	1.00	1.13	1.37	1.25	1.02	1.10	1.24	1.18	1.45	
Poultry	1.56	1.29	1.63	1.38	1.23	1.14	1.08	1.11	1.05	1.10	
Soft wheat	1.00	0.99	1.07	1.04	1.04	1.02	0.94	0.99	1.04	1.06	
Maize	1.10	1.19	1.04	0.98	1.04	1.13	1.03	1.11	1.16	1.20	
Barley	1.04	0.97	0.99	1.00	0.98	0.98	0.99	0.95	0.96	0.98	
Sugar	1.58	1.04	1.10	1.55	1.90	1.62	1.24	0.99	1.23	1.19	
Butter	1.47	1.09	1.17	1.19	1.27	1.23	1.06	1.09	1.07	1.23	
Cheddar	1.17	0.95	1.03	1.14	1.10	1.12	1.03	1.02	1.00	1.05	
WMP	1.18	1.02	1.07	1.09	0.98	1.11	1.10	1.06	1.07	1.07	
SMP	1.10	0.93	0.90	0.95	0.90	0.97	0.96	0.99	0.98	0.88	
Weighted average	1.37	1.11	1.15	1.21	1.21	1.11	1.09	1.13	1.14	1.19	

Note: World price references are mainly based on US prices for meat and crops and Oceania for dairy products, except for beef (Brazil), Barley (Black Sea) and Sugar (London white sugar 05).

* The monthly EUR-USD exchange rate as communicated by Eurostat applied to data in USD

The ratio between EU and World agricultural commodity prices has changed from the data presented in the previous Programme Statement due to a change of the reference price for pigmeat (US).

Source of data: DG Agriculture and Rural Development, based on European Commission, USDA, World Bank, IGC, London International Financial Futures and Options Exchange, National sources.

Expenditure related outputs Note: Refers to specific objectives 1 to 3

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Fruit & vegetables: Proportion of the value of production marketed through producer organisations (POs) in value of the total production ²⁹⁹	05 02 08 03	47% ³⁰⁰	699
Olive oil and table olives national support programmes – Number of co-financed programmes	05 02 06	130 (2018-2021) ³⁰¹	46
Wine: National support programmes–Restructuring: Number of hectares	05 02 09 08	75 000	449
Wine: National support programmes – Investments and promotion: Number of projects and beneficiaries	05 02 09 08	7 000	447
Public intervention: Volume of intervention stocks	05 02 12	280 151t (ending stock Sept 2018)	0
Private storage: Volume of private storage in tonnes (dairy)	05 02 12	0	0
Apiculture: National programmes for the apicultural sector: number of programmes and expenditure	05 02 15 06	28	35
Horizontal promotion programmes: Number of programmes accepted	05 02 10	79 (2018)	177
EU school fruit, vegetables and milk scheme (applicable since 1 August 2017): number of beneficiaries per school year	05 02 18	Around 20,8 million children ³⁰²	215

Outputs							
	2014	2015	2016	2017	2018	2019	2020
Fruit & vegetables: Proportion of the value of production marketed through producer organisations (POs) in value of the total production	44.9%	47%	45.4%	48.1%	48.3% ³⁰³	47.2%	48.6%
Olive oil and table olives national support programmes. – Number of co-financed programmes.		115	115	115	115 - 130 ³⁰⁴	130	130
Wine: National support programmes – Restructuring: Number of hectares	50 000	55 000	81 000	80 000	73 500	75 000	75 000
Wine: National support programmes – Investments and promotion: Number of projects and beneficiaries	5 000	3 500	6 500	6 500	7 000	7 000	7 000
Public intervention: Volume of intervention stocks ³⁰⁵	0	Butter: 0 SMP: 17 000	Butter: 0 SMP: 355 200	363 300	280 151	0	0
Private storage: Volume of private storage in tonnes (dairy) bought in calendar year	Butter: 22 000 SMP: 17 000	Butter: 141 000 SMP: 52 000 Cheese: 32 000	Butter: 144 000 SMP: 89 000 Cheese: 53 000	Butter: 0 SMP: 26 000 Cheese: 0	0	0	0
Apiculture: National programmes for the apicultural sector: number of programmes (% of expenditure on available funds previous year)	No indicator	28	28 (93% in 2015)	28 (94% in 2016)	28 (90% in 2017)	28 (93 % in 2018)	28 (93% in 2019)
Horizontal promotion programmes: Number of programmes accepted ³⁰⁶	34 (2012 decision)	44 (2013 decision)	47 (2014 decision)	74 (2015 decision)	66 (2016 decision and grant agreement)	63 ³⁰⁷ (2017 decision and grant agreement)	79 (2018 decision and grant agreement)
School fruit and vegetable scheme: Number of beneficiaries per school year	8.5 million	8.6 million	10.28 million	11.7 million children	12.2 million children		

²⁹⁹ The budget figure relates to appropriations and is after deduction of the estimated assigned revenue to be available to this item at EUR 150 million for 2020.

³⁰⁰ Estimated organization rate and EU contribution to the Operational Funds based on 2015 annual reports

³⁰¹ Notification on programmes for the new programming period (2018-2020) for olive oil and table olives Programmes are available since 1 May 2018.

³⁰² Estimate based on the preliminary figures on implementation of the scheme in the 2017/2018 school year. Source: Member States' annual monitoring reports for 2017/2018, due by 31.1.2019.

³⁰³ 2018, 2019 and 2020 estimated based on data available (data non complete)

³⁰⁴ Until March 2018, 115 programmes. From April 2018, 130 programmes

³⁰⁵ Expected ending stocks (end of September).

³⁰⁶ As of 2016, because of the reform of the promotion policy, programmes granted under direct management are also taken into account.

³⁰⁷ Grant agreement for one approved programme has not been signed thus allowing to grant the first two programme proposals from the reserve list in Annex II to Commission Implementing Decision C(2017) 6934.

	children in 2011/2012 school year	children in 2013/2014 school year	children in 2014/2015 school year	in 2015/2016 school year	in 2016/2017 school year		
School milk scheme: Number of beneficiaries and quantity of milk and milk products on which aid has been paid per school year	19.6 million children and 309 164 tonnes (school year 2012-13)	19.1 million children and 312 546 546 tonnes (school year 2013-14)	20.1 million children and 308 732 tonnes (school year 2014-15)	18.6 million children and 308 606 tonnes (school year 2015-16)	18.1 million children and 285 660 tonnes (school year 2016-17)		
EU school fruit, vegetables and milk scheme (applicable since 1/8/2017): Number of beneficiaries per school year						Around 20,8 million children in 2017/2018 school year ³⁰⁸	Around 20,8 million children in 2018/2019 school year ³⁰⁹

Justification of changes to the financial programming and/or to the performance information

05 02 – Markets	(appropriations - EUR 4.6 million)
Needs in 2019 budget:	2 638.7
Appropriations requested in 2019 budget:	2 498.7
Estimated assigned revenue available in 2019 budget:	140.0
Needs in 2020 DB:	2 644.1
Appropriations requested in 2020 DB:	2 494.1
Estimated assigned revenue available in 2020 DB:	150.0

The estimated budgetary needs for market expenditure in 2020 are slightly lower than in budget 2019. In particular, the Draft Budget 2020 does not include appropriations for exceptional support measures linked to the prolonged Russian import embargo on certain EU agricultural products.

The fruit and vegetables, dairy and pig meat markets remain particularly sensitive to prolongations of the Russian embargo or poor global economic performance in general. Overall, the uncertainty regarding the outlook for most agricultural markets remains and especially the uncertainty concerning the duration of the Russian embargo play a role in the development of the export demand for EU agro-food products. Moreover, outbreaks of African Swine Fever and cases of Avian Influenza in some Member States have caused considerable market disturbance in the affected areas. The Draft Budget 2020 includes no appropriations for market support measures related to outbreaks of animal diseases, as this information is currently unknown.

Overall, the Commission has based its estimates on a favourable outlook with balanced markets and foresees to update its estimates in an Amending Letter to the Draft Budget 2020 in light of latest market developments and perspectives.

When taking into account an estimated amount of EUR 150 million foreseen to be covered by assigned revenue, the requested appropriations for this chapter become EUR 2 494 million, which is a decrease of around EUR 5 million compared to 2019.

The main changes in the appropriations requested for 2020 compared to the 2019 budget are presented below.

05 02 06 – Olive oil	(appropriations + EUR 1.5 million)
Appropriations requested in 2019 budget:	44.6
Appropriations requested in 2020 DB:	46.1

The requested appropriations for the Draft Budget 2020, primarily for the quality improvement measures, are slightly higher than in Budget 2019 reflecting the observed upward trend in the execution. No aid for private storage is foreseen in the Draft Budget 2020.

05 02 08 – Fruit and vegetables	(appropriations – EUR 14.6 million)
Needs in 2019 budget:	855.1
Appropriations requested in 2019 budget:	715.1
Estimated assigned revenue available in 2019 budget:	140.0
Needs in 2020 DB:	850.5
Appropriations requested in 2020 DB:	700.5
Estimated assigned revenue available in 2020 DB:	150.0

³⁰⁸ Source: Member States' annual monitoring reports for 2017/2018 due by 31.1.2019. Provisional data: corrections are possible.

³⁰⁹ Estimate. Figures only available once Member States submit their annual monitoring reports, due by 31.1.2020.

In total, the needs for this sector are expected to decrease by EUR 4.6 million. As the amount of assigned revenue estimated to be available for this article increases by EUR 10 million to EUR 150 million in Draft Budget 2020, the requested appropriations decrease by EUR 15 million.

The bulk of the appropriations for this budget article concerns the operational funds for producer organisations, with 2020 needs estimated at EUR 849 million.

The needs for the operational funds for producer organisations remain stable compared to DB2019. The needs for the aid to producer groups for preliminary recognition relate to residual payments, in line with the phasing out of this measure in the EAGF.

05 02 09 – Wine	(appropriations – EUR 9.0 million)
Appropriations requested in 2019 budget:	1 035.1
Appropriations requested in 2020 DB:	1 026.1

The appropriations requested for budget article 05 02 09 decrease compared to Budget 2019. The expectations are derived from information provided by the Member States and from the execution profile of previous years. Budget year 2020 will be the second year of the National Support Programmes covering 2019-2023.

05 02 10 – Promotion	(appropriations + EUR 2.8 million)
Appropriations requested in 2019 budget:	184.1
Appropriations requested in 2020 DB:	186.9

Appropriations requested for information and promotion measures (under shared management) for item 05 02 10 01 reflect the need for the financing of Member States' programmes for which funding has been decided by the Commission before 1 December 2015 and for "simple" programmes³¹⁰ granted after that date. This is based on the expenditure estimated in the financial statement accompanying the Commission proposal for the policy reform, taking into account the implementation pattern over recent years.

Under item 05 02 10 02, appropriations are requested to finance "multi" programmes³¹¹, granted after 1 December 2015 and information and promotion measures, all managed directly by the Union. As from 2017 these measures include promotion activities entirely delegated to the executive agency CHAFEA. The requested commitment and payment appropriations are in line with the estimates in the financial statement accompanying the Commission proposal.

05 02 11 04 – POSEI	(appropriations + EUR 1 million)
Appropriations requested in 2019 budget:	231.0
Appropriations requested in 2020 DB:	232.0

The appropriations requested for this item take into account the programme modifications made by Member States and a continued high level of execution of the overall ceilings. This evolution is also reflected in the budget lines 05 03 02 50 and 05 03 02 52.

05 02 12 – Milk and milk products (excluding 05 02 12 09)	(appropriations - EUR 6.2 million)
Appropriations requested in 2019 budget:	6.3
Appropriations requested in 2020 DB:	0.1

The budgetary needs for the dairy sector in 2020 decrease compared to the 2019 budget. This is because intervention stocks of skimmed milk powder are expected to be empty by the end of 2019, and it is assumed that private storage aid schemes will not be activated.

05 02 13 – Beef and veal	(appropriations + EUR 50 million)
Appropriations requested in 2019 budget:	p.m.
Appropriations requested in 2020 DB:	50.0

For this budget article, EUR 50 million of appropriations are included for the exceptional adjustment aid adopted for farmers in the beef and veal sector.

05 02 15 – Pig meat, eggs, poultry meat and beekeeping	(appropriations - EUR 28.0 million)
Appropriations requested in 2019 budget:	63.0
Appropriations requested in 2020 DB:	35.0

The requested appropriations for this article relate only to the aid for beekeeping, at EUR 35 million, following the observed execution trend over previous years. No needs are foreseen in the Draft Budget 2020 for exceptional market support measures linked to outbreaks of animal diseases.

05 02 18 – School scheme	(appropriations - EUR 2 million)
Appropriations requested in 2019 budget:	217.0
Appropriations requested in 2020 DB:	215.0

Requested appropriations for this article relate to the School Scheme for which the reform applies as from 1 August 2017 with a total envelope of EUR 250 million per school year. Appropriations requested for the Draft Budget 2020 are derived from

³¹⁰ Simple programmes are programmes submitted by 1 or more proposing organisations from 1 Member State.

³¹¹ Multi programmes are programmes submitted by at least 2 proposing organisations from at least 2 Member States or by 1 or more Union (trade or inter-trade) organisations.

information provided by the Member States and from the execution profile in previous years of the expiring school schemes and relate to the proportionate implementation of the school years 2018/2019 and 2019/2020 in financial year 2020.

Specific Objective 4: To sustain farmers' income stability by providing direct income support							
Indicator 1: Share of direct support in agricultural entrepreneurial income (family farm income)							
Former and Latest known results							Target
2011	2012	2013	2014	2015	2016	2017	
42 %	44 %	41 % ³¹²	42 %	44 %	44%	38%	To maintain the ratio stable

Source of data: EAGF Financial Report and –EUROSTAT Economic Accounts for Agriculture

The indicator looks at the ratio of direct payments to agricultural income. If direct payments stay more or less stable but agricultural income increases, the ratio declines as it did in 2017, when agricultural income was higher than in previous years.

Specific Objective 5: To promote a more market oriented agriculture, by ensuring a significant level of decoupled income support		
Indicator 1: % of total direct payments which is decoupled		
Former results	Latest known result	Target
Calendar year 2016/budget year 2017: 88.87% ³¹³ Calendar year 2015/budget year 2016: 88.89% Calendar year 2014/budget year 2015: 92.69% Calendar year 2013/budget year 2014: 93.54% Calendar year 2012/budget year 2013: 93.24% Calendar year 2011/budget year 2012: 92.13%	Calendar year 2017/budget year 2018: 88.48% ³¹⁴	Calendar year 2019/budget year 2020: 88.35% ³¹⁵ Calendar year 2018/budget year 2019: 88.46% ³¹⁶

Source of data: Budget execution figures until Calendar year 2017/Budget year 2018, Budget figures for Calendar year 2018/Budget year 2019, Draft Budget for calendar year 2019/Budget year 2020

Specific Objective 6: Contribute to the enhancement of the environmental performance of the CAP through the greening component of the direct payments. Contribute to the development of sustainable agriculture and to making the Common Agricultural Policy more compatible with the expectations of the society through the cross compliance system. Contribute to preventing soil erosion, maintaining soil organic matter and soil structure, ensuring a minimum level of maintenance and avoiding the deterioration of habitats, and protecting and managing water through the standards of good agricultural and environmental condition of land.

Indicator 1: % of CAP payments covered by cross compliance						
Former results					Latest known result	Target
2013	2014	2015	2016	2017	2018	Maintain the %-age
82.4%	83.5%	85.7%	81.6%	84.8%	82.7% ³¹⁷	

Source of data: DG AGRI

The percentage decreased in 2018 because of the lower proportion of Rural Development measures covered by cross-compliance. Measures that are not falling under cross-compliance (such as investment measures) tend to have an increasing execution over the period and thus the percentage covered by cross-compliance is expected to decrease over the period.

Indicator 2: Opinion expressed by the public on cross-compliance		
Former results (2007)	Latest known result (2015)	Target
83% support the reduction of direct payments to farmers not complying with environmental rules 84% support the reduction for non-compliance of animal welfare rules 86% support the reduction of direct payment to farmers not respecting food safety rules ³¹⁸	87% support the reduction of direct payments to farmers not complying with environmental rules 87% support the reduction for non-compliance of animal welfare rules 87% support the reduction of direct payment to farmers not respecting food safety rules ³¹⁹	Maintain the positive opinion

Source of data: Eurobarometer

Indicator 3: Control rate for GAEC		
Former results	Latest known result	Target
100 % - In 2016, all paying agencies fulfilled the mandatory control rate (France and Sweden still to notify their data)	100 % - In 2017, all paying agencies fulfilled the mandatory control rate (France and Sweden still to notify their data)	100% implementation of the minimum regulatory control rate

Source of data: Control statistics notified annually by MS

³¹² The figure takes into account all EU 28 Member States (figure for EU 27 MS provided in the previous Programme Statements).

³¹³ Execution of the Budget 2016. As from financial year 2016 the figures take into account that in accordance with the methodology for implementation of the Small farmers scheme, as chosen by the Member States, part of the expenditure under that scheme is "decoupled".

³¹⁴ Execution of the Budget 2018 provisional figures.

³¹⁵ Draft Budget 2020, based on estimated needs and excluding the crisis reserve.

³¹⁶ Budget 2019, based on estimated needs and excluding the crisis reserve.

³¹⁷ Execution of the Budget 2018 provisional figures

³¹⁸ Results of the Special Eurobarometer "Europeans, Agriculture and the Common Agricultural Policy" published in 2007

³¹⁹ Results of the latest Special Eurobarometer "Europeans, Agriculture and the Common Agricultural Policy" published in 2015. Next survey foreseen in 2020.

Indicator 4: The ratio of permanent grassland within a Member State in relation to the total agricultural area		
Former results	Latest known result	Target
Ratio has not decreased beyond the limit of 5%	In 2015: a UK region communicated a decline in the ratio of permanent grassland above the threshold of 5%, without triggering a reconversion obligation. In 2016: 1 MS communicated a decline in the ratio of permanent grassland above the threshold of 5%, triggering a reconversion obligation. In 2017: a UK region communicated a decline in the ratio of permanent grassland above the threshold of 5%, without triggering a reconversion obligation. In 2018: 2 MS and a UK region communicated a decline in the ratio of permanent grassland above the threshold of 5% ³²⁰ .	Maintain the ratio within the limit of 5% in relation to a reference ratio ³²¹

Source of data: MS annual notification (ISAMM – Information System for Agricultural Market Management and Monitoring)

Indicator 5: Share of area under greening practices		
Former results	Latest known result	Target
79 % (2017)	80% (2018) ³²²	Maintain the share

Source of data: MS annual notifications (ISAMM - Information System for Agricultural Market Management and Monitoring). The share is calculated as total agricultural area for farms with at least one greening obligation on total agricultural area from Eurostat statistics revised by DG AGRI.

Expenditure related outputs Outputs relate to specific objectives 4 to 6

Outputs	Budget line	Draft Budget 2020	
		Number ³²³	EUR million
Single area payment scheme (number of hectares to be paid in thousands)	05 03 01 02	39 948	4 355
Basic payment scheme (number of hectares to be paid in thousands) ³²⁴	05 03 01 10	109 401	16 514
Payment for agricultural practices beneficial for the climate and the environment (number of hectares to be paid in thousands)	05 03 01 11	150 392	11 765
Voluntary coupled support (number of hectares to be paid in thousands)	05 03 02 60	13 316	4 077
Voluntary coupled support (number of heads to be paid in thousands)	05 03 02 60	60 591	

Outputs	2014						
	2014	2015	2016*	2017*	2018*	2019*	2020
Single area payment scheme (number of hectares to be paid in thousands)	41 347	41 360 ³²⁵	40 753	39 194	39 948	39 948	39 948
Basic payment scheme (number of hectares to be paid in thousands)	N/A	N/A	109 141	109 141	109 401	109 401	109 401
Payment for agricultural practices beneficial for the climate and the environment (number of hectares to be paid in thousands)	N/A	N/A	150 392	150 392	150 392	150 392	150 392
Voluntary coupled support (number of hectares to be paid in thousands)	N/A	N/A	8 087	8 588	13 316	13 316	13 316
Voluntary coupled support (number of heads to be paid in thousands)	N/A	N/A	75 887	63 119	60 591	60 591	60 591

* Source: CATS (Clearance of Accounts Audit Trail). Only preliminary control data are available for claim year 2017. Besides, the indicated data do not cover area paid under the Small Farmer Scheme. Assumptions were also needed for certain MS/measures (missing data) (date: 01/02/2018).

Justification of changes to the financial programming and/or to the performance information

05 03 – Direct payments	(appropriations + EUR 408 million)
Needs in 2019 budget before financial discipline (incl. crisis reserve):	41 952
Needs in 2019 budget after financial discipline:	41 483
Appropriations in 2019 budget after financial discipline:	40 545
Estimated assigned revenue available in 2019 budget:	938
Amount of financial discipline in 2019 budget (incl. crisis reserve):	468,7

³²⁰ Provisional information based on 2015 and 2017 communications from all MS as the notifications are still under assessment. In 2016 one Member State did not yet sent a notification, in 2018 3 Member States did not yet sent a notification.

³²¹ The maintenance of the ratio of permanent grassland means that there should not be, at national or regional level, a decrease by more than 5% of the current ratio of permanent grassland in relation to the total agricultural area by comparison with a reference ratio reflecting this ratio at a reference period.

³²² Provisional information based on communications from Member States, where the assessment of notifications remains to be completed in some cases. 2017 notifications sent by all MS. Year 2018: Including notifications from 21 MS, so the indicated share is provisional.

³²³ Best estimate based on available information. Sources: For the single area payment scheme, basic payment scheme and the payment for agricultural practices beneficial for the climate and the environment: CATS control data for claim year 2015 (not covering area paid under the Small Farmer Scheme), assumptions needed for certain MS/measures (missing data) (date: 21/12/2016). For Voluntary coupled support: based on notified quantitative limits for claim year 2016.

³²⁴ The budget figure relates to appropriations and is after deduction of the estimated assigned revenue to be available to this item at EUR 495 million for 2020.

³²⁵ Agricultural area under SAPS (Annex VIII to Commission Regulation (EC) No 1121/2009).

Needs in 2020 DB before financial discipline (incl. crisis reserve):	41 926
Needs in 2020 DB after financial discipline:	41 448
Appropriations requested in the 2020 DB after financial discipline:	40 953
Estimated assigned revenue available in 2020 DB:	495
Amount of financial discipline in 2020 DB (incl. crisis reserve):	478

The maximum amount of direct payments which a Member State may pay in a financial year (excluding the amounts covered by Specific Objective 7) is limited by the ceiling set in Annex III to Regulation (EU) No 1307/2013. For calendar year 2019 (financial year 2020), the total of Annex III amounts to EUR 41 398 million, a EUR 20 million increase compared to calendar year 2018. This increase is the mixed result of an increase due to the continued phasing-in of direct payments in Croatia, partly offset by a slightly higher net transfer to the European Agricultural Fund for Rural Development under the so-called "flexibility between the pillars" according to which Member States may transfer amounts between the envelopes for direct payments and rural development. The allocation of the national envelopes to the different schemes depends to a large extent on Member States' decisions. Certain changes between schemes have occurred, reflecting Member States' implementation choices.

In the period 2014-2020, the financial discipline adjustment is taken into account in establishing the needs for direct payments in line with the provisions of Regulation (EU) 1306/2013. As there is a margin within the EAGF sub-ceiling of Heading 2 of the MFF, the amount of financial discipline in the Draft Budget 2020 relates only to the establishment of the crisis reserve at EUR 478 million, similar to 2019 where the crisis reserve amounts to EUR 468.7 million. The need for financial discipline will be re-assessed, as appropriate, in the context of the autumn Amending Letter to the Draft Budget 2020.

For direct payments (chapter 05 03), the budgetary needs after financial discipline decrease by EUR 35 million to an amount of EUR 41 448 million in 2020. Requested appropriations for this chapter increase by EUR 408 million, as significantly less assigned revenue is expected to be available to finance the Basic payment scheme (BPS) (from EUR 938 million in 2019 to EUR 495 million in 2020). As a consequence, the requested appropriations amount to EUR 40 953 million in 2020, including appropriations for the crisis reserve (EUR 478 million) entered into article 05 03 10.

05 03 01– Decoupled direct payments	(appropriations + EUR 388 million)
Needs in 2019 budget before financial discipline:	35 737
Needs in 2019 budget after financial discipline:	35 326
Appropriations in 2019 budget after financial discipline:	34 388
Estimated assigned revenue available in 2019 budget:	938
Needs in 2020 DB before financial discipline:	35 686
Needs in 2020 DB after financial discipline:	35 271
Appropriations requested in the 2020 DB after financial discipline:	34 776
Estimated assigned revenue available in 2020 DB:	495

As regards decoupled direct payments, the estimated needs (after financial discipline) amount to EUR 35 271 million. Requested appropriations for this article become EUR 34 776 million (+EUR 388 million compared to 2019) after taking into account the reductions due to financial discipline and the expected assigned revenue to be available to this article (EUR 495 million)

The needs after financial discipline for the basic payment scheme (BPS) are estimated at EUR 17 009 million which is EUR 140 million lower than in 2019. This is mainly linked to a decrease of the ceiling of EUR 105 million. The needs after financial discipline for the Single area payment scheme (SAPS) amount to EUR 4 355 million and increase by EUR 22 million compared to the budget year 2019 reflecting an increase in the annual ceiling.

The needs for the Payment for agricultural practices beneficial for the climate and the environment are stable, estimated at EUR 11 765 million after financial discipline, EUR 11 million above 2019. For the Redistributive payment, needs increase by EUR 21 million to EUR 1 674 million after financial discipline.

The needs for the young farmers scheme are estimated at EUR 453 million after financial discipline, a significant increase of EUR 38 million compared to financial year 2019. This is reflecting an increase of the ceiling of EUR 20 million as well as a positive evolution in the execution of this scheme.

05 03 02 – Other direct payments³²⁶	(appropriations + EUR 12 million)
Needs in 2019 budget before financial discipline:	5 304
Appropriations in 2019 budget after financial discipline:	5 251
Needs requested in 2020 DB before financial discipline:	5 321
Appropriations requested in the 2020 DB after financial discipline:	5 263

For the other direct payments, estimated needs are at EUR 5 263 million after financial discipline, a small increase by EUR 12 to update million compared to 20189 budget. The needs for the Voluntary coupled support scheme increase by EUR 44 million to EUR 4 077 million after financial discipline, reflecting the increase in the ceiling and the improving trend in the execution of the scheme.

³²⁶ Not including measures covered under specific objective 7 (POSEI)

The Small farmers scheme is financed from the ceilings available for other schemes. Based on the experience with the execution in previous years showing a decreasing trend, the budget needs for this scheme are estimated at EUR 939 million, EUR 31 million lower than in 2019.

05 03 10 – Reserve for crises in the agricultural sector	(appropriations + EUR 9.3 million)
Appropriations requested in the 2019 budget:	468.7
Appropriations requested in the 2020 DB:	478.0

In accordance with Article 25 of Regulation (EU) No 1306/2013, a crisis reserve has to be established by applying, at the beginning of each year, a reduction to direct payments with the financial discipline mechanism. For financial year 2020, the amount of the crisis reserve corresponds to EUR 478 million (in current prices).

Specific Objective 7: To promote local agricultural production and to ensure a fair level of prices for commodities for direct consumption and for processing by local industries in the Outermost Regions of the EU and in the Aegean Islands

Indicator 1: Support to the Local Production (SLP) to maintain/develop the agricultural production: Utilised agricultural area (variation with respect to the previous year)*

Former results	Latest known result ³²⁷	Target
<p>POSEIDOM: Guadeloupe: 30 415 ha Martinique: 22 827 ha Guyane: 31 208 ha Réunion: 41 945 ha Mayotte 8 739 ha</p> <p>POSEICAN: Canaries: 86 026 ha</p> <p>POSEIMA: Madeira: 4 893 ha Azores: 123 793 ha Smaller Aegean Islands: 332 091 ha</p>	<p>POSEIDOM: Mainland France: 26 802 374 ha (-0.11%) Guadeloupe: 30 066 ha (-1.15%) Martinique: 22 079 ha (-3.28%) Guyane: 32 624 ha (+4.54%) Réunion: 42 329 ha (-0.92%) Mayotte 20 000 ha (+129%)</p> <p>POSEICAN: Mainland Spain: 23 432 700 ha (-0.38%) Canaries: 86 039 ha (+0.02%)</p> <p>POSEIMA: Mainland Portugal: 3 641 592 ha (-0.7%) Madeira: 4 893 ha (2016) (-7%: with respect to 2013 data) Azores: 123 793 ha +4.4%:with respect to 2013 data)</p> <p>Smaller Aegean Islands: 293 920 ha (-11.49%)</p>	<p>To at least maintain and develop the agricultural production</p>

Indicator 2: Specific Supply Arrangements (SSA) to ensure the supply of essential products: SSA coverage rate (relation between quantities of products benefiting from SSA support and total quantities of the same products introduced in the respective outermost region)

Former results	Latest known result	Target
<p>POSEIDOM (all products): 36%</p> <p>POSEICAN (cereals only): 97.49%</p> <p>POSEIMA Madeira (cereals only): 99.8% Azores (cereals only): 82.4%</p> <p>Smaller Aegean Islands (animal feed stuff only): 99.8%</p>	<p>POSEIDOM (all products): 33%</p> <p>POSEICAN (cereals only): 70.02%</p> <p>POSEIMA Madeira (cereals only): 99.2% Azores (cereals only): 84%</p> <p>Smaller Aegean Islands (animal feed stuff only): 100.59% (+0.79%)</p>	<p>SSA coverage rate of 100%</p>

Indicator 3: Specific Supply Arrangements (SSA) to ensure an equitable level of prices for essential products: Price index with respect to the price in the mainland for some representative products or baskets of products

Former result	Latest known result	Target
<p>POSEIDOM : Average of 5 DOM/métropole: 7.25%</p> <p>POSEICAN: Canaries: -Wheat (100kg): 92% -Milking cow's animal feed (100kg): -14% -Beef cattle animal feed (100kg): 0%</p>	<p>POSEIDOM³²⁸: Average of 5 DOM/métropole: 5.75%</p> <p>POSEICAN: Canaries: -Wheat (100kg): 119% -Milking cow's animal feed (100kg): 9% -Beef cattle animal feed (100kg): 22%</p>	<p>Reduction of the gap with mainland prices</p>

³²⁷ The Annual Implementation Report (AIR) transmitted by Member States in year N provides data corresponding to year N-1. In this sense, the column "former results" shows data from 2016 extracted from the AIR transmitted in 2017, while the column "latest known result" shows 2017 data from the AIR transmitted in 2018. Yet, Spain's data are gathered late; former results, extracted from the 2016 AIR correspond to 2015, whereas the latest available data included in the 2017 AIR are from 2016. In addition, Portugal's farm structure data are collected every four or five years (data are available for 2013 and 2016), thus both former data and latest known data refer to year 2016. Nevertheless, the variation is calculated with respect to the previous available data, i.e. 2013.

³²⁸ The French authorities use in their annual reports a different methodology and data source to calculate this indicator (calculation based on value and not quantities, data taken from customs sources and not from SSA operators).

POSEIMA: Madeira: 1% Azores: -rice: 7% -oil: 17% -bread: 15% Smaller Aegean Islands: -Animal feeding stuffs: 29% -Flour: 5.72%	POSEIMA: Madeira: 1% ³²⁹ Azores: -rice: 6% -oil: 17% -bread: 15% Smaller Aegean Islands: -Animal feeding stuffs: 30% (+1%) -Flour: 5% (-0.72%)	
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Source: MS Annual Reports

In their annual implementation reports for 2017, the Member States concerned have communicated data related to the common performance indicators, as requested by Annexes VIII and II to Commission Implementing Regulations (EU) No 180/2014 and 181/2014 respectively. However, the provided data may not be fully in line with the requirements of these annexes and thus not mutually comparable. Therefore, these indicators shall be evaluated with due caution. Discussion with the Member States concerned is on going in order to improve the collection of these data.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Regime for outermost regions of the EU: direct aids for banana reference area /quantities)	05 03 02 50	ES: 420 000 tonnes PT: 19 160 tonnes FR: 319 084 tonnes	276
Other	05 03 02 50 05 03 02 52		160
TOTAL			436

Outputs							
	2014	2015	2016	2017	2018	2019	2020
Regime for outermost regions of the EU: direct aids for banana reference area (quantities: tonnes)	ES: 371 013	ES: 371 013	ES: 420 000	ES: 420 000	ES: 420 000	ES: 420 000	ES: 420 000
	PT: 17 742	PT: 17 742	PT: 19 160	PT: 19 160	PT: 19 160	PT: 19 160	PT: 19 500
	FR: 251 733	FR: 251 733	FR: 319 084	FR: 319 084	FR: 319 084	FR: 319 084	FR: 319 084

Justification of changes to the financial programming and/or to the performance information

05 03 02 50 – POSEI – European Union support programmes	(appropriations - EUR 1 million)
Appropriations requested in 2019 budget:	420
Appropriations requested in 2020 DB:	419

05 03 02 52 – POSEI - Smaller Aegean Islands	(appropriations - EUR 0 million)
Appropriations requested in 2019 budget:	17
Appropriations requested in 2020 DB:	17

For the support to the POSEI and Smaller Aegean Islands, the programmes are divided into two types of measures: specific supply arrangements financed under chapter 05 02 and support for the local products which are split into market aids (chapter 05 02) and direct payments (chapter 05 03). The variations for the market-related expenditure are explained above (see item 05 02 11 04).

For direct payments, the level of requested appropriations remains almost unchanged as Member States notified only minor modifications of their programmes. Similar to budget 2019, the requested appropriations in the Draft Budget 2020 also take into account financial discipline.

Specific Objective 8: To provide the Commission with reasonable assurance that Member States have put in place management and control systems in conformity with EU rules designed to ensure the legality and regularity of the underlying transactions financed by the EAGF, EAFRD, SAPARD and IPARD and, where this is not the case, to exclude the expenditure concerned from EU financing so as to protect the EU's financial interests

Indicator 1: Percentage of expenditure (EAGF+EAFRD) with statistics or 100 % check

Former results	Latest known result	Target
98 % in 2015 claim year (FY 2016)	98 % in 2016 claim year (FY 2017)	95 %

Source of the data: CATS/COMBO database based on the Annual Declarations from the Paying Agency

³²⁹ Data provided for Madeira refers to prices for foodstuffs in general (indicator 2b). Under the current POSEI Regulation indicator 2b is compulsory in the Annual Implementing Report. PT communicates no separate data for Indicator 2a and Indicator 2b. Therefore it was agreed to use for Indicator 3 in the Programme Statement the figure provided by PT under Indicator 2b "foodstuffs".

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Area of satellite imagery/data acquired for controls by Remote Sensing ³³⁰	05 07 01 02	400 000 km ²	commitment appropriations: EUR 10.9 million; payment appropriations: EUR 10.6 million

Outputs	2014	2015	2016	2017	2018	2019	2020
	Area of satellite imagery/data acquired for controls by Remote Sensing	380 000 km ²	380 000 km ²	500 000 km ²	453 000 km ²	391 000 ³³¹ km ²	400 000 km ²

Justification of changes to the financial programming and/or to the performance information

05 07 01 02 – Monitoring and preventive measures - Direct payments by the Union	(commitment appropriations + EUR 1.7 million) (payment appropriations + EUR 1.5 million)
Commitment appropriations requested in 2019 budget:	EUR 9.1 million
Commitment appropriations requested in 2020 DB:	EUR 10.9 million
Payment appropriations requested in 2019 budget:	EUR 9.1 million
Payment appropriations requested in 2020 DB:	EUR 10.6 million

To assist Member States carrying out on the spot checks and/or the checks by monitoring on aid applications, satellite imagery acquired is made available to the national authorities allowing them to determine the area of agricultural parcels, to identify crops and verify their status. Compared to budget 2019, the costs for the acquisition of satellite images for 2020 remain at the same level (EUR 9.1 million). In addition, for Draft Budget 2020, commitments of EUR 1.7 million are requested in view of the prolongation of an administrative arrangement for related technical support needed to ensure and strengthen the quality and the technical implementation of the Integrated Administration and Control System (IACS) and the Land Parcel Identification System (LPIS), with an initial payment scheduled for 2020).

Specific Objective 9: To inform and increase awareness of the CAP by maintaining an effective and regular dialogue with stakeholders, civil society, and specific target audiences

Indicator 1: Public awareness of CAP

Former results	Latest known result	Target
The Latest Eurobarometer survey (field research October 2015) shows that 94% of Europeans believe that agriculture and rural areas play an important role for their future and that 69% have heard about the support that the EU gives farmers through its CAP. There is a broad consensus on the key priorities of the CAP and its contribution to the strategic priorities of the Commission	The Latest Eurobarometer survey (field research November – December 2017) shows that 92% of Europeans believe that agriculture and rural areas play an important role for their future (-2 percentage points since the last survey in 2015) and that 67% have heard about the support that the EU gives farmers through its CAP (-2 percentage points since the last survey). There is a broad consensus and strong support on the key priorities of the CAP and its contribution to the strategic priorities of the Commission.	Maintain and if possible increase awareness of the CAP

Source of data: Standard Eurobarometer [monitored by DG COMM [here](#)]. The survey has taken place every 2 years since 2007. The next survey is foreseen in 2020.

Indicator 2: Number of page visits on AGRI Europa website

Former results	Latest known result	Target
January 2017-December 2017: 1.8 million ³³² January 2016-December 2016: 5.8 million January 2015-December 2015: 5.8 million January 2014-December 2014: 5.2million	January – December 2018: 1.7 million ³³³	Maintain and if possible increase the number of page visits with respect to previous year level

Source of data: Europa Analytics

³³⁰ Figures presented cover only Very High Resolution (VHR) images

³³¹ The figure presented in the previous Programme Statement (414 000 km² for 2018) corresponded to the 2018 JRC work programme. The figure here is the actual realisation reported by JRC in November 2018. Very High Resolution (VHR) images tend to decrease in favour of High Resolution images (HR).

³³² The discrepancies in the statistics come from the fact that until 2016, Europa Analytics used SAS, which was a tool based on server logs. This means that everything was taken into account, even robots visits on the pages, and not only human visitors. Piwik the new system uses a method which takes into account only pages that have been effectively visited by humans. This is more accurate but the consequence is lower figures in the statistics.

³³³ The Europa info website is being transformed to collate information that is clear, concise, readable and relevant for users. The design is based from evidence gathered which indicated that users think in terms of topic, not by DG. Therefore, the Food, Farming and Fisheries section combines information from DG AGRI, SANTE and MARE to help users to find content relevant to them. Number of page visits for the Food, Farming and Fisheries section (all pages): 214 556

- CAP at a glance page – number of page visits: 48 058

- Future of CAP page – number of page visits: 30 661

Expenditure related outputs

Output	Budget line	DB 2020	
		Number of commitments	EUR million
Grants awarded to third party organisations to implement actions to improve the level of understanding of the CAP among EU citizens	05 08 06	20	4
Media and web	05 08 06	28	4
conferences, fairs, events - Networking	05 08 06		
Horizontal activities	05 08 06		
Corporate communication	05 08 06	1	5.7
Total			13.7

Outputs	DB 2020						
	2014	2015	2016	2017	2018	2019	2020
Grants awarded to third party organisations to implement actions to improve the level of understanding of the CAP among EU citizens	11	16	18	16	15	20	20 ³³⁴
Media and web	12	9	5	9	8	7	25
conferences, fairs, events, networking	5	6	12	10	12	14	
Horizontal activities	5	6	10	7	6	5	
Corporate communication	1	0	1	1	1	1	1

Justification of changes to the financial programming and/or to the performance information

Budget article 05 08 06 Enhancing Public Awareness of the CAP is foreseen to finance the communication efforts of the Commission in relation to the CAP.

The overall needs for Draft Budget 2020 for this article are estimated at EUR 13.7 million. This includes an amount of EUR 4 million destined for grants to third party organisations. Other external communication actions in 2020 financed under this budget article, such as conferences, media activities, attendance in fairs, publications, web and social media activities, will focus on the relevance of the CAP in particular in relation with the growth, jobs and investments priority theme and will amount to EUR 4 million. The scope, choice and intensity of these communication actions will be in line with the 2020 External Communication Action Plan of the Directorate General for Agriculture and Rural Development.

In 2020 the EAGF will also contribute to the Corporate Communication Strategy of the Commission with an amount of EUR 5.7 million, with the EAFRD contributing EUR 1.8 million (under budget item 05046002).

Specific Objective 10: To facilitate decision making on strategic choices for the CAP and to support other activities of the DG by means of economic and policy analyses and studies

Indicator 1: Representativeness of information about the EU farm economic situation collected by the Farm Accountancy Data Network (FADN)

Baseline	Latest known result	Target
Farm returns collected for accounting year 2015: 82 909	Farm returns collected for accounting year 2016: 83 954	Maximum number of farm returns to be collected for accounting year 2017: 86 255.
Observed coverage of EU agricultural production for accounting year 2015: 1. 96% coverage of the Standard Output; 2. 91% coverage of the Utilised Agricultural Area.	Observed coverage of EU agricultural production for accounting year 2016: 1. 98.1% coverage of the Standard Output; 2. 91.1% coverage of the Utilised Agricultural Area.	Coverage of EU agricultural production for accounting year 2017: 1. 90% coverage of the Standard Output; 2. 90% coverage of the Utilized Agricultural Area

Source: EU FADN

Indicator 2: Adequate knowledge of Farm's structure

Baseline	Latest known result	Target
Timely information on farm structures is available in the Eurostat database.	The Farm Structure Survey 2016 was carried out by Member States. Eurostat has started to publish data from this survey in 2018 (to be completed in 2019). The new framework regulation for the 2020 agricultural census and farm surveys in 2023 and 2026 entered into force in 2018.	All relevant indicators and factsheets updated with FSS 2016 data and published on the Europa website. In-depth use of FSS 2016 data for analyses on farm structural change.

Source: Eurostat – Farm Structure Survey

³³⁴ Estimate

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Data collection on EU Farm Accountancy Data Network (FADN) data on farm returns and IT costs	05 08 01	84 680	15.7
Surveys on the structure of agricultural holdings	05 08 02		-
Restructuring of systems of agricultural surveys	05 08 03		7.5
Technical assistance	05 08 09		4.5
Total			27.7

Outputs	2014-2020						
	2014	2015	2016	2017	2018	2019	2020
Data collection on EU Farm Accountancy Data Network (FADN) data: farm returns	86 905	82 909	83 954	86 255	84 680	84 680	84 680
Data collection on structure of agricultural holdings: farms surveyed (thousands)			1 700 ³³⁵				10 500

Justification of changes to the financial programming and/or to the performance information

The Farm Accountancy Data Network data are essential tools for the monitoring of agriculture income and business which are used for the evaluation and the impact analysis of the agricultural measures. They provide support to the decision-making process related to the CAP.

The appropriations requested for 2020 relate to the **Farm Accountancy Data Network** (EUR 15.7 million) and are intended to finance the standard fee for FADN farm returns transmitted by the Member States (84 680 * EUR 175) and the development and maintenance of the information system used for the collection, processing, analysis, publication and dissemination of the farm accountancy data and analysis results (EUR 0.9 million).

Information from **Farm Structure Surveys** is systematically used in extended impact assessments, evaluation and policy conception, particularly regarding the regional situation of specific sectors. The content of the surveys is regularly adapted to answer new needs for agricultural and rural development policy and other policies (in particular regional, social and environmental policy). In 2020, no new appropriations are needed for the agricultural census 2020 (pre-financing will be done in 2019 and final payments are scheduled to be made in 2022).

Under 05 08 03, the Draft Budget 2020 includes an amount of EUR 2.2 million (commitment and payment appropriations) for the MARS agro-meteorological system used for monitoring crops and forecasting yields of the main crops in Europe and its neighbourhood. EUR 4.0 million in commitment appropriations is included for the LUCAS 2021 project for surveys gathering information on land cover, land use and landscapes. In addition, EUR 1.3 million in commitment appropriations and EUR 2.3 million in payment appropriations is destined for the maintenance, development and use of modelling tools used by the Commission in its agricultural economic and policy analysis.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Sustainable Growth (competitiveness, climate, energy and mobility)	3 244,0	3 276,0

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
To contribute to the development of sustainable agriculture through the "green direct payment" and cross-compliance	7 768,0	7 809,0
Total	7 768,0	7 809,0

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
3 316,0	3 273,0	7 938,0	7 643,0	7 751,0	7 768,0	7 809,0	45 497,0

³³⁵ The Farm Structure Survey 2016 covered roughly 1 700 000 farms. Funding for this survey was spread over the budget years 2015-2018. The agricultural census 2020 will cover around 10 500 000 farms, funding will be spread over the budget years 2019-2022.

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

As of Draft budget 2016 the climate action contribution is calculated accordingly: the payment for agricultural practices beneficial for the climate and the environment (budget item 05 03 01 11) is split into three equal tiers, in analogy to the three compulsory farming practices applicable. The tiers receive the following Rio marker: The Rio markers take into account the climate contribution of the three compulsory green direct payment obligations: 1st tier 0% (crop diversification), 2nd tier 40% (ecological focus area), 3rd tier 100% (permanent grassland);

- plus a Rio marker of 40% applied to 20% of the remaining direct payments taking into account cross-compliance (i.e. 8% of budget chapter 05 03 direct payments without payment for agricultural practices beneficial for the climate and the environment and without payments for the Small farmers scheme which are not subject to cross-compliance).

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Contribute to the enhancement of the environmental performance of the CAP through the greening component of the direct payments. Contribute to the development of sustainable agriculture and to making the Common Agricultural Policy more compatible with the expectations of the society through cross-compliance. Contribute preventing soil erosion, maintaining soil organic matter and soil structure, ensuring a minimum level of maintenance and avoiding the deterioration of habitats, and protecting and managing water through the standards of good agricultural and environmental conditions	5 868,0	5 898,0
Total	5 868,0	5 891,0

Programmation biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
3 316,0	3 273,0	6 030,0	5 795,0	5 856,0	5 868,0	5 891,0	36 028,0

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

As of Draft Budget 2016, with the new direct payments' schemes fully implemented, the contribution to biodiversity is calculated as follows:

- for the payment for agricultural practices beneficial for the climate and the environment (budget item 05 03 01 11) a Rio marker of 40% is applied;
 - plus a Rio marker of 40% is applied to 10% of the remaining direct payments taking into account cross-compliance (i.e. 4% of budget chapter 05 03 Direct payments without payment for agricultural practices beneficial for the climate and the environment and without payments for the Small farmers scheme which are not subject to cross-compliance).

Gender mainstreaming

The data on gender in the Farm Structure Survey³³⁶ shows that in 2016, seven in every ten (72 %) farm managers on the 10.5 million holdings in the European Union (EU) were male. The EU countries with the highest proportions of female farm managers in 2016 were Latvia and Lithuania (both 45 %), followed by Romania (34 %) and Estonia (33 %). In contrast, there were four Member States where the proportion of farm managers who were female was at or below 10 %: The Netherlands (5 %), Malta (6 %), Denmark (8 %) and Germany (10 %).

However, given the lack of gender-specific data, detailed estimations of the EU budget contribution to gender equality are not available at present. MS have recently started to collect data on gender for the Farm Accountancy Data Network, but no result is currently available. No other study has been made on this subject.

For EAGF, there is no explicit specific objective or dedicated action addressing specifically gender equality. See EAFRD Programme Statement for the action of the CAP in this field.

5. Programme contribution to the Sustainable Development Goals – please see the general presentation for CAP

6. Information about financial instrument(s) and trust fund(s) financed by the Programme - not applicable to the EAGF.

7. Programme related additional information - the final achievements of 2007-2013 programme implementation were reported in the 2019 programme statement.

³³⁶ <https://ec.europa.eu/eurostat/en/web/products-eurostat-news/-/DDN-20190114-1>

HEADING 2: Sustainable growth: natural resources**European Agricultural Fund for Rural Development (EAFRD)****Lead DG: AGRI**

Associated DGs: SRSS

I. Overview***What the programme is about?***

The European Agricultural Fund for Rural Development (EAFRD) finances the EU's contribution to Rural Development Programmes (RDPs). The RDPs contribute to smart, sustainable and inclusive growth in the EU by supporting farms, food and forestry sectors and other entities operating in rural areas such as non-agricultural businesses, non-governmental organisations and local authorities. They enhance the economic viability and sustainability of farms and rural businesses by fostering knowledge transfer and innovation, investing in green technologies, skills and training as well as promoting entrepreneurship and networking. The RDPs also help farmers develop their businesses in a sustainable manner by supporting the preservation of natural resources, promoting environmentally sustainable land management, enhancing ecosystems and maintaining landscapes attractive for tourism. The EAFRD is also an important tool to mitigate climate change and support the shift towards a low carbon and a climate resilient economy, by helping farmers and rural businesses to reduce greenhouse gas and ammonia emissions and adapt to climate change consequences. It also supports farmers in managing renewable resources and waste, thus making a direct contribution to the Energy Union.

The EAFRD contributes to job creation and income diversification and provides the potential to integrate migrants. It also makes an important contribution to the Digital Single Market by supporting broadband infrastructure and various ICT solutions in rural areas. This has a positive effect on the quality of life of EU citizens. Moreover, support for interactive innovation projects under the European Innovation Partnership for Agriculture (EIP) helps contribute towards the Europe 2020 objectives by encouraging innovation and entrepreneurship, promoting inclusiveness and increasing the impact of EU-funded research on the economy.

EU added value of the programme

Under the second pillar of the CAP, rural development programmes make a vital contribution to the economic, social and environmental performance of EU in rural areas.

Rural development programmes are designed to deliver towards six common EU priorities while taking into account national and regional specificities. This ensures a consistent, coherent and result-oriented approach to a number of cross-border issues: biodiversity, water, climate change, European growth and jobs, poverty reduction and open innovation. The EAFRD works as a catalyst, delivering results also in areas related to other EU policies such as environment, climate, food safety, health, research and innovation, Digital Single Market and Energy Union.

It invests in the development of rural businesses and holdings, improving competitiveness whilst ensuring sustainable management of natural resources. Support for interactive innovation projects under the European Innovation Partnership for Agriculture (EIP) as well as support for training and diversification aims to deliver on the Europe 2020 objectives as they encourage innovation and entrepreneurship, promote inclusiveness and increase the impact of EU funded research projects in the real economy. The EAFRD performance and results are enhanced by the European Network for Rural Development which allows for exchange of experience and best practices amongst national and regional authorities.

Implementation mode

The bulk of CAP expenditure is implemented through shared management with the Member States for interventions in agricultural markets and direct support (EAGF) as well as rural development (EAFRD). Implementation vis-à-vis final beneficiaries is delegated to the Member States, while the Commission is responsible for the implementation of the overall legal framework, budget implementation and for Member States' supervision. The CAP legislation provides that Member States shall accredit Paying Agencies which are dedicated bodies responsible for the management and control of Union funds, notably payments to beneficiaries and financial reporting to the Commission.

Only a fraction of CAP expenditure concerns actions under direct management by the Commission: contracts are concluded directly with third parties to supply the Directorate General with data, studies, promotion activities and information and communication activities, etc.

II. Programme Implementation Update

All 118 rural development programmes (RDP) are up and running and currently being implemented. In 2018, Member States presented 143 proposals for programme amendments of different nature.

Calls for application by beneficiaries have been published at the level of Member States and regions. By 31 December 2017, around EUR 77 billion has been committed to projects and beneficiaries. This represents 52% of the total public allocation for 2014-2020.

By 1 August 2018 Member States had an opportunity to review their decisions on the flexibility between the CAP pillars. Member States decided not to use this review option, however Lithuania notified its decision to transfer the estimated product of reduction of EUR 360 000 from direct payments to rural development for financial year 2020.

By end 2018, total EAFRD payments from the EU budget to Member States amounted to EUR 36.5 billion (including pre-financing and interim payments), which is 36% of the total commitments for the period 2014-2020. In terms of implementation, this places the EAFRD in advance of the other European Structural and Investment (ESI) funds. In 2018, EAFRD reimbursed EUR 12.2 billion in interim payments.

II.1 Implementation Status 2015-2018

For the EAFRD, a smooth transition from the 2007-2013 to the current programming period was ensured through the establishment of transitional rules, the presence of already established paying agencies (i.e. no need for new designation of authorities) and the wide use of multi-annual commitments, including area-based payments. Despite the late adoption of certain programmes, mainly due to the late adoption of the legislative framework, the implementation of the rural development programmes is generally on cruising speed. In 2018, budget reinforcements of the EAFRD of in total EUR 214 million in the Global and End of year transfers underline the good implementation. In 2018, Member States submitted also their third Annual Implementation Reports (AIRs) on the implementation of the ESI Funds covering implementation until 31 December 2017.

For the 2014-2020 period, a number of initiatives have been launched which are expected to improve efficiency and effectiveness of EAFRD expenditure. To facilitate the implementation of the EU funds, the EAFRD Implementing Act was already modified in April 2016. In addition, the EAFRD basic act was modified in 2017 through the so-called Omnibus Regulation³³⁷, amongst others to improve risk management tools for farmers, reduce administrative burden for beneficiaries and simplify conditions for financial instruments. Finally, the Implementing Act on administration and control systems (Regulation (EU) No 809/2014) was also modified in July 2017 to simplify control rules for non-area related measures.

Simplified Cost Options (SCOs) are being increasingly used by Member States and regions in order to improve the efficiency and effectiveness of EAFRD support and to reduce the administrative burden. Currently 65% of the RDPs are using at least one type of SCOs. As an example, flat rates are used to cover indirect costs, unit costs for training activities or investments and lump sums for cooperation actions. MS and regions are introducing more SCOs in the context of RDPs amendments and this trend is expected to continue.

Financial instruments (FI) are the key tool for leveraging and revolving the rural development budget. EAFRD already met the target of doubling the use of FIs as compared to 2007-2013. In 2018 already eight FIs were operational (Estonia, and regions in France, Germany, Italy and Spain). The signed funding agreements between EAFRD managing authorities and fund managers, including the European Investment Fund (EIF), totalled 21 in 2018. The expected loan portfolios to be covered by all FIs supported by the EAFRD is around EUR 2.0-2.5 billion. By end 2018, FI are fully programmed in 30 RDPs in nine MS with a total public support of EUR 730 million (EAFRD EUR 519 million, national co-financing EUR 211 million). The amount declared to the Commission in 2018 equals EUR 68.5 million. In total 25 cases of targeted coaching on financial instruments for EAFRD managing authorities were carried out in 2016-2018. The Commission and the EIB identified and developed the FI schemes that can be used by farmers, foresters and related rural businesses, including through a combination between FIs and grants and EAFRD FIs and EFSI. Three studies specific for the EAFRD FIs were finalised under fi-compass and an EU-wide survey of farmers was undertaken. The objective was to assess the needs of farmers and how the support through financial instruments can address them. In particular, the financial gap in the agricultural sector was estimated between EUR 7 and 18.6 billion. The studies analysed possible ways to provide flexible support to address price volatility or preferential support to help young farmers. One study also specifically targeted the guarantee institutions and their potential role in delivering support under future financial instruments.

More than **20 workshops and capacity building events** have been organised by the European Network for Rural Development since 2015 in order to share best practices and experience and to help stakeholders (including, among others, managing authorities, paying agencies, EU-wide organisations, LAGs, evaluators, etc.) to work together in a strategic manner and enhance the performance of rural development programmes. The timing and the content of the events has been specifically designed in agreement with DG AGRI according to the different stages of the programming cycle (e.g. defining selection criteria at the launching phase of the programmed, or addressing bottlenecks in RDP Implementation in view of preparing for the Performance Review) and to better exploit the potential of the programmes to deliver on specific issues of political relevance (e.g. generational renewal, Smart Villages, biodiversity or farm resilience)..

An increased awareness of implementation feasibility and possible errors is guaranteed through an ex-ante assessment of the rural development measures by Member States, aiming to ensure they are verifiable and controllable and taking into account the results of controls in the previous programming period.

II.2 Key achievements

Overall, the screening of the Annual Implementation Reports for 2017 confirms a steady acceleration in spending levels compared to the first years of implementation. This situation has permitted to catch up the initial delays linked to the relatively late starting of the 2014-2020 RDPs. It has to be noted that most of the programmes were approved in 2015 (only 9 RDPs out of 118 were approved in 2014). In January 2019, spending levels reached 39 % of total EAFRD resources, matched by 50 % in terms of

³³⁷ Regulation (EU) 2017/2393, OJ L 350, p.15

commitments over planned total public expenditure. The results and outputs achieved by the end of 2017 (latest figures available³³⁸) are fully representative of what is expected from the implementation. With programme implementation having now reached its cruising speed, the situation is likely to further improve in the next years, with the exception of operations linked to the creation of jobs, for which more is expected in the coming years. The latter are operations that normally take more time to be completed and produce, with achievements materialising usually by the end of the programming period according to previous experience. Some positive results can already be pointed out, with 113% achieved of the final target for rural population covered by local development strategies.

As regards ex-ante conditionalities applying to EAFRD, a number of them were subject to the implementation of specific action plans in view of reaching full compliance by the end of the year 2016. All of the action plans have successfully been implemented and the conditionalities can therefore be considered as fulfilled.

A number of specific key achievements include:

Measures that significantly contribute to the **environmental and climate objectives** of the CAP:

- In 2017, a total of 2.9 million hectares of agricultural and forest land was covered by management contracts contributing to carbon sequestration or conservation. This is 72.5% of the target of 4 million hectares in 2023.
- In 2017, 283 000 hectares of irrigated land switched to more efficient irrigation systems. This is 22% of the target for 2023. Given the long time span between plans and the realised investments, this is well on track.
- In 2017, 14.8% of agricultural land and 10.6% of forest areas were covered by management contracts contributing to biodiversity. This is close to the targets of 18% and 15% respectively for 2023.

Measures to enhance **farm viability and competitiveness and knowledge** transfer:

- In 2017, the intermediate targets as defined for 2018 have been reached for the percentage of agricultural holdings with investments in restructuring and the percentage of agricultural holdings with a development plan for young farmers.
- By 2017, more than 1 million beneficiaries received vocational training in agriculture, almost 28% of the target set for 2023.

These measures contribute to the resilience of the EU farming sector.

Broadband access in rural areas continues to improve, but is lagging behind urban areas. In 2018, 53 % of rural households have next generation access compared to 83 % of total EU households. There is a clear improvement on last year's results, but it is still clear that closing the connectivity gap of rural areas remains a challenge. The level of broadband access depends significantly on general developments in telecoms markets (and finance from other policy tools – including the European Regional Development Fund). The CAP plays its part by offering explicit support for setting up, expanding and improving broadband infrastructure, as well as for the provision of broadband internet access (i.e. improved connections to infrastructure), and access to e government. According to targets aggregated from the 2014-2020 RDPs, in the current programming period, the CAP will help 18 million people living in rural areas to benefit from improved access to ICT services and infrastructure. In 2018, DG AGRI continued to work closely with DG REGIO, CNECT and COMP to further develop the network of Broadband Competence Offices (BCOs) in Member States and their regions, as well as a Brussels-based Support Facility, contracted and managed by DG AGRI.

II.3 Evaluations/studies conducted

The Synthesis of Rural Development Programmes (RDP) ex-post evaluations of period 2007-2013 was based on the evaluations carried out at programme level by the Member States. As numerous Member States' evaluations lacked sound quantification, this assessment was largely qualitative. The study found that objective 1 "Improving the competitiveness of agriculture and forestry" was achieved to a moderate extent. Also objective 2 "Improving the environment and countryside" was achieved to a moderate extent when it concerned protection of natural resources and landscapes, yet to a high extent when looking at elements of programmes focussing on climate change mitigation and water management. Objective 3 "Improving quality of life in rural areas and encouraging diversification of the rural economy" however was only achieved to a more limited extent in the 2007-2013 programming period. However, overall, effectiveness varies from measure to measure. Based on the Member States' evaluations, assessing the efficiency proved difficult, as the data available did not allow assessing the proportionality of costs to the benefits achieved. The evaluation clearly demonstrated the internal coherence and relevance of the RDPs. As regards external coherence and EU value added, the picture was more mixed, with the judgement depending on the criteria used and measures studied. The evaluation is scheduled for finalisation in the second quarter of 2019 with the publication of a staff working document.

Besides the above EAFRD specific evaluations and studies, a number of evaluations assessed the impact of both EAFRD and EAGF in areas such as viable food production, climate change and greenhouse gas emissions and on State aid in the agricultural and forestry sectors and in rural areas.

The support study for the evaluation of the instruments applicable to State aid in the agricultural and forestry sectors and in rural areas assesses the rules of the agricultural State aid framework 2014-2020 regarding eight aid measures. These concern aid mitigating risks inherent to the agricultural sector, aid for prevention & restoration of damages to forests and forestry investments and investments in processing agricultural products into non-Annex I products in rural areas. The study examines the choices made by the Member States with regards to State aid clearance and the appropriateness of the rules set forward, their efficiency, effectiveness (in terms of balance of positive effects with the negative effect on competition and trade within the internal market)

³³⁸ Latest data are collected from the Annual Implementation Reports 2017 (submitted in 2018). The data on the implementation in 2018 will become available in the second half of 2019.

and coherence. The study finds that for compensatory agricultural risk management measures, State aid responds to needs of the agricultural sector and addresses market failures specific to the different events. The effects of the support go beyond the direct effects on beneficiaries; contributing also to CAP objectives and public health policies. The effects on competition and trade are limited. Aids in the forestry sector and processing of agricultural products into non-Annex I are framed by the Rural Development Regulation. The limited negative effects are outweighed by the positive effects of the aid, in particular on rural development objectives. The rules of the agricultural State aid instruments are coherent with other concerned EU policies and overall with the Rural Development Regulation. For forestry measures, the integration into the agricultural block exemption leads to real simplification of State aid clearance and reduced administrative burden. For processing of agricultural products into non-Annex I products, coherence with the Rural Development Regulation needs to be further developed. The evaluation is scheduled for finalisation and publication in third quarter of 2019 after finalisation of a public consultation to be launched in the first half of 2019.

Finally, a pilot project initiated by the European Parliament on smart and eco-social villages is currently under progress and expected to be completed in mid-2019.

As part of ESI funds, the EAFRD was involved and financially contributed to two studies finalised in 2018 regarding simplification, coordination and harmonisation of funds. The findings of the simplification study shows higher administrative burden and administrative costs for the EAFRD compared with other ESI Funds, justified by more demanding control requirements and a higher number of beneficiaries. The study also identified the tasks associated with controls (performing administrative and on the spot controls, setting-up and management of the control system) as the most burdensome. According to the study on coordination and harmonisation, the variation in rules amongst ESI Funds is a limiting factor for combining different funds. This is especially applicable for large and complex projects, which by their own nature do not represent the implementation reality of the EAFRD, mostly based on small projects and a large number of beneficiaries. The study also identified some overlaps between funds, which did not mean inconsistent fund delivery or contradiction of policy objectives, but could result in suboptimal allocation of resources.

II.4 Forthcoming implementation 2019-2020

As a result of the implementation of rural development programmes the following targets, amongst others, are expected to be achieved at the level of the Union at the end of the programming period: 29 million hectares of agricultural land concerned by commitments targeting biodiversity; 53% of the total rural population (147.5 million inhabitants) living in areas for which local development strategies are implemented by selected LEADER Local Action Groups (LAGs); investments in improved energy efficiency for almost 17 000 farms; support for about 178 000 young farmers to set up their businesses and for more than 331 000 farmers to modernise and improve their production facilities. As for the rural business outside the farms gate, some 52 000 rural entrepreneurs are to receive support to develop their businesses.

In terms of expected achievements, the numerous targets are linked to EAFRD 2014-2020 expenditure. The first effects on the simplification actions adopted through the Omnibus Regulation, namely regarding the use of simplified costs options and financial instruments as well as support for risk management could already be noticed in 2018: several Member States have requested to amend their Rural Development Programmes in order to use these possibilities.

II.5. Outlook for the 2021-2027 period

On 1 June 2018, the European Commission presented legislative proposals on the Common Agricultural Policy (CAP) for the period post 2020. These proposals aim to make the CAP more responsive to current and future challenges such as climate change or generational renewal, while continuing to support European farmers for a sustainable and competitive agricultural sector. For more information, please refer to the general presentation for CAP

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 Regulation (EU) No 1310/2013 of the European Parliament and of the Council of 17 December 2013 laying down certain transitional provisions on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), amending Regulation (EU) No 1305/2013 of the European Parliament and of the Council as regards resources and their distribution in respect of the year 2014 and amending Council Regulation (EC) No 73/2009 and Regulations (EU) No 1307/2013, (EU) No 1306/2013 and (EU) No 1308/2013 of the European Parliament and of the Council as regards their application in the year 2014	2014 - 2020	

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Total	5 285,0(*)	18 169,8	18 676,3	14 364,0	14 380,3	14 727,3	14 709,0	100 311,6
<i>Of which contribution to European Solidarity Corps</i>					1,8			1,8

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	14 378,514	100,00 %	12 064,201	99,92 %	14 727,263	99,88 %	13 147,648	43,72 %
Authorised appropriations (*)	14 404,943	99,81 %	12 215,850	99,82 %	14 746,062	99,76 %	13 168,532	43,75 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives please see the general presentation for CAP

Specific objectives

Specific Objective 1: Fostering knowledge transfer and innovation in agriculture forestry and rural areas (Priority 1)
Indicator 1: % of expenditure for the three measures Knowledge transfer & information action, advisory services and cooperation in relation to the total expenditure for the RDP (Focus area 1A: Fostering innovation and the knowledge base in rural areas)

Introduction to specific objectives

For the 2014-2020 rural development programmes, for each of the specific objectives, the Commission has defined result-type "Target Indicators" in the rural development (RD) Common Monitoring and Evaluation System (CMES). At least one target indicator is available for each of the 18 RD focus areas³³⁹. The application of each of these indicators is mandatory for all the rural development programmes including the corresponding focus area. For each indicator target levels are established ex-ante for year 2023 and actual achievements will be assessed regularly during the implementation period. It is therefore possible to aggregate at the level of the Union both their planned levels for the year 2023 and, through regular monitoring and reporting, their actual levels of achievement year by year. Therefore, these CMES Target Indicators represent an optimal way to monitor and report on the performance of the policy.

However, the RD CMES does not prescribe the Member States to define milestones at the year 2018 in relation to target indicators, while such milestones are requested to be made available in relation to a number of output-type indicators to be included in a Performance Framework (PF). Member States are recommended to make use of common indicators for the purpose of establishing the PF, this choice is not mandatory. Therefore, the aggregation of these indicators at the level of the Union is not fully representative.

In the following tables, milestones for the year 2018 are estimated and presented only in relation to those target indicators for which, due to their specific nature, a specific correspondence could be established with respect to relevant PF indicators.

The baseline is 0 at the start of the programming period. The information concerning the latest known results reflecting 2017 implementation became available to the Commission as of the second annual implementation reports submitted by 30 June 2018.

For the EAFRD there is no ex-ante monitoring of the outputs via setting the annual forecasts for the implementation. The targets for the operational outputs are set for 2023.

The values reached by the reported indicators show an acceleration compared to 2016 mainly due to the fact that programmes have reached their cruising speed at the end of 2017. Some measures still require preparatory actions and therefore some time before the starting of their actual implementation on the ground, for example due to the application of public procurement procedures.

NB: Certain targets have been updated from last Programme Statement because of modifications in RD Programmes, which were made in accordance with the legislation for Rural Development. Only in the course of 2018 more than 190 programme amendments were adopted by the Commission, some of them adjusting their 2023 target values. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in national or regional development needs, changing economic conditions and the varying demand for different types of support, that necessitate reallocation of funding among the investment areas concerned, affecting obviously the targets set for the programmes.

³³⁹ The 6 rural development specific objectives (priorities) are further broken down into 18 strategic Focus Areas.

When interpreting the actual results, caution should be applied as interventions tend to have a longer programme cycle – actual achievements may not be visible from the beginning. The implementation of the 2014-2020 programming period lasts until 2023 (n+3 rule), therefore the achievement values refer to the situation at the 4th year of a 10-year long implementation cycle.

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0				Not applicable*			3.8%
	Actual results						
	0%	0,1% ³⁴⁰	0,2%				

109 programmes include this Focus Area and are concerned by this quantified target

Indicator 2: Number of cooperation operations planned under the cooperation measure (groups, networks/clusters, pilot projects) (Focus area 1B: strengthening the links between agriculture and forestry and research and innovation)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0				Not applicable*			14 846
	Actual results						
	94 ³⁴¹	804	1974				

108 programmes include this Focus Area and are concerned by this quantified target

Indicator 3: Total number of participants trained (Focus area 1C: fostering lifelong learning and vocational training in agriculture and forestry sectors)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0				Not applicable*			3 790 377
	Actual results						
	12 333	258 186	1 057 714				

99 programmes include this Focus Area and are concerned by this quantified target

* For the Specific Objective 1 the indicators as set in the rural development common monitoring and evaluation system are identified and presented with targets for 2023. The common performance framework does not apply to Specific Objective 1, because no EAFRD budget is allocated to that cross cutting Priority. Therefore no information on the milestones is collected from the Member States. Nevertheless, as in case of the remaining specific objectives, the Commission will be able to collect and present the real outputs for these indicators in the future.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Number of beneficiaries supported to benefit from the use of advisory services	N/A	Target 2023: 1 385 567 ³⁴²	No EAFRD financing is allocated to cross-cutting Priority 1					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Number of beneficiaries supported to benefit from the use of advisory services	F	NA	NA	NA	NA	NA	NA	NA
	P	10 700		42 439	140 946			

For the EAFRD there is no ex-ante monitoring of the outputs via setting the annual forecasts for the implementation. The targets for the operational outputs are set for 2023.

Specific Objective 2: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and sustainable management of forests (Priority 2)

Indicator 1: % of agricultural holdings with RDP support for investment in restructuring (Focus area 2A: facilitating the restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors and farms in need of agricultural diversification)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0				23% of the target for 2023*			2.7%
	Actual results						
	0.1%	0.3%	0.7%				

109 programmes include this Focus Area and are concerned by this quantified target

³⁴⁰ The three measures under the scope of this indicator have reached non-significant level of expenditure at the end of the year 2016 due to the fact that the majority of the programmes were approved during the year 2015, that the first year of implementation is mainly devoted to put in place management and working structures, as well as to the fact that they generally implemented through the application of public procurement procedures. The latter imply a relatively long period between the starting of the procedures and the first payments to selected beneficiaries.

³⁴¹ Data for AIR 2015 have been updated by some Member States

³⁴² Target level has been updated to reflect relevant changes introduced by programmes modifications

Indicator 2: % of agricultural holdings with RDP supported business development plan for young farmers (Focus area 2B: facilitating generational renewal in the agricultural sector)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0				23% of the target for 2023*			1.5%
	Actual results						
	0.06%	0.1%	0.4%				

93 programmes include this Focus Area and are concerned by this quantified target

*The indicative milestone, which represents an average for both Target Indicators, is based on the application of Performance Framework proxy indicator: number of agriculture holdings with RDP support for investment in restructuring or modernisation and number of agricultural holdings with RDP supported business development plan/investment for young farmers. This non mandatory indicator concerns 106 RDPs.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Agricultural holdings with RDP support for investments in restructuring or modernisation	05 04 60 01	Target 2023: 331 204	2 949					
Agricultural holdings with RDP supported business development plan/investments for young farmers		Target 2023: 177 709						
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Agricultural holdings with RDP support for investments in restructuring or modernisation	F	NA	NA	NA	NA	NA	NA	NA
	P	14 900		28 500	80 903			
agricultural holdings with RDP supported business development plan/investments for young farmers	F	NA	NA	NA	NA	NA	NA	NA
	P	6 500		9 891	50 962			

For the EAFRD there is no ex-ante monitoring of the outputs via setting the annual forecasts for the implementation. The targets for the operational outputs are set for 2023.

Specific Objective 3: Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture (Priority 3)

Indicator 1: % of agricultural holdings supported under quality schemes, local markets and short supply circuits, and producer groups (Focus area 3A: better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0				34% of the target for 2023*			2.5%
	Actual results						
	0.01%	0.2%	0.39%				

85 programmes include this Focus Area and are concerned by this quantified target

* The indicative milestone is based on the application of Performance Framework proxy indicator: number of agricultural holdings supported under quality schemes, local markets/short supply circuits, and producer groups. This non mandatory indicator concerns 59 RDPs.

Indicator 2: % of agricultural holdings participating in risk management schemes (Focus area 3B: supporting farm risk management)

Baseline	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0				90% of the target for 2023*			5.0%
	Actual results						
	0.04%	0.5%	1.03%				

39 programmes include this Focus Area and are concerned by this quantified target

* The indicative milestone is based on the application of Performance Framework proxy indicator: number of agricultural holdings participating in risk management schemes. This non mandatory indicator concerns 28 RDPs.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	05 60 04 01	Target 2023: 245 762	1 442
Agricultural holdings participating in risk management schemes		Target 2023: 593 139	

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Agricultural holdings receiving support for	F	NA	NA	NA	NA	NA	NA	NA

participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	P	1 000		4 600	47 687			
Agricultural holdings participating in risk management schemes	F	NA	NA	NA	NA	NA	NA	NA
	P	3 466		58 423	188 351			

For the EAFRD there is no ex-ante monitoring of the outputs via setting the annual forecasts for the implementation. The targets for the operational outputs are set for 2023.

Specific Objective 4: Restoring, preserving and enhancing ecosystems related to agriculture and forestry (Priority 4)

Indicator 1: a) % of agricultural land under management contracts contributing to biodiversity b) Percentage of forest area under management contracts contributing to biodiversity (Focus area 4A: Restoring and preserving biodiversity, including Natura 2000 area and high nature value farming, and the state of European landscapes)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
a) 0	70% of the target for 2023*						17.95%
	Actual results						
	5.7%	12.9%	14.8%				
b) 0	Not applicable**						2.1%
	Actual results						
	0.01%	0.2%	0.3%				

a) Out of the 111 programmes which include this Priority, 109 are relevant for this sub-indicator

b) Out of the 111 programmes which include this Priority, 76 are relevant for this sub-indicator

Indicator 2: a) % of agricultural land under management contracts improving water management b) percentage of forest area under management contracts improving water management (Focus area 4B: improving water management)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
a) 0	70% of the target for 2023*						15.0%
	Actual results						
	4.5%	8.8%	10.6%				
b) 0	Not applicable**						0.8%
	Actual results						
	0.04%	0.1%	0.1%				

a) Out of the 111 programmes which include this Priority, 108 are relevant for this sub-indicator

b) Out of the 111 programmes which include this Priority, 39 are relevant for this sub-indicator

Indicator 3: a) % of agricultural land under management contracts preventing soil erosion and improving soil management b) Percentage of forest area under management contracts preventing soil erosion and improving soil management (Focus area 4C: improving soil management)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
a) 0	70% of the target for 2023*						14.9%
	Actual results						
	4.5%	9.0%	10.5%				
b) 0	Not applicable**						1.3%
	Actual results						
	0.1%	0.1%	0.1%				

a) Out of the 111 programmes which include this Priority, 108 are relevant for this sub-indicator

b) Out of the 111 programmes which include this Priority, 56 are relevant for this sub-indicator

*The indicative milestone, which represents an average for the three Target Indicators, is based on the application of Performance Framework proxy indicator: Agricultural land under management contracts contributing to biodiversity (ha) + Agricultural land under management contracts improving water management (ha)+ Agricultural land under management contracts improving soil management and/preventing soil erosion (ha). This non-mandatory indicator concerns 94 RDPs.

**No milestones are available because there is no equivalent common Performance Framework Indicators in the RD Performance Framework.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Million hectares of agricultural land under management contracts supporting biodiversity	05 04 60 01	Target 2023: 29.2	6 593
Million hectares of agricultural land under management contracts to improve water management		Target 2023: 26.5	
Million hectares of agricultural land under management contracts to improve soil management and/or prevent soil erosion		Target 2023: 25.2	
Million hectares of forest or other wooded areas under management contracts supporting biodiversity		Target 2023: 4.0	

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Million hectares of agricultural land under management contracts supporting biodiversity	F	NA	NA	NA	NA	NA	NA	NA
	P	11.1		13.3	23.2			
Million hectares of agricultural land under management contracts to improve water management	F	NA	NA	NA	NA	NA	NA	NA
	P	8.9		10.4	18.5			
Million hectares of agricultural land under management contracts to improve soil management and/or prevent soil erosion	F	NA	NA	NA	NA	NA	NA	NA
	P	8.9		14.5	18.4			
Million hectares of forest or other wooded areas under management contracts supporting biodiversity	F	NA	NA	NA	NA	NA	NA	NA
	P	0.2		0.2	0.5			

For the EAFRD there is no ex-ante monitoring of the outputs via setting the annual forecasts for the implementation. The targets for the operational outputs are set for 2023.

Specific Objective 5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors (Priority 5)

Indicator 1: % of irrigated land switching to more efficient irrigation systems (Focus area 5A: increasing efficiency in water use by agriculture)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0	Not applicable*						13.0%
	Actual results						
	0,2%	1.8%	2.9%				

50 programmes include this Focus Area are concerned by this quantified target

Indicator 2: Total investment in energy savings and efficiency (Focus area 5B: increasing efficiency in energy use in agriculture and food processing)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0	30% of the target for 2023**						2 816 389 026
	Actual results						
	66 653 500	113 404 902	279 267 594				

32 programmes include this Focus Area and are concerned by this quantified target

Indicator 3: Total investment in renewable energy production (Focus area 5C: Facilitating the supply and use of renewable sources of energy, of by products, wastes, residues and other non food raw material for purposes of the bio-economy)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0	30% of the target for 2023**						2 553 204 011
	Actual results						
	2 173 000	59 103 898	255 265 515				

64 programmes include this Focus Area and are concerned by this quantified target

**Indicator 4: a) % of LU concerned by investments in life-stock management in view of reducing the GHG and ammonia emissions
b) % of agricultural land under management contracts targeting reduction of GHG and ammonia emissions (Focus area 5D: Reducing nitrous oxide and methane emissions from agriculture)**

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
a) 0	Not applicable*						0.8 %
	Actual results						
	0.1%	0.1%	0.3%				
b) 0	49% of the target for 2023***						3.3 %
	Actual results						
	2.4%	1.6%	2.0%				

a) Out of the 53 programmes which include this Focus Area, 25 are relevant for this sub-indicator

b) Out of the 53 programmes which include this Focus Area, 35 are relevant for this sub-indicator

Indicator 5: % of agricultural and forest area under management to foster carbon sequestration (Focus area 5E: Fostering carbon sequestration in agriculture and forestry)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0	48% of the target for 2023***						1.1%
	Actual results						
	0.3%	0.6%	0.8%				

73 programmes include this Focus Area and are concerned by this quantified target

*No milestones are available because there is no equivalent common Performance Framework Indicators in the RD Performance Framework

**The indicative milestone, which represents an average for both Target Indicators, is based on the application of Performance Framework proxy indicator: Number of investment operations in energy savings and efficiency (EUR) (5B) + Number of investment operations in renewable energy production (EUR) (5C). This non mandatory indicator concerns 66 RDPs.

***The indicative milestone, which represents an average for both Target Indicators, is based on the application of Performance Framework proxy indicator: Agricultural and forest land under management to foster carbon sequestration/conservation (ha) (5E) + Agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (ha) (5D) + Irrigated land switching to more efficient irrigation system (ha) (5A). This non mandatory indicator concerns 79 RDP. Although this Performance Framework Indicator also takes into account part of the Focus Area 5A operations, this milestone is not representative for indicator 1 which has a particular implementation process compared to other operations taken into account in this indicator.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Million hectares of irrigated land switching to more efficient irrigation systems	05 04 60 01	Target 2023: 1.3	1 023
Million hectares of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions		Target 2023: 5.2	
Live-stock Units concerned by investments in live-stock management in view of reducing GHG (Green House Gas) and/or ammonia emissions		Target 2023: 1 114 442	
Million hectares agricultural and forest land under management contracts contributing to carbon sequestration or conservation		Target 2023: 4.0	
Number of investment operations in physical assets in view of increasing efficiency in energy use in agricultural and food processing		Target 2023: 16 634	
Number of investment operations in physical assets in view of facilitating the supply and use of renewable sources of energy		Target 2023: 8 363	

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Million hectares of irrigated land switching to more efficient irrigation systems	F	NA	NA	NA	NA	NA	NA	NA
	P	16 000		183 900	283 800			
Million hectares of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions	F	NA	NA	NA	NA	NA	NA	NA
	P	0.56		1.3	3.6			
Live-stock Units concerned by investments in live-stock management in view of reducing GHG (Green House Gas) and/or ammonia emissions	F	NA	NA	NA	NA	NA	NA	NA
	P	104 500		97 221 ³⁴³	341 561			
Million hectares agricultural and forest land under management contracts contributing to carbon sequestration or conservation	F	NA	NA	NA	NA	NA	NA	NA
	P	1.1		1.6	2.9			
Number of investment operations in physical assets in view of increasing efficiency in energy use in agricultural and food processing	F	NA	NA	NA	NA	NA	NA	NA
	P	757		1173	2248			
Number of investment operations in physical assets in view of facilitating the supply and use of renewable sources of energy	F	NA	NA	NA	NA	NA	NA	NA
	P	39		206	240			

For the EAFRD there is no ex-ante monitoring of the outputs via setting the annual forecasts for the implementation. The targets for the operational outputs are set for 2023.

Specific Objective 6: Promoting social inclusion poverty reduction and economic development in rural areas (Priority 6)
Indicator 1: Number of jobs created through supported projects (outside LEADER) (Focus area 6A: Facilitating diversification, creation of new small enterprises and job creation)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0				Not applicable*			79 989
	Actual results						
	17	990	4 221				

76 programmes include this Focus Area and are concerned by this quantified target

Indicator 2: a) % of rural population covered by local development strategies b) % of rural population benefiting from new or improved services / infrastructures c) Number of jobs created through supported projects (LEADER) (Focus area 6B: Fostering local development in rural areas)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
a) 0				98% of the target for 2023**			53.0 %

³⁴³ Reduction is explained by encoding errors by one Member State. To be regularised if possible in 2017.

	Actual results						
	21.2%	53.2%	59.9%				
b) 0	24% of the target for 2023***						17.0 %
	Actual results						
	0.7%	11.6%	12.6%				
c) 0	Not applicable**						44 059
	Actual results						
	8	424.8	4 157.4				

a) Out of the 110 relevant adopted programmes, 108 are relevant for this sub-indicator

b) Out of the 110 relevant adopted programmes, 76 are relevant for this sub-indicator

c) Out of the 110 relevant adopted programmes, 108 are relevant for this sub-indicator

Indicator 3: % of rural population benefiting from new or improved IT infrastructures (Focus area 6C: Enhancing accessibility to use and quality of information and communication technologies (ICT) in rural areas)

Baseline 2013	Milestones foreseen						Target 2023
	2014/2015	2016	2017	2018	2019	2020	
0	24% of the target for 2023***						6%
	Actual results						
	0%	0.2%	0.2%				

47 programmes include this Focus Area and are concerned by this quantified target

*No milestones are available because there is no equivalent common Performance Framework Indicators in the RD Performance Framework

**The indicative milestone is based on the application of Performance Framework proxy indicator: Population covered by Local Action groups (LEADER). This non-mandatory indicator concerns 107 RDPs.

***The indicative milestone, which represents an average for both Target Indicators, is based on the application of Performance Framework proxy indicator: Number of operations supported to improve basic services and infrastructures in rural areas. This non-mandatory indicator concerns 71 RDPs.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of beneficiaries (holdings) receiving start up aid/support for investment in non-agricultural activities in rural areas	05 04 60 01	Target 2023: 52 057	2 275
Million rural area inhabitants benefitting from improved services and/or infrastructures		Target 2023: 48	
Million rural area inhabitants covered by a local development strategy		Target 2023: 147,5	
Million rural area inhabitants benefitting from new or improved services/infrastructure (ICT)		Target 2023: 18,0	

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of beneficiaries (holdings) receiving start up aid/support for investment in non-agricultural activities in rural areas	F	NA	NA	NA	NA	NA	NA	NA
	P	39		861	2 236			
Million rural area inhabitants benefitting from improved services and/or infrastructures	F	NA	NA	NA	NA	NA	NA	NA
	P	2.1		29.5	36.5			
Million rural area inhabitants covered by a local development strategy	F	NA	NA	NA	NA	NA	NA	NA
	P	2.5		35.6	173.5			
Million rural area inhabitants benefitting from new or improved services/infrastructure (ICT)	F	NA	NA	NA	NA	NA	NA	NA
	P	0.001		1.2	1.4			

For the EAFRD there is no ex-ante monitoring of the outputs via setting the annual forecasts for the implementation. The targets for the operational outputs are set for 2023.

Justification of changes to the financial programming and/or to the performance information

For rural development programmes, commitment appropriations for budget line 05 04 60 01 (programming period 2014-2020) in 2020 amount to EUR 14 675 million. Total payment appropriations amount to EUR 13 100 million, all relating to the programming period 2014-2020. It represents a stable budget compared to voted budget 2019.

As regards the 2007-2013 programming period, no payment appropriations are requested for 2020. By end 2018, 84 out of 92 rural development programmes were closed and the balance payments or recoveries for those programmes were executed.

For the 2014-2020 programmes, it is foreseen that around 48% of total EAFRD payment appropriations in 2020 will be used for annual measures and around 52% for multi-annual type measures. The appropriations for annual measures are calculated based on total programming period's annual part. For the multi-annual type measures, the estimated evolution of payments is based on the execution profile over the 2007-2013 programming period and taking into account the rhythm of implementation of the 2014-2020 programmes.

Programmes' implementation 2014-2020 (Common Strategic Framework)*

Thematic objectives of the Common Strategic Framework	Commitments 2014-2020 EUR million (1)		Cumulative payments declared by Member-states at end 2018 (2)	(2)/(1) %
1. Strengthening research, technological development and innovation	2 404,8		186,3	7,7
2. Enhancing access to, use and quality of, information and communication technologies	921,8		73,5	8,0
3. Enhancing the competitiveness of the agricultural sector	28 223,8		8 246,4	29,3
4. Supporting the shift towards a low-carbon economy	4 536,9		1 199,7	26,4
5. Promoting climate change adaptation, risk prevention and management	21 252,1		9 478,3	44,6
6. Protecting the environment and promoting resource efficiency	25 262,0		10 807,2	42,8
8. Promoting sustainable and quality employment and supporting labour mobility	2 595,7		439,4	16,9
9. Promoting social inclusion and combating poverty	11 542,6		2 172,0	18,8
10. Investing in education, training and vocational training for skills and lifelong learning	1 074,9		157,1	14,6
TOTAL	97 814,6		32 770,1	33,5

*The above allocation of commitments into thematic objectives is indicative based on the Member States' programmes, situation end 2018. The breakdown can be subject to changes due to possible modification of the RDPs. The cumulative amounts of payments declared by Member States are provided until Q3 2018. The amounts for Technical Assistance Measures and Discontinued Measures are not included as they do not contribute to any of the thematic objectives.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
3% of the EU's GDP should be invested in R&D
The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)
20 million less people should be at risk of poverty

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	449,0	449,1
Sustainable Growth (competitiveness, climate, energy and mobility)	11 545,2	11 546,5
Inclusive Growth (employment and skills, fighting poverty)	2 661,8	2 662,1
Total	14 656,0	14 657,7

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry	8 453,0	8 464,0
Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors		
Total	8 453,0	8 464,0

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
3 037,0	10 468,0	10 756,0	8 269,0	8 275,0	8 453,0	8 464,0	57 722,0

(*The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Calculation³⁴⁴ based on the value of commitments respectively for Budget 2018 and DB 2019 indicative annual allocation to focus areas based on all 118 adopted rural development programmes.

³⁴⁴ In accordance with Annex II to Regulation (EU) No 215/2014 of 7 March 2014 laying down rules for implementing Regulation (EU) No 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund with regard to

The Commission’s estimates of the overall climate contribution of both CAP funds are based on an EU wide agreed methodology. The method used by the Commission is sound, it has been prepared in a transparent and coordinated manner; it is based on Rio markers and it was communicated to the European Parliament and the Council. The tracking methodology for EAFRD is a reasonably reliable estimate for climate related expenditure and minimizes administrative burden. It currently represents 57.7% of EAFRD expenditure. The tracking methodology has to remain stable during the current MFF but could be fine-tuned post-2020.

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry	4 411,0	4 416,0
Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors		
Total	4 411,0	4 416,0

Programming biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
1 584,0	5 462,0	5 612,0	4 315,0	4 318,0	4 411,0	4 416,0	30 118,0

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Starting from Draft Budget 2016, the methodology for the calculation of the contribution to biodiversity is the following: 100% of the annual commitments in the Priority Area 4 with exception of the amounts for the areas facing natural constraints plus 40% of the annual commitments in the focus area 5E. Calculation based on the value of commitment respectively for Budget 2018 and Draft Budget 2019 and indicative annual allocation to focus areas based on 118 rural development programmes. This calculation does not take into account the impact of the review of flexibility decisions of the Member States.

Gender mainstreaming

Rural development policy contributes to gender equality as the gender perspective is considered during the preparation and implementation of the RDPs. Under Priority 6 of the Rural Development Policy, the CAP supports social inclusion, poverty reduction and economic development in rural areas. Under this priority, the European Agricultural Fund for Rural Development (EAFRD) supports inter alia, the development of basic services in rural areas as well as for local initiatives; it finances the start-up of non-agricultural and agricultural activities and promotes the cooperation between local actors. This can help to address the special challenges that women sometimes face in rural areas and in the agricultural sector, such as the lack of quality basic services in some rural areas (such as childcare services, broadband, transports). Moreover, all rural development measures have the potential to contribute to gender equality to a various extent, e.g. by providing support to improve skills, facilitate business development, etc. Besides that, contribution to gender equality is specifically sought in the rural development policy through:

- the possibility to submit thematic sub-programmes for women in rural areas,
- the possibility to target rural development support to women through the application of selection criteria and,
- the obligation to respect an ex ante conditionality on gender equality.

It is not possible to know the actual budgetary contribution to gender issues because this would require an in-depth analysis of the implementation of the RDPs. With the information available in the RDPs, it would only be possible to know the budget allocated to thematic sub-programmes on women in rural areas, but so far none of the RDPs has made use of this possibility.

5. Programme contribution to the Sustainable Development Goals - please see the general presentation for CAP

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

Financial instruments (FI) are the key tool for leveraging and revolving the rural development financing. The EAFRD already met the target of doubling the use of FI as compared to 2007-2013 with eight FIs being operational in 2018 (six in 2017) and another 13 funding agreements to have been signed between EAFRD managing authorities and Fund managers (10 in 2017), including the European Investment Fund (EIF). The trend over the years is positive and increasing.

By end 2018, FI were fully programmed in 30 RDPs in nine MS (DE, EE, ES, FR, HR, IT, PT, RO and SI). At the end of 2018, the planned public budget for financial instruments in rural development programmes 2014-2020 is EUR 730 million (EUR 669 million by end 2017), out of which EUR 519 million EAFRD (EUR 465 million in 2017). In total, EUR 68.5 million of EAFRD expenditure was already declared to the Commission by the end of 2018 (EUR 45.67 million in 2017). Additional programme modifications on financial instruments were seen in Estonia, French and Spanish regions, Croatia, Portugal and Greece.

The Commission with the EIB identified and developed the FI schemes that can be used by farmers, foresters and related rural businesses. It has also launched a specific EAFRD – EFSI Initiative, based on the Omnibus proposal with five pilot projects already in advanced stage of development by end 2018.

The Commission services also launched a specific advisory activity 'targeted coaching on financial instruments for EAFRD managing authorities'. This advisory activity has delivered in 25 national and regional managing authorities and have built the case of understanding and promoting the use of FIs under the EAFRD. Additional work related to dissemination of information (through conferences, specific brochures, websites and communication newsletters, etc.).

Table Financial implementation of the financial instruments supported by the EAFRD (EUR million)

Country	EAFRD planned amount	Total Public Support	Amount declared to the Commission	Execution (% spent)
Germany	10.0	11.8	2.1	21,2
Estonia	32.4	36.0	22.9	70,8
Spain	145.5	217.3	13.9	9,6
France	38.8	62.0	3.9	10,2
Croatia	60.0	70.6	-	-
Italy	69.2	144.4	3.6	5,2
Portugal	26.9	29.0	-	-
Romania	87.8	94.0	21.9	25,0
Slovenia	49.3	65.7	-	-
Total	519.9	730.7	68.5	13,2

Note: By September 2018

7. Programme related additional information - the final achievements of 2007-2013 programme implementation were reported in the 2019 programme statement.

HEADING 2: Sustainable growth: natural resources**European Maritime and Fisheries Fund (EMFF)**

Lead DG: MARE

I. Overview***What the programme is about?***

The EU has exclusive competence for the conservation of marine biological resources³⁴⁵, both in EU waters and in relation to the international obligations deriving from UNCLOS³⁴⁶ and from other UN agreements to which the EU is a Party. The exclusive competence equally applies to the bilateral fisheries agreements signed with third countries. All these areas are regulated by the Common Fisheries Policy (CFP). The EMFF helps Member States to comply with the rules of the Common fisheries policy (CFP) being necessary for the attainment of the objectives of the policy, such as the sustainable management of fisheries. The EMFF is not only directed to fisheries and innovation in fisheries, aquaculture and processing, but also to diversification and promotion of the economic development of fisheries dependent areas. The EMFF supports the implementation of operational programmes set out by MS that contribute to four of the eleven thematic objectives³⁴⁷ of the ESI funds and translate the Europe 2020 strategic objectives into investment priorities.

EU added value of the programme

Given the structural challenges facing the European fisheries and aquaculture sector, as well as the limits of the financial resources of individual MS, MS are not in a position to sufficiently address the problems themselves. That is why these problems are better addressed at EU level through multi-annual financing, with focus on a select number of relevant priorities.

Achieving sustainable fisheries may have some negative social impacts for coastal communities in the short to medium term; this needs mitigation through diversification and encouragement of fishers to find employment in expanding maritime economy sectors. This is of particular importance to coastal communities dependent on fisheries, in particular in areas where the fishing sector still faces serious problems (such as the Mediterranean and Black Seas): here a policy at EU level can provide real added value.

Several factors related to aquaculture (e.g. allocation of space, issuing and renewing of licences) have a strong subsidiarity dimension. Many marine aquaculture sites operate in marine ecosystems, which go beyond national borders and the planning of the maritime space requires coordinated planning efforts at EU-level.

Control and enforcement, as well as data collection and scientific advice, are core elements for the effective implementation of the CFP. These activities, co-ordinated and co-financed at EU-level, represent significant savings and synergies in terms of costs and compliance over the comparable national mechanisms.

Maritime policy and the development of the blue economy is by nature cross-sectoral and transnational, e.g. through the development of sea-basin strategies that cover several Member States and (where appropriate) partner countries; and via efficiency gains in the use of funds, application of rules and the involvement of bodies/institutions, to reduce the fragmentation and duplication of actions. In this policy field, action at EU-level is likely to produce clear benefits compared to action only at Member State/regional level. Marine knowledge assembles data and makes it accessible across the EU, Common Information Sharing Environment (CISE) provides a common European maritime surveillance environment, while the sharing (at EU or sea basin levels) of coast guard capacities between agencies and Member States increases the effectiveness and efficiency of operations at sea. Maritime spatial planning is a way to better coordinate the common European maritime space and ensure coherence across borders (within and outside the EU). In blue growth areas such as ocean energy, when compared to separate Member State initiatives and budgets, the coordination of activities related to research (but also other non-technological issues) at European level accelerates the development of the sector (i.e. achieving the critical mass for investment and developing the market).

Implementation mode

Expenditure supporting the Fisheries and Maritime Policies is financed through a single fund, the EMFF, either directly or in the context of shared management with Member States. Shared management with Member States applies to measures to support fisheries, aquaculture and community-led local development, processing and marketing, compensation for the outermost regions, control and data collection activities as well as the Integrated Maritime Policy (IMP). Direct management is used to implement scientific advice, specific control and enforcement measures, voluntary contributions to international organisations, Advisory Councils, market intelligence, operations for the implementation of the IMP and communication activities.

II. Programme Implementation Update***Implementation Status (2016-2018)***

Shared management (2014-2020 envelope of EUR 5.749 million):

³⁴⁵ 3 (1) (d) of the Treaty on the Functioning of the European Union (TFEU).

³⁴⁶ United Nations Convention for the Law of the Sea

³⁴⁷ Thematic objectives (TO): TO 3: competitiveness of SMEs in the fisheries sector; TO 4: supporting the shift towards a carbon-free economy; TO 6: preserving and protecting the environment and promoting resources efficiency; TO 8: promoting sustainable and quality employment.

In the course of 2018, the remaining 3 Member States (Hungary, Italy and Poland) notified to the Commission the designation of authorities for the management of the fund and therefore met a prerequisite (as per Article 123 of the ESIF Common Provisions Regulation) to submit interim payment applications.

Overall, the implementation of the EMFF in 2018 has significantly accelerated compared to the previous years. The amount of interim claims submitted by Member States during 2018 reached a record level: two and a half times as much as the amount of claims submitted for the whole programming period until end of 2017. Thus, the risk of automatic decommitment is now at a relatively low level (some EUR 63 million of the EMFF shared management envelope may be lost to this effect).

Direct management (2014-2020 envelope of EUR 647 million):

From 2017 onwards, the biggest part of the annual envelope is used for financing projects propelling the development of blue economy (e.g. innovative solutions for maritime challenges, sea basin-focused operations aiming at promoting job creations, innovation and entrepreneurship, etc.). In addition, the Commission continued to support the implementation of the Common Fisheries Policy by funding Regional Fisheries Management Organisations, which included the implementation of Malta MedFish4Ever and 2017-2020 strategy actions of the General Fisheries Commission of the Mediterranean (GFCM). Funding was also provided to the Advisory Councils and for scientific advice provided by the International Council for the Exploration of the Sea (ICES) and the Scientific, Technical and Economic Committee for Fisheries (STECF). In 2018 the Commission concluded successfully a contract for servicing the European Market Observatory for fisheries and aquaculture (EUMOFA), which is a key tool in providing market intelligence to stakeholders and policy-makers and increase market transparency.

Key achievements

Shared management: Over 7.143 fishing vessels benefited from the EMFF, 50% of which belonged to the small-scale coastal fishing fleet. The support provided continues to promote sustainable balance between fishing fleets and resources and the protection of the marine ecosystems. The EMFF has also supported better management of more than 100 000 km² of Natura 2000 areas, and almost 95 000 km² of other marine protected areas.

By the end of 2017 the Managing Authorities selected:

- 342 operations supporting innovation and new technologies with an EMFF contribution of around EUR 5,2 million;
- 12.553 operations addressing SMEs or private persons;
- 985 operations supporting the promotion of human capital and social dialogue - training, networking and social dialogue with an EMFF contribution of around EUR 25.76 million (excluding CLLD actions);
- 536 operations supporting energy efficiency with an EMFF contribution of around EUR 74.68 million;
- 10 104 projects addressing environment and resources efficiency with an EMFF contribution of EUR 573,23 million.

The impact of these operations is delivered at the level of the coastal or maritime local communities. They help improve the sustainability of fishing, aquaculture and related activities, help maintain and protect the natural environment, encourage innovation and adoption of new technology, and increase cooperation and partnerships between businesses. This in turn adds value to the SMEs involved, supporting employment and creating a basis for growth in income. Examples of the types of projects include; replacing the engine in a fishing vessel with a more energy efficient engine, providing technical training to staff, increasing the capacity of a hatchery or installing an innovative water filtration system in an aquaculture facility. The operations financed by the EMFF benefit direct beneficiaries of the operations as well as having a multiplier effect along the production and supply chain and in related service industries. It is estimated that more than 35.000 fishermen, their spouses/partners, and members of producer organisations, benefit from the support, as well as 33.000 other persons (such as employees of processing companies and port users).

Direct management: Oceans are a source of life to our planet. They provide food, regulate the climate and produce oxygen. Oceans also offer a great potential for boosting growth, jobs and innovation, and a large share of our economy already depends on the sea. Yet the ocean's health and its capacity to provide these services are put in danger by pollution, ocean warming and the over-exploitation of marine and maritime resources. For oceans to remain healthy and thriving, to provide food and jobs for millions of people and to stimulate a blue economy able to support vibrant coastal and island communities, we need to take care of them and manage them in a more sustainable way, in Europe and worldwide.

Throughout 2018, DG MARE's work reflected its strong commitment to the sustainability, security and prosperity of our oceans. The key achievements for the year 2018 are presented below.

In 2018, the Commission continued to focus its **fisheries conservation policy** on the objective of achieving Maximum Sustainable Yield (MSY) for fish stocks by 2020 at the latest and reaching sustainable fleet performance. The Commission's "Policy Statement" for 2019 shows that further progress was made in 2018 in reaching the CFP objectives, with a growing number of Total Allowable Catches (TACs) in line with MSY. The Council adopted 59 TACs in line with MSY (34 in Western waters, 18 in the North Sea and 7 in the Baltic Sea), compared to 53 in 2017. In the North-East Atlantic and adjacent seas fishing mortality is decreasing steadily and overall stock exploitation levels are, on average, sustainable. In the Mediterranean and the Black Sea, the majority of the assessed fish stocks are still overfished. In the Mediterranean, out of 47 stocks, only around 13% (6 stocks) are not overfished. In the Black Sea, 5 out of the 6 assessed stocks remain overfished, with the exception of sprat. Also, the full implementation of the landing obligation, which had to be achieved by 1 January 2019, continued to be a key challenge throughout the year, and led to intensive discussions in all regional groups.

A clear correlation between fishing at MSY levels and economic returns and profitability for the fleets was again confirmed in the 2018 Annual Economic Fleet Report. Higher and stable yields contribute to jobs, growth and investments in the EU.

Following the adoption of the Baltic Multiannual Management Plan in 2016, 2018 was the first year of applying the North Sea plan, which entered into force in August. The adoption of the Commission proposal for a **Western Waters Multiannual Management Plan** in March 2018 was followed by intense inter-institutional negotiations and a political agreement between the co-legislators in November.

As regards the Multiannual Management Plans for the Mediterranean, the Commission continued inter-institutional negotiations on the Management Plan for the small pelagics in the Adriatic and adopted in March 2018 a proposal for a **Management Plan for demersals in the Western Mediterranean**. While there was no breakthrough on the former, negotiations on the latter have continued throughout 2018 and led to a political agreement in early 2019.

In 2018, the Commission adopted a proposal to revise the EU's fisheries control system, which aimed to simplify it, to make it more effective and efficient and to ensure full compliance with the reformed CFP and equitable treatment of operators. The main objectives are to strengthen provisions on enforcement, to ensure better quality and sharing of fisheries data and information, to reduce administrative burden and to enhance synergies with other policies.

Integrated Maritime Policy

In implementing its Agenda for better international ocean governance, the EU continued to be in the lead in advocating and rolling out sustainable fisheries internationally. Successful negotiations between the EU and China resulted in the EU-China Ocean Partnership, signed on 16 July 2018 at the EU-China Summit. It was the first Ocean Partnership of this kind, setting out a comprehensive framework for dialogue and cooperation on ocean issues of common interest. The Commission also started the negotiations for an Ocean Partnership with Canada and engaged actively with other important key players on oceans, such as the US and Japan

After the great success of the EU hosted Our Ocean Conference in Malta in 2017, the **Our Ocean Conference** (October 2018 in Bali) managed to keep the momentum and to generate new commitments from governments, companies and non-governmental organisations to conserve and sustainably use the oceans, seas and marine resources. In Bali, the EU announced close to EUR 300 million of EU-funded initiatives to tackle global oceans challenges. This comes on top of the EUR 550 million committed by the EU at the Our Ocean Conference 2017.

DG MARE also successfully contributed to the political agreement reached between the co-legislators on the new **Single Use Plastics** Directive in December 2018, taking the lead in particular on the part related to lost fishing gear. The new Directive will include ambitious measures that will tackle marine litter at its source, by targeting plastic products most often found on beaches, as well as and abandoned fishing gear.

The new Agreement to prevent unregulated fishing in the High Seas of the Central Arctic Ocean, negotiated by DG MARE and signed in October 2018, was a historic landmark. It will prevent unregulated commercial fishing in the high seas portion of the central Arctic Ocean, an area that is roughly 2.8 million square kilometres in size, about the size of the Mediterranean Sea, thus protecting the fragile Arctic ecosystem for future generations whilst promoting a sustainable development of the region.

In line with the Commission's "stronger and renewed strategic partnership with the EU's Outermost Regions" launched in 2017, DG MARE revised the **State aid guidelines for Fisheries**, which were adopted in October 2018, to foster the development of a sustainable Blue Economy in the EU's peripheral regions

Stimulating a sustainable blue economy will help coastal communities and businesses across the Single Market unlock the potential that the oceans represent for Europe's coastal regions and for the European economy as a whole, especially by supporting new business ventures and investing in innovation.

In June 2018, the Commission published its first Annual report on the Blue Economy. The report shows that this fast-growing economic sector, which represents all economic activities related to our oceans, seas or coastal areas - from fisheries, shipbuilding and tourism to ocean energy and biotechnology - generates more than EUR560 billion a year and employs more than 3.5 million people. In several EU member states the blue economy, which is set to double in size globally by 2030, has grown faster than the national economy in the last decade.

Through the Blue Invest 2018 match-making event in May, DG MARE managed to bring together more than 400 innovators, investors, the financial community and public authorities to boost the economic potential of the ocean while protecting its marine resources. The first European event of this kind contributed substantially to increase the engagement of the financial community with the blue economy, and to stimulate investment interest in marine and maritime sectors.

In June 2018, the General Affairs Council adopted conclusions revising the EU Maritime Security Strategy (EUMSS) Action Plan of 2014 to ensure that the policy remains fit for purpose. The revised Plan focuses on the actions in five priority areas dedicated to crosscutting issues, and in new regional responses to major maritime hotspots in European sea basins (like the Mediterranean and the Black Sea) and internationally (the Gulf of Guinea, Horn of Africa-Red Sea and South-East Asia).

Evaluations/studies conducted

For the 2014-2020 period there is greater emphasis on the need to evaluate the effects of the policies co-financed through the ESI Funds. The EMFF evaluations started to take place in 2017 and continued through 2018. Most Member States (CY, CZ, DK, FI, RO, SK, AT, DE, ES, FR, HU, LV, MT, SI, PT, UK) reported some evaluation activities in 2017 or activities planned to take place in 2018 (as reported in the Annual Implementation Reports). The Member States are offered support through FAME, the

Commission's Fisheries and Aquaculture Monitoring and Evaluation support unit. The assistance includes support for planning evaluations and help to the remaining Member States in establishing the framework to support future evaluations. All Member States have draft evaluation plans in place (in accordance with the applicable requirements of the Common Provisions Regulation). The plans cover areas such as governance settings (related to monitoring and evaluation tasks), data and information strategy (the best developed section of the plans), staff resourcing and (to a limited extent) CLLD (Community-led Local Development).

During the year 2018, the Commission provided dedicated support to Member States with their EMFF evaluation process through a series of 6 customised two day workshops in the Member States. It has also produced working papers on preparation of the monitoring and evaluation system of the next programming period.

A mid-term evaluation of the direct managed part of the EMFF was completed and published at the end of 2018. The accompanying Staff Working Document will be published in the second half of 2019. The evaluation report found that actions funded through this strand, such as EUMOFA (European Market Observatory for Fisheries and Aquaculture products), EMODNet (European Marine Observation and Data Network), and support for Advisory Councils were appreciated by stakeholders and were a source of useful information. It also noted, however, that links with ERDF could be improved and that a more comprehensive monitoring and evaluation system could be established. Specific progress indicators should also be further developed to better assess the impact of this funding. An indicator system is in preparation to facilitate the evaluations of the next programming period. It will be linked to the common monitoring and evaluation system being established for the shared management component.

An evaluation study (consultant's final report) of the entry-exit scheme of the European fishing fleet, was also completed in 2018. It will be published with the Staff Working document at the end of the first half of 2019.

Forthcoming implementation (2019-2020)

Shared management: With all programmes now fully operational, the implementation of the EMFF has reached cruising speed. The progress is expected to continue. The performance review of the EMFF and other ESI funds takes place in 2019. The performance of the Operational Programmes will be reviewed based on the Annual Implementation Reports submitted in May 2019, which report on implementation until the end of 2018. The achievements of the Member States will be assessed based on progress towards the 2018 milestones set for each Union Priority in their Operational Programme. Priorities which are considered to be performing receive the release of a 6% performance reserve. The reserve of underperforming priorities can be reallocated by the Member States to performing priorities. Commission Decisions concerning performing priorities will be issued for each Operational Programme, this can be expected to be followed by a programme amendment for each programme to reallocate any performance reserves as necessary.

Direct management: The amount allocated to actions in the 2019 Work Programme for procurement and grants totals EUR 87,6 million. The Commission will continue

- implementing projects aiming at fostering the blue economy (e.g. actions to bring to market new products, services and business models in blue economy value chains and sustainable blue growth in Europe's sea basins);
- fostering international ocean governance by negotiating ocean partnerships;
- cooperating with stakeholders in the area of maritime spatial planning, marine observation and data, marine environmental improvement and common information-sharing for maritime safety and security;
- providing for scientific data, studies, etc. in order to base its decisions in the context of the CFP on the best available scientific advice;
- developing IT solutions in the area of control and enforcement of the CFP in the MS;
- supporting the work and programmes carried out by international organisations as well as Advisory Councils.

Outlook for the period 2021-2027

A post-2020 EMMF, which was proposed by the Commission on 12 June 2018.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application						Reference Amount (EUR million)	
Regulation (EU) No 508/2014 of the European Parliament and of the Council of 15 May 2014 on the European Maritime and Fisheries Fund and repealing Council Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006 and (EC) No 791/2007 and Regulation (EU) No 1255/2011 of the European Parliament and of the Council	2014 - 2020						6 396,6	
	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	3,3	3,4	3,7	3,7	3,5	3,6	3,6	24,8
Operational appropriations	116,1(*)	1 617,3	885,1	905,1	926,8	935,2	953,4	6 339,0
Executive Agency	0,8	1,9	2,6	2,9	3,0	3,2	3,3	17,8
Total	120,3	1 622,6	891,4	911,7	933,4	942,1	960,3	6 381,6

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	933,361	99,80 %	483,592	99,80 %	942,055	95,39 %	570,725	34,62 %
Authorised appropriations (*)	1 072,402	99,80 %	752,168	99,83 %	942,321	95,36 %	571,679	34,62 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific objectives

Specific Objective 1: Promoting competitive, environmentally sustainable, economically viable and socially responsible fisheries and aquaculture

Indicator 1: Labour productivity (in terms of gross value added per employee) in the EU fisheries sector

Baseline 2011	Milestones foreseen						Target 2023
	2014	2015	2016	2017	2018	2019	
Employment is measured in full time equivalents.				Increase in fisheries sector's productivity: (%) equals or exceeds that of the EU economy (%).			Increase in fisheries sector's productivity: (%) equals or exceeds that of the EU economy (%).
	Actual results						
- EU fishing fleet: 38.700 EUR/employee.	41.300 EUR/employee	42.800 EUR/employee.	49.000 EUR/employee				
- EU aquaculture: 44.000 EUR/employee.	49.600 EUR/employee	52.500 EUR/employee	59.700 EUR/employee				
- EU fish processing: 53.500 EUR/employee.	56.700 EUR/employee	59.900 EUR/employee	*	**			

Source: The data are stemming from the 2018 Annual Economic report on the EU Fishing Fleet.

* The data will be available in December 2019

**The data is made available for fishing fleet and aquaculture in the month of August of year N+2 after the approval of the Scientific Technical and Economic Committee for Fisheries (STECF). In the case of fish processing it becomes available later.

Indicator 2: Profitability of the EU fishing fleet by fleet segment

Baseline 2012	Milestones foreseen						Target 2023
	2014	2015	2016	2017	2018	2019	
Net profit margin of the EU fishing fleet:				Net profit margin of the EU fishing fleet: average 6-9%.			Net profit margin of the EU fishing fleet: average 10-12%.
	Actual results						
Average EU fishing fleet 6%.	11%	11%	*17%				
By main segment category:	4%	10%	14%				
- small scale fleet 8,0%	8%	12%	19%				
- large scale fleet 5,3%	24%	6%	15%	*			
- long distant water fleet 5,6%							

Source: The data for the catching sector are stemming from the 2018 Annual Economic report on the EU Fishing Fleet, for the Aquaculture from the Bi-annual Economic report on Aquaculture (2018) and for the processing from the Bi-annual Economic report of Processing sector (2017)

*Data are available for fishing fleet and aquaculture in the month of August of year N+2 after the approval of the Scientific Technical and Economic Committee for Fisheries (STECF). In the case of fish processing it becomes available later.

Indicator 3: Fuel efficiency of fish capture

Baseline 2011	Milestones foreseen						Target 2023
	2014	2015	2016	2017	2018	2019	
Ratio catches to fuel consumption: ca. 2.05 kg of fish for 1 litre of fuel ³⁴⁸				Reduce fuel consumption by 5%			Reduce fuel consumption by 10%
	Actual results						
	2,20 kg fish/ litre	2,15 kg fish/ litre	1,81 kg fish/ litre	*			

³⁴⁸ These values are an approximation varying on the fishing techniques used (from 0.2 to 5 litres per kg of fish).

Source: The data are stemming from the 2018 Annual Economic report on the EU Fishing Fleet.

*Data are available for fishing fleet and aquaculture in the month of August of year N+2 after the approval of the Scientific Technical and Economic Committee for Fisheries (STECF).

Indicator 4: Volume of discards of commercially exploited species

Baseline 2010	Milestones foreseen						Target 2023
	2014	2015	2016	2017	2018	2019	
23% of the catches is discarded		21%		10%		Max 5%	Discarding eliminated, and unwanted catches reduced
	Actual results						
	*	*	*	*			

* The Commission closely monitors the implementation of the Landing Obligation and reports annually to the European Parliament and the Council based on information provided by Member States, the Advisory Councils and other relevant sources. Four reports were published from June 2015 until 2018. MS report annually to the Commission on the implementation of the landing obligation. However, information on discard quantities presented by Member States is scant and, based on the questionnaires. It is not possible to say whether there have been any changes in discard quantities. In parallel, the Commission adopted its post 2020 EMFF legislative proposal in June 2018 where it emphasised the need to facilitate the implementation of the Landing Obligation through the support of investments in selective fishing gears, in the improvement of port infrastructures and in the marketing of unwanted catches. The Commission has also emphasised the need for a more effective enforcement and control of the Landing Obligation in its recent proposal for a revision of the Control Regulation, by proposing that certain vessels are equipped with continuous recording electronic monitoring devices including Close Circuit Televisions (CCTV).

Indicator 5: Value of aquaculture production in the EU

Baseline 2013	Milestones foreseen						Target 2023
	2014	2015	2016	2017	2018	2019	
EUR3,85billion				+2.25% annual growth compared to 2016			At least + 27% compared to the baseline 2013
	Actual results						
	3.89	4.13	4.90				

Indicator 6: Relative value or volume of products placed on the market by Producers Organisations (POs), associations of POs or inter-branch organisations

Baseline			Milestones foreseen*						Target 2023	
			2014	2015	2016	2017	2018	2019		
Member States	% production in value	Value of production placed on the market by POs (in k euros)	BEL	73.300	73.500	73.700	73.900	74.100	74.300	75.100
			DNK	286.035	286.835	287.635	288.435	289.235	290.035	293.235
DEU	45	176.419	HRV	0	889	1.778	2.667	3.556	4.444	8.000
EST	76	1.900	ITA	168.686	171.904	175.121	178.339	181.557	184.775	197.646
IRL	70	171.426	LVA	8.794	8.794	8.794	8.794	8.794	8.794	8.794
GRC	0,01	45	LTU	318.416	318.916	319.416	319.916	320.416	320.916	322.916
ESP	57	1.342.243	NLD	419.753	419.783	419.813	419.843	419.873	419.903	420.023
FRA	43	653.288	POL	46.610	47.140	47.670	48.200	48.730	49.260	51.380
HRV	0	0	PRT	148.826	150.826	152.826	154.826	156.826	158.826	166.826
ITA	76	165.468	ROM	11.749	11.785	11.820	11.856	11.892	11.927	12.070
LVA	90	8.794	SWE	776.723	776.797	776.871	776.945	777.019	777.093	777.389
LTU	66	317.916	GBR	426.315	427.965	429.615	431.265	432.915	434.565	441.165
NLD	100	419.723	Actual results**							
POL	71	46.080	BEL							
PRT	58	146.826	DNK							
ROM	17	11.713	DEU							
SWE	79	776.649	EST							
GBR	75	424.665	IRL							
			GRC							
			ESP							
			FRA							
			HRV							
			ITA							

	LVA							
	LTU							
	NLD							
	POL							
	PRT							
	ROM							
	SWE							
	GBR							

* Source: EMFF operational programmes. Milestones are a linear extrapolation from the targets set for 2023

** Due to unreliable data submitted by the MS in their AIRs no reporting is possible on this indicator at the moment.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Conservation, reduction of the fishing impact on the marine environment and fishing adaptation to the protection of species (UP1-SO1-measure 3)	11 06 60	Target 2023: 261	207.1
Energy efficiency, mitigation of climate change (UP1-SO5-measure 3)		Target 2023: 779	
Productive investments in aquaculture (UP2 SO2-measure 1)		Target 2023: 4 674	
Limiting the impact of aquaculture on the environment (UP2-SO4-measure 1)		Target 2023: 1.198	
Producers organisations or associations of producers organisations supported for production and marketing plans (UP5- SO1-measure 1)		Target 2023: 163	
Processing projects (UP 5- SO2-measure 1)		Target 2023: 1.926	
Total			

Based on the total EMFF allocation for the above-mentioned measures as per the EMFF annual implementation reports due by the end of May 2017 (1 387 EUR Million for the whole programming period). The annual EMFF contribution is calculated in proportion to the EMFF tranche in the annual budget.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Conservation, reduction of the fishing impact on the marine environment and fishing adaptation to the protection of species	F	NA	NA	NA	NA	NA	NA	NA
	P	0	0	134	278	*		
Energy efficiency, mitigation of climate change	F	NA	NA	NA	NA	NA	NA	NA
	P	0	0	3	75	*		
Productive investments in aquaculture	F	NA	NA	NA	NA	NA	NA	NA
	P	0	0	76	371	*		
Limiting the impact of aquaculture on the environment	F	NA	NA	NA	NA	NA	NA	NA
	P	*	30	40	162	*		
Producers organisations or associations of producers organisations supported for production and marketing plans	F	NA	NA	NA	NA	NA	NA	NA
	P	0	2	25	65	*		
Processing projects	F	F	NA	NA	NA	NA	NA	NA
	P	P	30	83	210	*		

* Data on selected operations for funding in 2018 to be sent by MS to the Commission by 31 March 2019

Specific Objective 2: Fostering the development and implementation of the Union's Integrated Maritime Policy in a complementary manner to Cohesion policy and to the Common Fisheries Policy

Indicator 1: Marine knowledge 2020 initiative: Degree of use of the European Marine Observation and Data Network (EMODnet) measured by the number of users downloading data

Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1.212 unique visitors per month to the central portal.				5.000			17.000 unique visitors per month.
	Actual results						
	1.234	2.645	4.967	14.916	*		

* This indicator is not measured anymore. For the purpose of the strategic plan 2016-2020 this indicator was revised and replaced by 'Degree of use of the European Marine Observation and Data Network (EMODnet) in terms of the number of downloads of data per month'. The latest reporting, as per the 2018 AAR, shows a steady to positive trend in the use of EMODnet.

Indicator 2: Maritime Surveillance: Percentage of available cross-sectorial and/or cross-border data, as a percentage of the total information gap identified in the Impact Assessment on CISE (Common Information Sharing Environment)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0% of the data gap closed.						10% to 20% increase in data exchange across sectors	20% to 40% increase in data exchange across sectors
	Actual results						
	n.a.*	n.a.*	n.a.*	n.a.*	n.a.*	The review of CISE is expected to provide a clearer indication of this measurement	

* No quantifiable results. The relevant information for calculating this indicator is not available. A large-scale assessment is necessary to monitor the progress of the information exchanges through EU and MS systems inter-connected via CISE in order to objectively measure this indicator. The transitional phase should enable such measurement, given its work with real data and systems.

Indicator 3: Percentage of the surface area of marine waters conserved through spatial protection measures in the context of Article 13.4 of MSFD

Result 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
In the Exclusive Economic Zone, coverage of 5,9%. In the 0-12 nm zone, coverage of 10% of the surface has been exceeded in some marine regions or sub-regions (Baltic sea, Greater North Sea, West Mediterranean).				Exclusive Economic Zone: coverage of 8%*			Coverage (including all different kinds of protected sites) of 10% of surface in the Exclusive Economic Zone, 20% in the 0-12 nm zone
	Actual results						
	n.a.	n.a.	10.8%*	10.8%*	10.8%*		

* By the end of 2016, 10.8 % of the surface of Europe's seas had been designated as MPAs. The % of areas designated as Marine Protected Areas has increased over last years, but the official information as published in 2017 is based on 2016 data sets, which says that 10.8% of Europe's waters are designated as MPAs.

Source: ETC/ICM Technical Report 04/2017 "Report on Spatial Analysis of Marine Protected Area Networks in Europe's Seas II, Volume A, 2017"

https://icm.eionet.europa.eu/ETC_Reports/SpatialAnalysisOfMarineProtectedAreaNetworksInEuropesSeas_VolumeA_2017/Spatial%20Analysis%20MPA%20Networks_v1.5.pdf

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Number of contracts concluded to construct European Marine Observation and Data Network (EMOD net)	11 06 61	5	10.0
2. Actions supporting the exchange of information flows relevant to the 'Common Information Sharing Environment (CISE) for the surveillance of the EU maritime domain'.	11 06 61	6	6.4
3. Actions supporting the development of the Blue Economy in European Sea Basins (studies, pilot project, business cases)	11 06 61	10	21.0
4. Studies, pilot projects and expert support for the implementation of Maritime Spatial Planning in Member States and across European sea basins	11 06 61	4	4.7
5. Actions supporting the implementation of Marine Strategy Framework Directive(MSFD)	11 06 61	5	4.4
Total			46.5

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of contracts concluded to construct EMOD net	F	6	6	8	4	6	8	5
	P	5	3	4*	8	5		
Actions supporting the exchange of information flows relevant to the CISE for the surveillance of the EU maritime domain.	F(direct management)	2	2	13	12	12	6	6
	F(shared management)	Actions in 23 MS throughout the programming period						
	P	12	3	4	8	5		
Actions supporting the development of the Blue Economy in European Sea Basins (studies, pilot project, business cases)	F	2	2	2	15	8	6	10
	P	7	3	16*	12	29		
Studies, pilot projects and expert support for the implementation of Maritime Spatial Planning in Member States and across European sea basins	F	5	5	5	5	5	5	4
	P	5	0	6*	7	3		
Actions supporting the implementation of MSFD	F	5	5	5	5	5	5	5
	P	8	4	7*	5	7		

* The difference between produced and foreseen outputs are due to the fact that in the years 2014-2015 more emphasis was laid on the implementation of actions related to marine knowledge and cross-sectoral tools (such as CISE) whereas from 2016 the emphasis shifted towards the blue economy (blue growth).

Specific Objective 3: Promoting a balanced and inclusive territorial development of fisheries and aquaculture areas

Indicator 1: Employment created/maintained in the fisheries and aquaculture sectors with support from the EMFF

Baseline	Milestones foreseen						Target 2023
	2014	2015	2016	2017	2018	2019	
Employment created 0	Actual results						4.624
	*	*	105*	190*			
Employment maintained -	Actual results						26.550
	*	*	952*	1 929*			

*The figures come from the Annual Implementation Reports for 2017 (AIR 2017) and Infosys reports for 2017 submitted by the MS to the Commission in May and April 2018 respectively. In these reports the MS revised down the figures for the year 2016.

Indicator 2: Number of local strategies selected by Fisheries Local Actions Groups (FLAGs)

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	Actual results (cumulative figures)						276
	276						
	Not available	Not available	277	368*	368*		

The target is to keep approximately the status quo compared to the milestone since there will be some evolution and merging with Leader in some Member States.

* 368 FLAGs were approved by the end of 2017. After this date any other FLAGs could not be approved;

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of operations supported by the Fisheries Local Actions Groups	11 06 60	1.590*	104.6**

* This figure is based on the average number of operations selected per year by FLAGs active under the EMFF

** Latest data from the AIR.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of operations supported by the Fisheries Local Actions Groups	F	NA	NA	NA	NA	NA	NA	NA
	P	0	0	220	368*	368*		

*End 2017 was the deadline for approval of FLAGs

Specific Objective 4: Fostering the implementation of the Common Fisheries Policy

Indicator 1: Number of apparent infringements of CFP rules by operators found in the framework of joint deployment plans (JDPs) divided by the number of inspections conducted

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of apparent infringements/number of inspections (ratio): 18 %	Actual results						10 %
	15 %						
	5.38%	4.11%	3.49%	4.00%	2.60%		

Indicator 2: Number of Member States with an effective control system

Baseline December 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of Member States under an action plan to overcome shortcomings in their fisheries control system: 6	Actual results						No Member States are under an action plan meaning that all Member States have an effective control system.
	Max. 5 MS are under an action plan.						
	6	9	9	13*	13**		

* 4 actions plans were closed in 2018

** It is expected that 9 action plans will be closed before the end of 2019. 5 new action plans are scheduled for adoption in 2019.

*** It should be noted that the “number of action plans” may not be the ideal performance indicator and should not be viewed in isolation. Most importantly, the absence of action plans (which is the 2020 target) does not necessarily mean that the Member States’ fisheries control systems are satisfactory. This is because other instruments - such as infringements, EU pilots, etc. - also are used to address weaknesses. Besides, considering that audits of the MS systems are performed on a regular basis, the “zero”-target for 2020 does not appear realistic anymore.

Indicator 3: Proportion or number of stocks that are fished at MSY levels

Baseline 2013	Latest known results	Target: by 2020 at the latest
<p>In 2015 and in 2016 (latest data available), 59% of the exploited stocks (with FMSY advice) in the North-East Atlantic and adjacent waters were fished at MSY.</p> <p>Average fishing mortality compared to MSY values (where=1 for F=FMSY), means that the stock is fished at Fmsy (F=FMSY); where >1 means that the stock is classified as overfished in relation to the CFP Fmsy objective), for stocks in the Mediterranean and Black Seas.</p>	<p>In the ICES area (North-East Atlantic, Baltic Sea, North Sea, Irish Sea, Celtic Sea and adjacent waters), fishing mortality is decreasing steadily and the indicator value in 2016 was close to 1 (compared to 1,5 in 2003), which means that overall stocks exploitation levels are, on average, close to F_{MSY}.</p> <p>In the ICES area, the Commission proposed TACs in line with or slightly below F_{MSY} for 2018 for all the 76 TACs with F_{MSY} advice. The Council set 53 TACs in line with F_{MSY}: 29 in Western Waters (plus 1 in deep sea stock), 17 in the North Sea and 7 in the Baltic Sea.</p> <p>In the Mediterranean and Black Sea, the trends in F/F_{MSY} show a median level that varies slightly, staying at around 2.3 from 2003 to 2015, with no decreasing trend.</p> <p>In the Mediterranean Sea, out of 47 stocks, only around 13% (6 stocks) are not overfished: red mullet in GSA 10 (South Tyrrhenian Sea), GSA 17-18 (Adriatic Sea) and GSA 22 (Aegean Sea); European anchovy in GSA 22 (Aegean Sea); deep-water rose shrimp in GSA 9 (Ligurian and North Tyrrhenian Sea); and common cuttlefish in GSA 17 (Northern Adriatic Sea).</p> <p>In the Black Sea, 5 out of the 6 assessed stocks remain overfished, with the exception of sprat. It is clear that further efforts are required to achieve the 2020 F_{MSY} objective in these sea basins.</p> <p>(No interim milestones have been set in EU legislation.)</p>	<p>Exploitation at MSY rate for all commercially exploited stocks.</p> <p>Target set by Article 2 of Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the CFP</p>

Indicator 4: Degree of adequate responses to data calls under the data collection framework (100% minus failures to deliver the full data set required)

Baseline 2010	Milestones foreseen					Target 2020	
	2014	2015	2016	2017	2018		2019
92 %				96 %			100 %
	Actual results						
	91%	81%	79%	78%			

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects related to the establishment and validation of databases on control	11 06 60	Target 2023: 1.040*	83,0*
Number of vessels equipped in new control technologies (CCTV and electronic devices) or subject to measurement of engine power	11 06 60		
Projects on traceability of all fisheries products	11 06 60		
Support to operational costs incurred in the context of Specific Control and Inspection programs or coordinated control deployments or in the context of action plans	11 06 60		
Number of studies related to CFP	11 06 62 01	16	5,4
Support to the national programmes for collection of biological, technical, environmental and socio-economic data concerning the fisheries sector -	11 06 60	54	76,3**
Grants to Regional fisheries management organisations (RFMOs) and other International Bodies needed to achieve their objectives of sustainable development of fisheries resources and sustainable ocean governance through, inter alia, funding of capacity building and scientific research	11 06 62 03	34	13,0
Grants to Advisory Councils, allowing them to provide advice to the Commission and Member States	11 06 62 04	10	3,0
Operational fully-fledged Market Observatory	11 06 62 05	1	3,3
Total			184,0

* The related data for the different outputs (as shown in the table above) is not made available to the Commission by the MS. Therefore, a target to be achieved by end of 2023 has been shown. The target in the operational programmes relates to the number of projects in the area of control to be implemented by end of 2023. The operational programmes do not split the target across the different outputs.

** This figure is based on the total EMFF allocation to this Union Priority in the EMFF OPs. The annual EMFF contribution is calculated in proportion to the EMFF tranche in the annual budget.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Projects related to the establishment and validation of databases*	F	5.180	4.446	4.944	6.954	7.734	8.974	10.224
Investments in new control technologies (number of vessels equipped)*								
Projects on traceability of all fisheries products*	P	0	28*	57*	67*	**		
Support to operational costs incurred in the context of Specific Control and Inspection programs or coordinated control deployments*								
Number of studies related to CFP	F	12	8	18	14	16	16	18
	P(direct management only)	8	7	9	9	7		
Support to the national programmes for collection of biological, technical, environmental and socio-economic data concerning the fisheries sector	F	27	27	27	27	27	27	27
	P	27	27	27	27	27		
Grants to RFMOs needed to achieve their objectives of sustainable development of fisheries resources through, inter alia, funding of capacity building and scientific research	F	16	24	32	32	32	32	32
	P(direct management only)	16	30	34	25***	34		
Grants to Advisory Councils, allowing them to provide advice to the Commission and Member States	F	11	11	11	11	11	11	11
	P(direct management only)	7	7	10	10	10		
Operational fully-fledged Market Observatory	F	1	1	1	1	1	1	1
	P(direct management only)	1	1	1	1	1		

* Since the transition of this funding from direct management to shared management, the related data for the different outputs (as shown in the table above) have not been made available to the Commission by the MS. Slow uptake accounts for the low level of actual outputs. Compared to DB2018 forecast figures for respective outputs were added up and reported as a single number per year (i.e. not cumulated) because the Commission cannot report on the respective outputs due to the lack of detailed data.

** The information concerning outputs for 2018 is not yet available and is only due mid-2019. As in previous years, only a single figure can be given.

*** Some projects were put together in one single grant agreement.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
3% of the EU's GDP should be invested in R&D
The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)
20 million less people should be at risk of poverty

Table Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	49,9	50,8
Sustainable Growth (competitiveness, climate, energy and mobility)	355,2	361,6
Inclusive Growth (employment and skills, fighting poverty)	387,6	394,6
Total	792,7	807,0

These forecasts are based on the total EMFF allocation to the Europe 2020 priorities as per data provided by the MS in the Annual Implementation Reports (EUR 5 404 million for the whole programming period). The annual EMFF contribution is calculated in proportion to the EMFF tranche in the annual budget.

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
EMFF relevant objective/output	147,6	150,3
Total	147,6	150,3

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
138,0	139,7	141,0	143,3	146,7	147,6	150,3	1 006,6

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

These forecasts and amounts are based on the total EMFF allocation to climate objectives in EMFF Operational Programmes (EUR 1 007 million for the whole programming period). The annual EMFF contribution is calculated in proportion to the EMFF tranche in the annual budget.

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
EMFF relevant objective/output	136,2	138,8
Total	136,2	138,8

Programming biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
127,9	130,8	129,8	132,0	134,8	136,2	138,8	930,3

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

These forecasts are based on the allocation in the Operational Programmes to Thematic Objective 6 - "Preserving and protecting the environment and promoting resource efficiency" (Rio marker of 40 % of the total applied to budget line 11 06 60). The annual EMFF contribution is calculated in proportion to the EMFF tranche in the annual budget. In addition, 40% of the relevant funding in direct management (scientific advice and knowledge, control and enforcement and voluntary contributions to Regional Fisheries Management Organisations) is included.

Gender mainstreaming

While setting up their Operational Programmes (OPs), responsible Managing Authorities are required to consult bodies promoting gender equality³⁴⁹. They should consider whether the EMFF measures targeting women in fishing/aquaculture³⁵⁰) are to be included in their OPs; they must also³⁵¹ "ensure publicity for the operational programme by informing bodies involved in promoting equality between men and women of the possibilities offered by the programme. Furthermore, Managing Authorities should³⁵² "examine actions to promote equality between men and women, equal opportunities, and non-discrimination, including accessibility for disabled persons".

Finally, thought should be given (when setting up the monitoring and evaluation system) to what specific data needs may arise, to enable Managing Authorities to evaluate the actions taken to promote equality between men and women, equal opportunities and non-discrimination, including accessibility for disabled persons.

Access to a legal status for all assisting spouses will constitute the formal recognition of their contribution to fisheries enterprises and it will give visibility to women's participation in the fisheries sector. But some MS have yet to give this status to fisherwomen despite the claims of fisherwomen organizations and the available EU directives (2010/41/EU of the European Parliament and of the Council).

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere The EMFF contributes to SDG 1 (End poverty in all its forms everywhere), by: contributing to the improvements of the economic results of the EU fisheries sector, and to the improvements of the living

³⁴⁹ Art 5 of (EU) Reg. 1303/2013
³⁵⁰ Art 29 (b) and 50 (c) of EU Reg. 508/2014
³⁵¹ Art 97 (EU) Reg. 508/2014
³⁵² Art 113 (EU) Reg. 508/2014

standards of the coastal populations which depend on that sector; allowing operators to modernise their productive tools, to diversify their sources of income or to switch to alternative economic activities.

SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture By promoting the conservation of the marine living resources and the protection of the marine ecosystem, the EMFF contributes to the sustainability of the production of the EU fisheries sector of healthy quality food, and thus to SDG 2 (End hunger, achieve food security and improved nutrition and promote sustainable agriculture) and SDG 3 (Ensure healthy lives and promote well-being for all at all ages).

SDG 3 Ensure healthy lives and promote well-being for all at all ages By promoting the conservation of the marine living resources and the protection of the marine ecosystem, the EMFF contributes to the sustainability of the production of the EU fisheries sector of healthy quality food, and thus to SDG 2 (End hunger, achieve food security and improved nutrition and promote sustainable agriculture) and SDG 3 (Ensure healthy lives and promote well-being for all at all ages).

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all The EMFF can contribute to lifelong education and training (thereby contributing to SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all) in particular for the life partners of the fisheries operators and of the members of their coastal communities (thereby contributing to SDG 5. Achieve gender equality and empower all women and girls).

SDG 5 Achieve gender equality and empower all women and girls please see the section on gender mainstreaming above.

SDG 14 Conserve and sustainably use the oceans, seas and marine resources for sustainable development The main objective of the EMFF is to support the implementation of the Common Fisheries Policy (CFP) and the Integrated Maritime Policy (IMP), thereby contributing first and foremost to SDG 14 (Conserve and sustainably use the oceans, seas and marine resources for sustainable development).

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

Member States have the flexibility to contribute resources from programmes to financial instruments set up at national, regional level and managed by or under the responsibility of the managing authority. So far one financial instrument is fully - and successfully – operating in Estonia. Several other Member States have considered, or are considering, use of Financial Instruments.

7. Programme related additional information

Programmes' implementation 2014-2020 (Common Strategic Framework)*

Thematic objectives of the Common Strategic Framework	Commitments(1) 2014-2020 EUR million (1)	Cumulative payments declared by Member-states at end 2017 (2)**	(2)/(1) %
3.Enhancing the competitiveness of small and medium-sized enterprises	2.603	706,9	12,9%
4.Supporting the shift towards a low-carbon economy in all sectors	113		
6.Preserving and protecting the environment and promoting resource efficiency	2.128,2		
8.Promoting sustainable and quality employment and supporting labour mobility	605,8		
TOTAL	5.450	706,9	12,9%

*The data presented cover all adopted MS' Partnership Agreements, as well as all operational programmes.

** In EMFF payment applications submitted by the MS there is no requirement to report on the amounts spent with regard to a given thematic objective. The amounts spent are reported by the MS at the level of priorities that might be made up of several thematic objectives. Information on the amounts spent by the MS with regard to the thematic objectives is therefore not available.

HEADING 2: Sustainable growth: natural resources**Programme for the Environment and Climate Action (LIFE)****Lead DG: ENV**

Associated DGs: EAC, CLIMA

I. Overview***What the programme is about?***

Launched in 1992, LIFE is the only EU programme exclusively dedicated to the environment, nature conservation and climate action, all areas of growing public concern. Because of its limited size (0,3% of the EU budget), the LIFE programme is not meant to solve environmental and climate problems. Rather, it is meant to act as a catalyst for developing and exchanging best practices and knowledge. The programme's role is to build up and improve capacity, speed up the implementation of EU legislation, and help private players, in particular businesses, to test small-scale technologies and solutions, and leverage other funds.

LIFE activities are aimed in particular to target resource efficiency, including circular economy, to protect nature and biodiversity, to improve the quality of waters and air and the use of chemicals, to prevent the negative effects of noise, to mitigate emissions and to adapt to climate change.

EU added value of the programme

Compared with action at national level, the LIFE programme ensures:

- More effective knowledge-sharing. LIFE is an EU platform that enables players across the EU to learn from each other's experience on the implementation of EU legislation and policies (e.g. by financing peer reviews, by coordinating cooperation between judges, by pooling resources and expertise, etc.).
- Strengthening of solidarity and responsibility sharing. Environmental assets are often of a public good nature and are unevenly distributed across the EU³⁵³. By assisting Member States that have the most valuable EU natural capital, LIFE allows for a better solidarity and for sharing responsibility in preserving the EU environmental common goods.
- Better response to transboundary or transnational environmental problems, which cannot be adequately addressed by Member States acting alone: LIFE has helped reaching important commitments at international level on the environment/climate (i.e. the Paris agreement), and avoiding coordination failures.
- Increased coherence of EU environmental and climate legislation and policies through the definition of common targets and the development of legislation and policies (e.g. A European Strategy for Plastics in a Circular Economy). LIFE also assists Member States in progressing towards these common targets through positive incentives (i.e. by financing peer reviews, helping to enforce environmental and climate legislation and policies in Member States, etc.) and negative incentives (fines imposed by legislation on e.g. such as CO2 emissions from cars).

The EU added value of the LIFE programme has been also confirmed by the 2017 mid-term evaluation, where the overwhelming majority of the respondents of the public consultations confirmed that the programme has an important EU added value because it:

- responds to European and global environment and climate challenges, which are unlikely to be addressed by a Member State alone (98 % of respondents); and supports the coherent development, implementation and enforcement of EU environment and climate policy and legislation, (98 % of respondents);
- tackles environmental and climate problems more efficiently than it could be done at national level (98 % of respondents);
- preserves EU environmental resources which, even if unevenly distributed across the EU, benefit the EU as a whole (94 % of respondents);
- helps to leverage the funds for environmental protection and climate action (97 % of respondents);
- contributes to EU-wide sharing of 'best practices', knowledge transfer, demonstration, and awareness raising (99 % of respondents).

The high level of demand for projects combined with the relatively low level of co-financing³⁵⁴ in comparison with other programmes, underlines the continued interest in LIFE and its capacity to address existing needs.

The wide range of beneficiaries of LIFE projects – public authorities, private companies, including small and medium enterprises, and no profit organisations – demonstrates that the programme is capable of addressing different demands and attracting a wide range of stakeholders of climate/environmental policies.

Moreover, the evidence gathered in the evaluation of the EU Birds and Habitats Directives (fitness-check) confirmed the strategic role that the LIFE programme plays in supporting their implementation.

³⁵³ Article 8 of the Habitats Directive explicitly links the delivery of conservation measures to the provision of EU co-financing.

³⁵⁴ LIFE finances a maximum of 60% of eligible costs for all projects for the duration of the first multiannual work programme (MAWP 2014-2017). This rate will be reduced to 55% during the second MAWP (2018-2020). Exceptions are foreseen for the nature and biodiversity projects related to priority habitats or species (up to 75%) or capacity building projects (up to 100%).

Implementation mode

The Directorate-General for Environment (DG ENV) is the lead DG for the programme implementation, with DG CLIMA and DG EAC as associated DGs. The Commission manages directly the procurement activities and the prizes. The bulk of the LIFE grants is managed under direct management by the Executive Agency for Small and Medium Enterprises (EASME), in close collaboration with the relevant Commission services.

Two pilot financial instruments, funded by LIFE, (Private Finance for Energy Efficiency - PF4EE and Natural Capital Financing Facility - NCFE) are being implemented by the EIB under indirect management.

II. Programme Implementation Update**Implementation Status (2016-2018)**

Following the 30 calls for proposals for traditional projects launched from 2014 to 2018, more than 5000 proposals were received leading to the financing of 588 (grant) projects. The call for proposals launched in 2018 is ongoing.

About 690 project applications for traditional projects focusing on climate action objectives have been received during the first five years of programme implementation, and about 133 projects were co-financed following the first four calls for proposals (2014, 2015, 2016 and 2017).

A total of 9 calls for proposals for integrated projects were launched since 2014. The demand is higher than expected: out of 125 concept notes received, 37 projects in 21 different Member States have been financed.

According to the proposals received, the total financing of EUR 367,8 million for integrated projects should facilitate the coordinated use of about EUR 9,2 billion in total. For each euro the LIFE programme finances, it is expected that further 25 euros will be financed from other sources for environment and climate objectives.

In addition to grants, two pilot financial instruments have been launched in 2014:

- the Natural Capital Financing Facility (NCFE) is conceived to demonstrate that projects which promote the preservation of natural capital, including adaptation to climate change, can be bankable. The financial structure represents an innovation which, if successful, could drive the architecture of natural capital financing across the world. Until now three operations have been financed.
- the Private Finance for Energy Efficiency (PF4EE) aimed at developing the capacity of intermediary banks to establish credit lines addressing energy efficiency investments. 9 collateral agreements with intermediary banks were signed, resulting in loans at final recipients' level for an amount of EUR 59,88 million for the time being and real potential to go well beyond.

Possible areas of improvement

As a result of the mid-term evaluation, **some areas for improvement** have been identified, such as:

1. Simplification in grant management.

There is a widespread demand to simplify LIFE procedures for grants. This came through in the interviews with project beneficiaries undertaken during the mid-term evaluation. In 2018 three major simplifications have taken place:

1. the two-step award procedure for traditional projects under the sub-programme for environment was tested successfully. As arisen from the follow up received from successful and un-successful applicants, this allows, particularly in priority areas where the demand is particularly high, to reduce the administrative burden for unsuccessful applicants and requires a bigger investment only for beneficiaries;
2. the role of the monitors in supporting the beneficiaries in providing indicators in the mandatory database was strengthened;
3. possibilities for simplified costs options – e.g. lump sum and flat rate financing – are being analysed following the entry into force of the new Financial Regulation.

2. Enhancement of the services provided by the National Contact Points

The National Contact Points, which provide institutional support to prepare and implement projects are appreciated. Nevertheless, some National Contact Points need to adopt a more proactive approach to address the unbalanced participation of organisations from some MS to the programme. To this end, a need analysis has been undertaken in 2018 (see below) and the establishment of a network is being supported throughout 2019-20.

3. Improvement of the project's replicability and sustainability

The possibility to further increase the project replicability and transferability by addressing the lack of adequate financial resources or financial planning skills. A specialised "close to the market" services package has been structured to support successful projects to develop their business with the ultimate goal of contributing to the EU environmental and climate policies.

A comprehensive customised support is offered to the most promising projects to help them to be more attractive and marketable to the private sphere with a view to allow their replication/sustainability potential to materialise.

Key achievements

Considering that the average duration of traditional LIFE projects is four to five years, only very few projects are finalized in 2018, thus making it difficult to assess results at this early stage. The ongoing projects are contributing to the shift towards a resource efficient, low carbon and climate resilient economy and to the protection of the environment including biodiversity and Natura 2000 by, inter alia:

- improving the conservation status of 186 Wildlife species and 106 different habitats in an area comparable to Poland;
- reducing CO₂ emissions of about 13 million Tons per year comparable to the equivalent carbon dioxide of Lithuania in 2015;
- reducing energy consumption of about 1 000 000 MWh/year, which represents the average annual electricity consumption of about 280 000 homes;
- reducing of around 1 million tons/year waste non appropriately managed. This corresponds approximately to the total Municipal Waste of Slovenia in 2016.

Although final results from integrated projects are not yet available at this early stage of implementation, preliminary evidence shows that some of them are having an important effect on the ground. For example:

- the integrated project CANEMURE in Finland is helping pioneer municipalities to drive change in areas such as low-carbon mobility and decentralised renewable power generation, as a contribution to the implementation of Finland's strategy for reducing greenhouse gas emissions and improving energy efficiency. It is expected to act as a catalyst for action elsewhere in Finland and the EU;
- the integrated projects Smart Waste PACA targets a region that faces many challenges in terms of waste management. Its inhabitants produce more household waste than the national average (i.e. 457 kg/inhabitant in 2014, compared with 344 kg/inhabitant in France). It aims at introducing a switch in the waste prevention and management sector towards an innovative, sustainable, inclusive, and integrated circular economy by supporting the implementation of the departmental and regional waste plans in compliance with the Waste Framework Directive. Its expected results include
 - a reduction in non-dangerous waste storage in landfills from 1 800 000 tonnes/year before the project (2014) to 1 200 000 t/year by the project end (2023) and 1 000 000 t/year three years after the project end;
 - an increase in the annual weight of organic waste collected and removed from storage from 517 000 t/year before the project to 600 000 t/year by the project end, and 700 000 t/year three years after the project end;
 - Avoidance of greenhouse gas emissions due to a reduction in waste generation (up to 30% by 2026).

The LIFE programme is not only about grants. Procurement activities consume a relatively small portion of the programme expenditure, but they are an essential support for policy development and implementation. They provide the necessary funds to allow for a solid scientific foundation, turning pioneering ideas into solid policy initiatives or realisations and providing a vision for the future. To name just a few:

- the circular economy package
- the plastic strategy
- the Paris Agreement,
- the 2030 climate and energy framework
- the long-term strategy calling for a climate-neutral Europe by 2050

Money dedicated to grants is putting all those ideas into practice by giving incentives to do what is right.

Evaluation/studies conducted

Two main studies were conducted in 2018:

- the impact assessment for the new LIFE Programme 2021-2027, which presented the challenges and opportunities for the LIFE Programme in the period 2021-2027 and analysed the different options related to the programme's coverage and scope, its delivery mechanisms and management;
- a needs assessment related to the National Contact Points (NCPs) directed at identifying the structure and activities of a LIFE NCP network. Interviews were conducted with all NCPs to analyse their current experiences and future needs and to explore various options for a LIFE NCP network. Moreover, a set of other EU initiatives were selected and analysed with the purpose of extracting lessons learnt and best practices.

Forthcoming implementation (2019-2020)

The second Multiannual Work Programme (MAWP) for the years 2018-2020 was adopted in the beginning of 2018 (see <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1518531793134&uri=CELEX:32018D0210>). It details how the LIFE programme will allocate resources among areas of policy priority. In total, EUR 1 243.81 million will be earmarked for work on nature conservation and environmental protection, and a further EUR 413.25 million for climate action.

The LIFE Multi-Annual Work Programme (MAWP) 2018-2020 shows some significant changes in comparison with the previous MAWP:

- the LIFE's budget for nature conservation and biodiversity is set to increase by 10% for the period of 2018-2020 and to reach 632.5;
- the total number of project topics in the sub-programme for Environment has come down from 87 to 42 for simplification purposes;

- the introduction of a two-stage application process for ‘Traditional project’ calls under the Environment sub-programme. The two-stage application procedure is aimed at simplifying the life of the candidates through the submission of a simple concept note as the first step of the application process. Upon feedback and approval of the concept note, the submission of the full proposal of the project is then required.

The implementation of the LIFE Programme in 2019 -2020 will focus on business as usual, with the bulk of the funds devoted to grants (about EUR1 300 million) and the remaining part to procurement (about EUR 250 million), financial instruments (maximum EUR 75 million) and support expenditures (EUR 30 million).

In line with the current practices, 18 calls for proposals are planned to be launched in the years 2019-2020. A specific call for proposals is expected to be launched in 2019 for supporting the work of National Contact Points, in line with the results of the study undertaken in 2018.

II.5 Outlook for the 2021-2027

In 2018 the Commission adopted the proposal (COM(2018) 385) for establishing a Programme for the Environment and Climate Action (LIFE) for the period from 1 January 2021 to 31 December 2027. The new LIFE Programme is expected

- to incorporate the Clean Energy Transition activities, which is at present funded under Horizon 2020,
- to increase its overall amount, particularly for Nature and Biodiversity and
- to extend its scope to the Overseas Country and Territories, to ensure the continuation of the BEST programme.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1293/2013 of the European Parliament and of the Council of 11 December 2013 on the establishment of a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EC) No 614/2007	2014 - 2020	3 456,7

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	18,2	5,0	4,9	4,9	4,9	5,1	5,0	47,9
Operational appropriations	381,7	424,5	453,4	483,6	514,0	547,9	568,7	3 373,8
Executive Agency	3,5	5,6	4,5	5,3	3,9	5,1	5,9	33,7
Total	403,4	435,1	462,8	493,7	522,8	558,1	579,6	3 455,4
<i>Of which contribution to European Solidarity Corps</i>					1,5	1,5	1,5	4,5

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	522,797	99,94 %	257,704	97,62 %	558,071	1,65 %	311,561	16,95 %
Authorised appropriations (*)	523,377	99,83 %	262,710	97,61 %	562,961	1,85 %	315,569	17,17 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To contribute to the shift towards a resource-efficient, low-carbon and climate-resilient economy, to the protection and improvement of the quality of the environment and to halting and reversing biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems

Indicator 1: Attributable environmental and climate improvements

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				80%		0	≥ 80% of ongoing projects progress towards/ of finalised projects achieved environmental and/or climate improvements
	Actual results						
	98% ⁽¹⁾	88% ⁽¹⁾	92% ⁽¹⁾	95%			

⁽¹⁾ Percentage of ongoing projects progressing towards environmental and/or climate improvements.

Indicator 2: Percentage of the Natura 2000 network targeted by LIFE projects restored or brought to adequate management							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				10%			12% of the Natura 2000 network targeted by ongoing projects are progressing towards/ of finalised projects achieved restoration/ adequate management
	Actual results						
	26% ⁽¹⁾	28% ⁽¹⁾	34% ⁽¹⁾	37%			

⁽¹⁾ Percentage of the Natura 2000 network targeted by ongoing projects and progressing towards restoration/ adequate management. Cumulated figures.

Indicator 3: Percentage of surface and type of ecosystems targeted by LIFE projects restored							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				10%			≥ 10% of ecosystem surfaces and type targeted by ongoing projects are progressing towards/ of finalised projects achieved an improvement/ restoration
	Actual results						
	45% ⁽¹⁾	67% ⁽¹⁾	63% ⁽¹⁾	57% ⁽²⁾			

⁽¹⁾ Percentage of ecosystem surfaces and type targeted by ongoing projects and progressing towards improvement.

⁽²⁾ It is extremely difficult to identify the reasons of this overachievement. It could be linked to an initial underestimation of the potential project results and/or to the high quality of nature and biodiversity projects, which are selected following a strong competition.

Indicator 4: Percentage of types of habitats and of species targeted with improving conservation status							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				10%			≥ 10% of types of habitats and of species targeted by ongoing projects are progressing towards/ of finalised projects achieved an improved conservation status
	Actual results						
	51% ⁽¹⁾	98% of habitats and 34% of the species	99% of habitats and 36% of the species	97% of habitats and 32% of the species ⁽²⁾			

⁽¹⁾ Percentage of types of habitats and of species targeted by ongoing/ finalised projects are progressing towards an improved conservation status.

⁽²⁾ It is extremely difficult to identify the reasons of this overachievement. It could be linked to an initial underestimation of the potential project results and/or to the high quality of nature and biodiversity projects, which are selected following a strong competition.

General Objective 2: To improve the development, implementation and enforcement of Union environmental and climate policy and legislation, and to act as a catalyst for, and promote, the integration and mainstreaming of environmental and climate objectives into other Union policies and public and private sector practice, including by increasing the public and private sector's capacity

Indicator 1: Number of interventions developed or undertaken that implement plans, programmes or strategies pursuant to Union environmental or climate policy or legislation

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				27 IPs			70 IPs
	Actual results						
		15 IPs	23 IPs	37IPs			

Although many LIFE interventions will implement plans, programmes or strategies pursuant to Union environmental or climate policy or legislation, integrated projects (IPs), which are new under the LIFE programme, are specifically designed for this and are therefore used as the reference de minimis indicator.

Indicator 2: Number of LIFE interventions (projects, measures, approaches) suitable for being replicated or transferred							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			360 ⁽¹⁾			≥ 900 of ongoing projects/ of finalised projects implement replicable/transferable actions
	Actual results						
		280 ⁽²⁾	310 ⁽²⁾	392 ⁽²⁾	470		

⁽¹⁾ Projects within the meaning of Articles 2 and 18 (a), (b), (c) and (h) Regulation No 1293/2013 will be specifically assessed for their potential replicability/transferability and are therefore used as the reference indicator. It is expected that 80% of these projects implement replicable/transferable actions.

⁽²⁾ Number of ongoing/finalised projects implementing replicable/transferable actions

Indicator 3: Number of interventions achieving synergies with or mainstreamed into other Union funding programmes, or integrated into public or private sector practice

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				27 IPs ⁽¹⁾			70 IPs (*)
	Actual results						
		15 IPs	23 IPs	37 IPs			

⁽¹⁾ Although all projects should to a certain degree promote synergies and integration into practice, integrated projects (IPs), which are new under the LIFE programme, are specifically designed for this and are therefore used as the reference indicator

General Objective 3: To support better environmental and climate governance at all levels, including better involvement of civil society, NGOs and local actors

Indicator 1: Number of interventions to ensure better governance, dissemination of information and awareness of environmental and climate aspects

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				420 ⁽¹⁾			800 interventions ⁽¹⁾
Actual results							
	122	252	324	496	648		

⁽¹⁾ Although all interventions contain an information, dissemination and/or awareness raising component, the interventions financed to "support better environmental and climate governance and information" (budget item 07 02 03 and 34 02 03), whether funded through grants or procurement, are specifically designed to address this objective and are therefore used as the reference indicator. They include the operating grants. The figures are cumulative and in 2017 include the European Solidarity Corps initiatives financed by LIFE.

General Objective 4: To support the implementation of the 7th Environment Action Programme

Indicator 1: Number of interventions to support the implementation of the 7th Environment Action Programme

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				1 300 ⁽¹⁾			1 700 interventions ⁽¹⁾
Actual results							
		970	1305	1625	2089		

⁽¹⁾ All LIFE interventions, whether funded through grants, procurement or financial instruments, support the implementation of at least one of the priority objectives of the 7th Environment Action Programme. Figures include interventions over 100.000 EUR and are cumulative

Specific objectives

Specific Objective 1: Contribute to a greener and more resource-efficient economy and to the development and implementation of EU environmental policy and legislation (Environment and Resource Efficiency priority area)

Indicator 1: Number of water bodies covered by projects and thus progressing towards or having reached an improved ecological status

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				100 ⁽¹⁾			170 water bodies are covered by ongoing projects which progress towards or finalised projects which achieved an improved ecological status ⁽¹⁾
Actual results							
	70 ⁽²⁾	83 ⁽²⁾	93 ⁽²⁾	102 ⁽²⁾			

⁽¹⁾ LIFE contribution is calculated taking into account an estimated total of 138 000 water bodies and the fact that 43% of water bodies already achieved good ecological status according to the Commission Communication, A Blueprint to Safeguard Europe's Water Resources. COM(2012) 673 final of 14th November 2012.

⁽²⁾ Number of water bodies covered by ongoing projects and progressing towards an improved ecological status.

Indicator 2: Population benefiting from improved air quality

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				1 million			1.4 million persons are covered by ongoing projects which progress towards or finalised projects which achieved improved air quality
Actual results							
	370 000 ⁽¹⁾	842 600 ⁽¹⁾	934 000 ⁽¹⁾	1 100 000 ⁽¹⁾			

⁽¹⁾ Number of persons covered by ongoing/ finalised projects which progress towards improved air quality.

Indicator 3: Percentage of regions covered by waste IPs and thus progressing towards or having reached adequate waste management

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				2%			3% of regions are covered by waste IPs and progress towards or achieved adequate waste management
Actual results							
	n. a.	1,8%	2,5% ⁽¹⁾	2,5% ⁽¹⁾			

⁽¹⁾ Only two IPs have been financed on Waste covering 7 regions, in which the project activities have started.

Indicator 4: Percentage of River Basin Districts (RBD) covered by IPs and thus progressing towards or having reached adequate management

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				3%			5% of RBD are covered by IPs and progress towards or achieved adequate management
Actual results							
		2%	4% ⁽¹⁾	5% ⁽¹⁾			

⁽¹⁾ Percentage of RBD covered by IPs and progressing towards adequate management. Six integrated projects covering river basin management plans (RBMP) have been financed.

Indicator 5: Number of interventions to improve the knowledge base for Union environmental policy and legislation, and for assessing and monitoring factors, pressures and responses having an impact on the environment

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				300			680 interventions
	Actual results						
	120	285	382	462 ⁽¹⁾	588 ⁽¹⁾		

⁽¹⁾ Estimated to be 100% of the interventions financed by the 07 02 01. Cumulative figures.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Action grants (projects)	07 02 01	74	130,3
2. Public Procurement (contracts)	07 02 01	70	24,9
Total			155,2

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Action grants (projects)	F	0	50	57	60	65	69	74
	P	0	54	55	74 ⁽³⁾	77		
2. Public Procurement (contracts) ⁽¹⁾	F	47	49	49	51	58	60	70
	P	55	33 ⁽²⁾	69 ⁽³⁾	37 ⁽²⁾	49		

⁽¹⁾ Above 100 000 EUR.

⁽²⁾ The average contract value was bigger than the one initially foreseen and this resulted in a number of contracts lower than initially planned. If the trend will continue, the number of outputs foreseen will be adjusted.

⁽³⁾ The average grant/contract value was lower than the one initially foreseen and this resulted in a bigger number of contracts/grant agreements than initially planned.

Justification of changes to the financial programming and/or to the performance information

The amount for the budget line 07 02 01 was reduced following the need to provide more funds under the budget line 07 02 02 for financing the increase of the minimum ceiling devoted to the nature and biodiversity projects in the LIFE Regulation.

Specific Objective 2: Halting and reversing the biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems (Biodiversity priority area)

Indicator 1: Percentage of surface and type of ecosystems targeted by LIFE projects restored

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				10%			≥ 10% of ecosystem surfaces and types targeted by ongoing projects progress towards/ by finalised projects achieved improvement/ restoration
	Actual results						
	51% ⁽¹⁾	67% ⁽¹⁾	63% ⁽¹⁾	57% ^{(1) (2)}			

⁽¹⁾ Percentage of ecosystem surfaces and types targeted by ongoing projects and progressing towards improvement/ restoration.

⁽²⁾ It is extremely difficult to identify the reasons of this overachievement. It could be linked to an initial underestimation of the potential project results and/or to the high quality of nature and biodiversity projects, which are selected following a strong competition.

Indicator 2: Percentage of habitats targeted progressing towards or improving conservation status as a consequence of LIFE interventions

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				10%			≥ 10% of habitats targeted by ongoing projects progress towards/ of finalised projects achieved improved conservation status
	Actual results						
	46% ⁽¹⁾	98% ⁽¹⁾	99% ⁽¹⁾	97% ^{(1) (2)}			

⁽¹⁾ Percentage of habitats targeted by ongoing projects and progressing towards improved conservation status.

⁽²⁾ It is extremely difficult to identify the reasons of this overachievement. It could be linked to an initial underestimation of the potential project results and/or to the high quality of nature and biodiversity projects, which are selected following a strong competition.

Indicator 3: Percentage of species targeted progressing towards or improving conservation status as a consequence of LIFE interventions

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				10%			≥ 10% of species targeted by ongoing projects progress towards/ of finalised projects achieved improved conservation status
	Actual results						
	66% ⁽¹⁾	34% ⁽¹⁾	36% ⁽¹⁾	32% ⁽¹⁾			

⁽¹⁾ Percentage of species targeted by ongoing projects progressing towards improved conservation status

Indicator 4: Percentage of the Natura 2000 sites covered by nature IPs and thus progressing towards the implementation of prioritised actions frameworks

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				4%			6% of the Natura 2000 sites are targeted by nature IPs and progress towards or achieved the implementation of prioritised actions frameworks
	Actual results						
			12% ⁽¹⁾	20% ⁽¹⁾			

(1) At present n.15 integrated projects (IPs) are supporting the implementation of Prioritized Action Frameworks developed in Belgium, Czech Republic, Finland, Hungary, Italy, Germany, Netherlands, Portugal, Slovenia, Spain, France, Lithuania, Sweden Greece and Denmark, pursuant to Article 8 of the Habitats Directive

Indicator 5: Number of interventions to improve the knowledge base for Union nature and biodiversity policy and legislation and for assessing and monitoring factors, pressures and responses having an impact on nature and biodiversity

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				300 ⁽¹⁾			700 interventions ⁽¹⁾
	Actual results						
	19	80	214	323	519		

(1) Estimated to be 100% of the interventions financed by the 07 02 02 plus the number of "Nature" projects and 1/3 of the operating grants financed under 07 02 03. Cumulative figures.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Action grants (projects)	07 02 02	85	204,0
	07 02 03	5	7,0
2. Public Procurement (contracts) *	07 02 02	39	16,8
Total		129	227,8

Outputs

⁽¹⁾ Above 100.000 EUR

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Action grants (projects)	F	0	64	65	70	75	80	90
	P	0	49 ⁽³⁾	87 ⁽⁴⁾	73	72		
2. Financial instrument operations (projects) ⁽²⁾	F	0	1	1.5	2	0	0	0
	P	0	0	0	0.5	1,5		
3. Public Procurement (contracts) ⁽¹⁾	F	20	22	22	25	29	34	39
	P	19	5 ⁽³⁾	20	38 ⁽⁴⁾	28 ⁽⁴⁾		

⁽¹⁾ Above 100.000 EUR

⁽²⁾ The financial instrument Natural Capital Financing Facility (NCF) is funded half through 07 02 02 and half through 34 02 02. Half of the operations financed under the instrument are included here.

⁽³⁾ The project proposals received/contracts awarded were bigger than expected.

⁽⁴⁾ The project proposals received/awarded were lower in size than expected.

Justification of changes to the financial programming and/or to the performance information

Despite the lack of additional financing, the signature of operations under the NCF continues. The communication effort done in previous years to promote NCF is giving some results. This instrument represents an important innovation in the panorama of the existing financial instruments. Several operations have been scrutinised according to the criteria jointly defined by the Commission and the EIB in the delegation agreement. However, they have not been retained for financing because their contribution to biodiversity protection and climate adaptation was considered insufficient and / or the operations were not mature enough for bank financing. The difficulties related to the assessment of this kind of operations were underestimated.

Specific Objective 3: Support better environmental governance and information at all levels (Environmental Governance and Information priority area)

Indicator 1: Number of stakeholders and citizens participating in awareness raising activities in the framework of LIFE interventions

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0							1 000 000 stakeholders or citizens
	Actual results						
			n. a.				

The data collected are not available in the form required by this indicator. The external study reported that almost 63 million individuals have visited the projects websites, with an average duration of the visits of about six minutes. A total of almost 271 thousand project documents and communication material has been downloaded by interested users. More than 48 thousand individuals, over 1,400 companies, and over 1,500 NGOs and 1,300 public bodies have been interviewed.

Indicator 2: Number of interventions to support communication, management and dissemination of information in the field of environment and to facilitate knowledge sharing

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				420			800 interventions
	Actual results						
	101	294	362	494	748		

(1) Although all interventions contain an information, dissemination and awareness-raising element, governance and information interventions, whether funded through grants or procurement, are specifically designed to address this objective and are therefore used as the reference indicator. Cumulative figures.

Indicator 3: Percentage of projects promoting and contributing to a more effective compliance with and enforcement of Union environmental law

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				5% ⁽¹⁾			≥ 5% (1) of ongoing governance and information projects progress towards/ of finalised projects achieved improved compliance and enforcement of Union environmental law
	Actual results						
		39% ⁽²⁾	42% ⁽²⁾	49% ⁽²⁾	57% ⁽²⁾⁽³⁾		

(1) It is expected that information and governance projects focusing on enforcement and compliance promotion will significantly increase awareness of relevant public bodies and civil society, leading in some projects that progress towards or reach actual improvements.

(2) Percentage of governance and information projects progress towards improved compliance and enforcement of Union environmental law. Cumulative figures.

(3) It is extremely difficult to identify the reasons of this overachievement. It could be linked to an initial underestimation of the potential project results.

Indicator 4: Percentage of increase in the participation of NGOs in consultations on EU environmental policy

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				12% ⁽¹⁾			≥12% increase ⁽¹⁾
	Actual results						
		n. a. ⁽²⁾					

(1) The consultations on EU environmental policy not always include data on the type of respondents/organisations. The collection of this kind of information would be extremely cumbersome and not cost effective, given the results could change significantly basing on the subject matter of the consultation. All NGO's funded by operating grants are expected to increase their participation in consultations on EU environmental policy.

(2) All the beneficiaries of NGO operating grants interviewed during the mid-term evaluation declared that their participation increased but were not able to provide a percentage. This indicator should be modified.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Action grants (projects) ⁽¹⁾	07 02 03	12	7,4
2. Public Procurement (contracts) ⁽²⁾	07 02 03	40	26,8
3. Operating grants (work programmes of non-profit making entities/NGOs)	07 02 03	16	9,0
Total		68	43,2

(1) Excluding the action grants on nature included under the indicators for the specific objective 2.

(2) Above 100.000 EUR

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Action grants (projects) ⁽¹⁾	F	0	15	8	9	10	11	12
	P	0	14	6	10	11		
2. Public Procurement (contracts)	F	44	50	57	60	64	51	40
	P	44	43 ⁽²⁾	48 ⁽²⁾	55	59		
3. Operating grants (work programmes of non-profit making entities/NGOs)	F	0	16	16	16	16	16	16
	P	0	19 ⁽³⁾	19 ⁽³⁾	16	25		

(1) Excluding the action grants on nature included under the indicators for the specific objective 2.

(2) The average contract value was bigger than the one initially foreseen and this resulted in a number of contracts slightly lower than initially planned.

(3) Additional funds were made available to finance operating grants in 2015-2016.

Justification of changes to the financial programming and/or to the performance information

The budget line 07 02 03 absorbed a great reduction following the need to increase the budget line 07 02 02 for the increase of the minimum ceiling devoted to the nature and biodiversity projects in the LIFE Regulation.

Specific Objective 4: Reduction of EU greenhouse gas emissions and development and implementation of EU climate policy and legislation (Climate Change Mitigation priority area)

Indicator 1: Number and coverage of climate change mitigation strategies or action plans developed or implemented through LIFE

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
In 2012 less than 10% of the climate mitigation project proposals submitted in LIFE+ concerned development of mitigation strategies and action plans. implementation of at least 1 climate change mitigation strategy or action plan per Member Stat	Support development and/or implementation of at least 1 climate change mitigation strategy or action plan in 13 different geographical regions						Support development and/or implementation of at least 1 climate change mitigation strategy or action plan per Member Stat
	7	13	20	26			

Source: Database of LIFE projects (Butler)

Indicator 2: Tons of greenhouse gases reduced by new technologies, systems, methods or instruments and/or other best practice approaches developed and taken up following LIFE examples

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Data not available 80% of the projects funded in climate change mitigation priority area 2014-2017 should promote innovative technologies and/or other best practice solutions for the reduction of greenhouse gas emissions 80% of the projects funded in climate change mitigation priority area should promote innovative technologies and/or other best practice solutions for the reduction of greenhouse gas emissions	Relative reduction in tons of greenhouse gasses per project of at least 20% compared to project baseline. 80% of the projects funded in climate change mitigation priority area 2014-2017 should promote innovative technologies and/or other best practice solutions for the reduction of greenhouse gas emissions						Relative reduction in tons of greenhouse gasses per project of at least 20% compared to project baseline. 80% of the projects funded in climate change mitigation priority area should promote innovative technologies and/or other best practice solutions for the reduction of greenhouse gas emissions
	43% (*)	53%	63%	68% (**)			

Source: Database of LIFE Key Performance Indicators (KPIs)

(*) average percentage of reduction of tons of greenhouse gas emissions due to innovative technologies and/or best practice so
(**) It is extremely difficult to identify the reasons of this overachievement. It could be linked to an initial underestimation of the potential project results, a higher than expected number of proposals resulting in the selection of only the very best projects and/or to the progresses of technologies for the reduction of greenhouse gas emissions.

Indicator 3: Number of interventions to improve the knowledge base for Union climate policy and legislation, and for assessing and monitoring factors, pressures and responses having an impact on the climate (cf. Article 14(b) Regulation 1293/2013)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Data not available 30% of the traditional projects funded in climate change mitigation priority area 2014-2017	80% of IPs and 30% of the traditional projects funded in climate change mitigation priority area 2014-2017						100% of IPs and 25% of the traditional projects funded in climate change mitigation priority area
	Actual results						
		100% of IPs	100% of IPs	100% of IPs			
	34% of climate change mitigation traditional projects	39% of climate change mitigation traditional projects	41% of climate change mitigation traditional projects (*)				

(*) No 20 out of 49 projects.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Action grants (projects)	34 02 01	27	45,1
2. Financial instrument operation (projects)	34 02 01	400	25,0
3. Public Procurement (contracts)	34 02 01	35	10,2
Total			80,3

Estimated to be 100% of the interventions financed by the 34 02 01

For the financial instrument Private Finance for Energy Efficiency (PF4EE), the number identifies the interventions at final recipients' level.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Action grants (projects)	F	0	15	16	18	26	27	27
	P	0	13	17	14	20		
2. Financial instrument operation (projects)	F	0	50	350	400	400	400	100
	P	0	n.a.*	n.a.*	n.a.*	138*		
3. Public Procurement (contracts)	F	22	18	16	18	22	35	35
	P	27	13	32	34	46**		

* 9 agreements with financial intermediaries were signed. Financial intermediaries are developing their own loan proposals and this is taking more time than expected.

** of which 29 with value above 100 000 EUR

Justification of changes to the financial programming and/or to the performance information

PF4EE – interventions at final recipients' level: The deployment has been more challenging and slower than expected. During 2018, the delegation agreement was amended with a view to facilitate the deployment of the instrument. Main features include: extending the implementation period to end of 2019, eliminating the 15% funding cap per commercial bank, providing a longer timespan (up to 60 months instead of 36 months) for the commercial banks to sign loans with the final recipients.

The number of projected outputs for 2020 has been increased taking into account the backlog and mitigating measures put in place.

Specific Objective 5: Increased resilience of the EU to climate change (Climate Change Adaptation priority area)							
Indicator 1: Number and coverage of climate change adaptation strategies or action plans developed or implemented							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
February 2014: 16 Member States have adopted an adaptation strategy.				All MS have adopted a national adaptation strategy			All MS are effectively implementing their national adaptation strategies.
	Actual results						
			21 MS	25 MS	25 MS		

Source: Annual activity report DG CLIMA – 2018

Indicator 2: Attributable climate resilience, broken down by sector, due to the demonstrated new technologies, systems, instruments and/or other best practice approaches developed and taken up following LIFE examples

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Under the 2012 call of the LIFE+ regulation, only 15% of climate project proposals submitted were on adaptation. 80% of funded projects promoting innovative policy approaches and/or other best practice solutions for more climate resilience.				Increased climate resilience due to LIFE funded projects in vulnerable areas as identified in the EU adaptation strategy. 80% of funded projects promoting innovative policy approaches and/or other best practice solutions for more climate resilience			Increased attributable climate resilience per sector. 80% of funded projects promoting innovative policy approaches and/or other best practice solutions for more climate resilience.
		73%	69%	70*			

* Percentage of the projects for climate adaptation promoting best practice solutions.

Indicator 3: Number of interventions to improve the knowledge base for Union climate policy and legislation, and for assessing and monitoring factors, pressures and responses having an impact on the climate resilience (cf. Article 15(b) Regulation 1293/2013)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Data not available 30% of the traditional projects funded in climate change adaptation priority area 2014-2017				80% of IPs and 30% of the traditional projects funded in climate change adaptation priority area 2014-2017			100% of IPs and 25% of the traditional projects funded in climate change adaptation priority
	Actual results						

		100% of IPs and 37% of climate change adaptation traditional projects	100% of IPs and 38% of climate change adaptation traditional projects	100% of IPs and 36% of climate change adaptation traditional projects (*)			area
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* Percentage of the traditional projects funded in climate change adaptation priority area 2014-2018: No 20 out of 56 traditional projects on climate change adaptation.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Action grants (projects)	34 02 02	16	39,6
2. Public Procurement (contracts)	34 02 02	13	4,7
Total			44,3

Estimated to be 100% of the interventions financed by the 34 02 02.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Action grants (projects)	P	0	16	19	22	15	16	16
	F	0	11*	16*	14	25		
2. Financial instrument operation (projects) **	P	0	1	1,5	2	0	0	0
	F	0	0	0	0,5	1,5		
3. Public Procurement (contracts)	F	8	10	11	12	12	13	13
	P	8	8	8	12	4		

** The financial instrument Natural Capital Financing Facility (NCCF) is funded half through 34 02 02 and half through 07 02 02. Half of the operations financed under the instrument are included here.

Justification of changes to the financial programming and/or to the performance information

The main changes are underlined under par 4.2.1.3.

Specific Objective 6: Support better climate governance and information at all levels (Climate Governance and Information priority area)

Indicator 1: Number of stakeholders and citizens participating in awareness raising activities in the framework of LIFE interventions

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				70 000			140 000 stakeholders or citizens
	Actual results						
	n.a.						

(1) The data collected are not available in the form required by this indicator. The independent study for the mid-term evaluation reported that almost 63 million individuals have visited the projects websites, with an average duration of the visits of about six minutes. A total of almost 271 thousand project documents and communication material has been downloaded by interested users. More than 48 thousand individuals, over 1,400 companies, and over 1,500 NGOs and 1,300 public bodies have been interviewed.

Indicator 2: Number of interventions to support communication, management and dissemination of information in the field of climate change mitigation and adaptation and to facilitate knowledge sharing

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
In 2012 less than 5% of the traditional climate project proposals submitted related to climate awareness raising activities at local, regional, national or cross-border levels*				10% of climate projects are targeted to specific climate governance, awareness raising or information activities at local, regional, national or cross-border levels. All LIFE projects under the priority area climate governance and information achieve knowledge sharing			All LIFE projects under the priority area climate governance and information achieve knowledge sharing.
% of climate projects targeted specific climate governance, awareness raising or information activities at local, regional, national or cross-border levels		13% of climate projects	16% of climate projects	16% (**) of climate projects, levels			
All LIFE projects under the priority area climate governance and information achieve knowledge sharing		All LIFE projects	All LIFE projects	All LIFE projects			

* Although all interventions contain an information, dissemination and awareness raising element, governance and information interventions, whether funded through grants or procurement, are designed to address this objective and are therefore used as the reference indicator.

** 20 out of 126 climate projects are governance and information projects.

Indicator 3: Share of projects promoting and contributing to a more effective compliance with and enforcement of Union climate law

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				5% of governance and information projects progress towards improved compliance and enforcement of Union climate law			More than 5% of governance and information projects progress towards improved compliance and enforcement of Union climate law
Actual results							
		11%	13%	11% *			

* Percentage of governance and information projects progressing towards improved compliance and enforcement of Union climate law: No 2 projects out of 19 on governance and information projects

Indicator 4: Number of interventions emanating from NGOs funded by LIFE with an impact on EU policy

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Under the 2012 call of the LIFE + Regulation, the work programme of 6 specific climate NGO's proposals plus a number of environmental NGO's that also have a climate focus were co-funded.				Stable level.			Stable level of operating grants to NGO's with climate related work programmes.
	Actual results						
		5 operating grants with climate action NGOs	6 operating grants with climate action NGOs	6 operating grants with climate action NGOs	9 operating grants with climate action NGOs		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Action grants (projects)	34 02 03	7	7,0
2. Public Procurement (contracts)	34 02 03	25	6,3
3. Operating grants (work programmes of non-profit making entities/NGOs)	34 02 03	9	3,0
Total			16,3

Estimated to be 100% of the interventions financed by the 34 02 03 and 34 02 05

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Action grants (projects)	F	0	4	5	6	7	7	7
	P	0	7*	6	7	5		
2. Public Procurement (contracts)	F	10	11	21	22	17	25	27
	P	8	9	26	33	43*		
3. Operating grants (work programmes of non-profit making entities/NGOs)	F	0	6	6	6	9	9	9
	P	0	5	6	6	9		

* of which 17 with value above 100 000 EUR

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)

Narrative justification Contribution to Europe 2020 priorities (if needed)

The LIFE programme contributes to the Europe 2020 priorities as follows:

- All the LIFE projects help to put the EU on a path to resource-efficiency and sustainable growth. These are projects aimed at halting and reversing the loss of biodiversity, improving resource efficiency, addressing environmental and health concerns,

moving towards a low-carbon and resilient economy and preventing the consequences of floods, droughts, the rise of temperatures and sea levels³⁵⁵.

For example, the ongoing projects funded under the priority area 'environment and resource efficiency' target the effective implementation of EU environmental policy by the public and private sectors, (in particular in the environmental sectors covered by the 'Roadmap to a Resource Efficient Europe'), and are facilitating the development and sharing of new solutions and best practices.

- A contribution to innovation is expected from projects funded under all priority areas aimed at developing policy or management approaches, best practices and solutions. This includes the development of innovative technologies for environment/climate challenges.

The external study extracts from the indicator database that 61% of the climate change adaptation projects and over 80% of all the climate change mitigation projects aim to help develop innovative technologies, systems and/or instruments. The external monitors confirmed that this is the result of more emphasis on the business perspective of projects introduced in recent years.

- Ongoing projects to promote innovation and investments in energy efficiency and the PF4EE are designed to help reduce energy demand and thus to make the EU less energy dependent, which is one of the objectives of the Energy Union.
- Although employment is not the primary aim of the LIFE programme, the external study estimates the contribution of LIFE to job creation.

It has to be underlined that some extremely valuable policy achievements initiated under LIFE will shape the EU economy in the coming decades:

- the development and adoption of the Circular Economy Package. The package consists of a new legislative proposal on Waste, and an Action Plan³⁵⁶ with concrete actions. The revised legislative proposal on waste establishes a clear and ambitious long-term vision for waste management and recycling, while proposing concrete measures to address obstacles on the ground and taking into account the different situations across Member States. The action plan on the circular economy complements this proposal by setting out measures to "close the loop" of the circular economy and tackle all phases in the lifecycle of a product: from production and consumption to waste management and the market for secondary raw materials.
- the COP 21 Summit which led to the first-ever universal, legally binding global climate deal. The agreement set out a global action plan to put the world on track to avoid dangerous climate change by limiting global warming to well below 2°C and aiming to 1,5 °C. The recent ratification of this agreement was welcomed as a great success and opens the way for the continuation of EU leadership in the global transition to a low-carbon future.
- The 2030 climate and energy framework which defines three key targets for the year 2030: at least 40% cuts in greenhouse gas emissions (from 1990 levels), at least 32% share for renewable energy, at least 32.5% improvement in energy efficiency. The framework helps drive progress towards a low-carbon economy and build an energy system that ensures affordable energy for all consumers, increases the security of the EU's energy supplies, reduces our dependence on energy imports and creates new opportunities for growth and jobs. It also brings environmental and health benefits – e.g. through reduced air pollution.

Therefore the contribution of the LIFE programme to the Europe 2020 priorities is 100% of the budget lines 07 02 01; 07 02 02; 07 02 03; 34 02 01; 34 02 02 and 34 02 03.

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Contributing to the reduction of greenhouse gas emissions	73,1	80,3
Contributing to increased resilience to climate change	38,0	44,4
Support better climate governance and information	15,4	16,3
Contribute to a greener and more resource-efficient economy and to the development and implementation of EU environmental policy and legislation	50,1	52,1
Halting and reversing the biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems	78,6	81,6
Total	255,2	274,7

Programmation climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
186,0	199,7	213,5	229,0	247,2	255,2	274,7	1 605,3

³⁵⁵ In connection with this, "The implementation of green recovery measures in the EU", Cambridge Econometric et al (2011) assessed green measures focused on energy efficiency and climate change mitigation as part of recovery packages. It was found these measures contributed to economic recovery and provided a temporary boost to employment. The multiplier effects for green investment were similar to those from any other kind of investment and supported the general conclusion for LIFE projects that they support growth and jobs.

³⁵⁶ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52015DC0614>

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Contributing to the reduction of greenhouse gas emissions : Estimated to be the total operational budget for the priority areas climate change mitigation (budget article 34 02 01);

Contributing to increased resilience to climate change : Estimated to be the total operational budget for the priority areas climate change adaptation (budget article 34 02 02);

Support better climate governance and information : Estimated to be the total operational budget for the priority area climate governance and information (budget article 34 02 03);

Contribute to a greener and more resource-efficient economy and to the development and implementation of EU environmental policy and legislation : Estimated to be 40% of the projects financed under the priority area resource efficiency (budget article 07 02 01 total budget for 2019 is EUR 148,8 million, out of which EUR 125,2 million are devoted to projects and for 2020 the total budget is EUR 155,2 million, out of which EUR 130,3 million are devoted to projects);

Halting and reversing the biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems : Estimated to be 40% of the projects financed under the priority area nature and biodiversity (budget article 07 02 02 – total budget for 2019 is 211,6 million EUR, out of which EUR 196,4 million are devoted to projects and, in 2020, the total amount is EUR 220,1 million with EUR 204 million devoted to projects).

Explanation Table “Programming Climate action”:

The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The above data are up-dated on the basis of the most recent figures available. The tracking methodology remained stable, compared with previous year, being translated into the above-mentioned percentages of allocations by budget lines.

Some expenditure under the LIFE sub-programme for environment and the LIFE sub-programme for climate action contribute to both biodiversity and climate objectives, especially given the desired synergies between them. Thus each of the tracking exercises has to be seen separately, and the total funds tracked as being related to one of the objectives has to be seen independently and cannot be added to the funds related to the other objective.

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Contribute to a greener and more resource-efficient economy and to the development and implementation of EU environmental policy and legislation	50,1	52,1
Halting and reversing the biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems	211,6	220,8
Support better environmental governance and information at all levels	6,0	7,0
Contributing to increased resilience to climate change	14,9	15,0
Total	282,6	294,9

Programming biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
195,1	217,1	227,6	242,8	265,6	282,6	294,9	1 725,7

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Contribute to a greener and more resource-efficient economy and to the development and implementation of EU environmental policy and legislation : Estimated to be 40% of the projects financed under the priority area resource efficiency (budget article 07 02 01 total budget for 2019 is EUR 148,8 million, out of which EUR 125,2 million are devoted to projects and for 2020 the total budget is EUR 155,2 million, out of which EUR 130,3 million are devoted to projects);

Halting and reversing the biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems : Estimated to be the 100% total operational budget for the priority area nature and biodiversity (budget article 07 02 02);

Support better environmental governance and information at all levels : Estimated to be 100% of the projects focused on nature and biodiversity financed under the priority area governance and information (budget article 07 02 03 - total budget for 2019 is EUR 47,8 million, out of which EUR 12,8 million are devoted to projects, out of which EUR 6 million are for projects focused

on nature and biodiversity and, in 2020, the total amount is EUR 50,2 million, out of which EUR 14,3 million are devoted to projects, with EUR 7 million for nature and biodiversity);

Contributing to increased resilience to climate change : Estimated to be 40% of the total operational budget for the priority areas climate change adaptation devoted to projects (budget article 34 02 02 - total budget for 2019 is EUR 41,5 million, out of which EUR 37,3 million are devoted to projects and total budget for 2020 is EUR 44,4 million, out of which EUR 39,6 million are devoted to projects).

Explanation Table “Programmation Biodiversity”:

(* The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Biodiversity related expenditure is tracked pursuant to Article 27 and Recital 40 of the LIFE Regulation (Regulation N.1293/2013). At present a system for tracking biodiversity related expenditure has been developed at project level. It is expected that project-level information will be available starting from this year and the system will be fully operational for the second LIFE Multi-annual work programme 2017-2020. The tracking methodology remained stable compared with previous years and is largely based on an existing OECD methodology (‘Rio markers’), adapted to provide for quantified financial data. Expenditures have been thus marked in one of the three categories: biodiversity related only (100 %); significantly biodiversity related (40 %); and not biodiversity related (0 %). Some expenditure under the LIFE sub-programme for environment and the LIFE sub-programme for climate action, such as the expenditures for the NCFE, can contribute to both biodiversity and climate objectives, especially given the desired synergies between them. Thus, each of the tracking exercises has to be seen separately and the total funds tracked as being related to one of the objectives has to be seen independently and cannot be added to the funds related to the other objective.

Gender mainstreaming

A gender dimension is taken into account in some specific areas of interventions of the LIFE Programme to identify how men and women relate to the environment in a different way, i.e. how the effects of hazardous chemicals and waste affect men and women.

However, the LIFE programme does not include any specific gender equality objective.

In terms of action, in line with the Stockholm, Basel and Rotterdam Conventions, a gender dimension is taken into account to identify and highlight the different impacts of hazardous chemicals and wastes on men and women and to promote the consideration of gender issues in hazardous chemicals and waste management at the national and regional levels.

The contribution of the LIFE programme to the gender equality is not significant, given the related activities are components of multidimensional projects.

5. Programme contribution to the Sustainable Development Goals

SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture: The LIFE programme supports this **SDG 2** because it encourages an environmentally friendly agriculture, in view of the protection, preservation and improvement in the quality of water, air and soil and the protection of bio-diversity.

To improve resource efficiency in food production and reduce impact on water resources, LIFE is also promoting sustainable nutrients management in agriculture.

Moreover, the National Emission Ceilings Directive for air pollutants, the Member States' targets to reduce Greenhouse Gas emissions as well as the proposal to integrate the land use sector into the EU 2030 Climate and Energy Framework are aimed at incentivising Member States to take additional sustainable action in their agriculture sectors.

SDG 3 Ensure healthy lives and promote well-being for all at all ages: On **SDG 3**, taking into account that environmental stressors having significant impacts on health, LIFE complements Member States' action through legislation and other initiatives on environment related health problems, which are linked to air quality, industrial emissions, chemicals, waste and water.

Examples include the 7th Environment Action Programme, the EU Biodiversity Strategy to 2020, or the rules on the sustainable use of pesticides which underline the link with health policy aspects.

The EU Chemicals Policy also covers regulation on persistent organic pollutants; trade in hazardous chemicals; fluorinated gases; and hazardous waste. The so-called "REACH" framework aims to improve the protection of human health and the environment from the risks that can be posed by chemicals, while enhancing the competitiveness of the EU chemicals industry.

SDG 6 Ensure availability and sustainable management of water and sanitation for all: The EU water policy is a cornerstone of the LIFE Programme and provides for a framework to address water protection and achieve good ecological status for inland surface waters, transitional waters, coastal waters and groundwater. It comprises regulation including on drinking water, bathing water and urban wastewater, prevention of pollution caused by nitrates, industrial emissions, pesticides and persistent organic pollutants. The transition to a circular economy should also lead to greater resource efficiency for example by improving the conditions for water re-use in several sectors.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: Through the circular economy package and the plastic strategy, LIFE addresses economic and environmental concerns by maximizing efficiency in the use of resources, and thus contributes to **SDG 8**.

Moreover, the 7th Environment Action Programme confirms that EU prosperity and healthy environment stem from an innovative, circular economy where nothing is wasted and where natural resources are managed in a sustainable way, and biodiversity is protected, valued and restored.

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation: The 2030 Climate and Energy Policy Framework strives for a competitive low-carbon and climate-resilient economy and the EU Strategy on Adaptation to Climate Change identifies resilient infrastructure as a priority action area under the strategic objective of mainstreaming adaptation measures.

The circular economy fosters eco-innovation and sustainability objectives.

SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable: The 7th Environment Action Programme has as a horizontal priority objective to make the Union's cities more sustainable.

Other environmental and climate policies and legislation are vital for sustainable urban development such as Noise Legislation, the EU's Biodiversity and Green Infrastructure Strategies, Drinking Water and Urban Wastewater Treatment, the framework on energy performance of building, the strengthen of the resilience of urban settings through climate related risks.

Urban energy consumption generates about three quarters of global carbon emissions. Therefore, cities play a crucial role in terms of energy and climate policy (the Clean Air Package, Air Quality, etc.). The EU Covenant of Mayors for Climate and Energy is a bottom-up local and regional action for tackling in an integrated manner climate change mitigation and adaptation, and access to secure, sustainable and affordable energy. Moreover, the circular economy package contributes to this SDG under many aspects, such as by addressing sustainable waste sorting and recycling and by shifting energy consumption onto more sustainable pathways.

SDG 12 Ensure sustainable consumption and production patterns: In view of reaching **SDG 12**, resource efficiency and circular economy actions aim to decouple economic growth from resource use and environmental degradation. By covering the whole cycle from production and consumption to waste management, they are at the core of the LIFE actions under the priority areas Environment and Resource Efficiency.

Moreover, the 7th Environment Action programme has as a key objective to turn the Union into a resource-efficient, green, and competitive low-carbon economy. Another related key objective is to safeguard EU citizens from environment-related pressures and risks to health and wellbeing.

SDG 13 Take urgent action to combat climate change and its impacts: Climate change mitigation and climate change adaptation are two priority areas of the LIFE programme. The 2015 Paris Agreement is a historically significant landmark in the global fight against climate change; a success for the world and a confirmation of the EU's path to a low-carbon and climate resilient economy. With the support of LIFE, ambitious 2020 and 2030 targets³⁵⁷ have been set up to reduce greenhouse gas emissions, improve energy efficiency and increase the share of renewable energy. Renewable energies and energy efficiency play an increasingly important role in tackling climate change.

The EU Emissions Trading System (ETS) is a key tool for cutting greenhouse gas emissions from large-scale facilities in the power and industry sectors, as well as the aviation sector. The EU Strategy on Adaptation to Climate Change provides a framework and mechanisms to improve the preparedness of the EU for current and future impacts of climate change, thus contributing to a more climate-resilient society.

SDG 14 Conserve and sustainably use the oceans, seas and marine resources for sustainable development: The 7th Environment Action Programme sets the objective to protect the Union's natural capital to, inter alia, reduce the impact of pressures on marine waters, in order to achieve or maintain good environmental status. The Birds and Habitats legislation complement the Marine Strategy Framework by protecting 5% of the EU sea area through a network of Marine Protected Areas part of 'Natura 2000'. Moreover, to tackle marine litter and pollution, LIFE supports a wide set of instruments, including regulation on waste management and prevention, port reception facilities for ship generated waste and cargo residues.

SDG 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss: The environmental *acquis* provides a high level of protection in areas such as water quality and nature conservation, though the development and implementation of the Birds and Habitats Directives and of the Natura 2000 network.

The EU Forest Strategy has as one of its key principles global forest responsibility, promoting sustainable production and consumption of forest products. The circular economy offers an opportunity for modernising the economy, making it more green and competitive. It also contributes to lower carbon dioxide emission levels and energy savings as well as decreased air, soil and water pollution. It focuses on resource efficiency and minimising waste and has a strong potential in terms of new jobs and growth and for stimulating sustainable consumption and production patterns.

³⁵⁷ For the period up to 2020, the Europe 2020 Strategy aims at cutting greenhouse gas emissions by 20%, at meeting 20% of the EU's energy demand with renewables, and at increasing energy efficiency by 20% by 2020. The 2030 Climate and Energy Policy Framework aims to achieve a greenhouse gas emissions reduction of 40%, a renewables' share of at least 27% in the EU's energy mix, and an increase of energy efficiency by at least 27% (with a view to 30%) for 2030.

*SDG 17 Strengthen the means of implementation and revitalize the global partnership***6. Information about financial instrument(s) and trust fund(s) financed by the Programme**

Two pilot financial instruments have been put in place to test innovative approaches:

- the **Private Finance for Energy Efficiency (PF4EE)** supports investments for the implementation of Member States' Energy Efficiency Action Plans through financial intermediaries;
- the **Natural Capital Financing facility (NCFF)** is designed to demonstrate that natural capital projects can generate revenues or save costs. It intends to establish a pipeline of replicable, bankable operations that will serve as a "proof of concept" and that will demonstrate to potential investors the attractiveness of such operations directly addressing biodiversity and climate adaptation objectives.

Following an ex ante assessment analysing the potential demand and defining the best possible conditions for their financing, delegation agreements between the Commission and the European Investment Bank (EIB) were developed and signed.

PF4EE. Following the signature of the delegation agreement, the EIB has started to make agreements with financial intermediaries, which then have to develop their own portfolio to provide loans for energy efficiency investments. PF4EE is indeed contributing to creating a new financial product in the market targeting energy efficiency and consequently directly contributing to the decarbonisation of our economy, in line with the COP21 goals.

At the outset of the PF4EE, support of total investment up to about EUR 540 million was expected, with an objective to sign operations in six to ten Member States. The deployment has been more challenging and slower than expected.

By the end of 2018, 9 agreements have been signed with intermediary banks for a total guaranteed sum of EUR 54,5 million of which EUR 17,2 million were posted on cash collateral accounts. Implementation of operations on the ground have started in six countries³⁵⁸. As at 31 December 2018, the total signed nominal amount of loan portfolios covered through collateral agreements reached EUR 59,88 million (loans to final recipients).

The EIB launched a new call of expression of interest in December 2018 to place the remaining EUR 20,5 million of the guarantee fund and has identified potential applicants among commercial banks in four other Member States³⁵⁹.

Additional funding of at least EUR 25 million is foreseen for the 2018-2020 period. A further amendment of the existing agreement and/or a new delegation agreement for phase 2 are being negotiated.

In terms of energy efficiency, since the signature of the first collateral agreement, investments supported by the PF4EE have generated primary energy savings of 124.39 Gwh/year and have reduced the level of CO2 emissions by 23 219 tons of CO2.

NCFF. NCFF supports the financing of loans and equity for investments contributing to biodiversity and/or climate change adaptation objectives. This represents an innovation which, if successful, could drive the architecture of natural capital financing. Between 9 and 12 operations are expected to be financed until the end of 2021, as the duration has been extended. The support facility is being used for developing new projects.

Several operations have been scrutinized according to the criteria jointly defined by the Commission and the EIB in the delegation agreement. They have not been retained for funding (for more information see above "Justification of changes to the financial programming and/or to the performance information" under specific objective 2).

Following the recommendations of the mid-term evaluation of the LIFE Programme, several adjustments have been introduced in the management of the NCFF in agreement with the EIB, including more flexibility on the provision of technical assistance, the prolongation of the implementation period without additional financing, the opening of a guarantee facility, some targeted promotional activities to stimulate the potential demand.

The first operation was signed in 2017. In 2018 three new operations were signed and various further projects are in the pipeline for 2019. The overall amount invested is 33.5 million EUR covering sustainable forestry in Ireland, eco-tourism, sustainable agriculture and development of nature-based solutions in Croatia and conservation and rewilding activities in several locations (Western Iberia in Portugal, Velebit Mountains in Croatia, Central Apennines in Italy, Southern Carpathians and Danube Delta in Romania, Rhodope Mountains in Bulgaria, Oder Delta in Germany/Poland and Lapland in Sweden).

³⁵⁸ Czech Republic, Spain, France, Portugal, Italy and Belgium.

³⁵⁹ Poland, Austria, Latvia and Slovenia.

Compulsory contributions to Regional Fisheries Management Organisations (RFMOs) and other international organisations and Sustainable Fisheries Partnership Agreements (SFPAs)

Lead DG: MARE

I. Overview

What the programme is about?

Sustainable Fisheries Agreements

Under its exclusive competence of negotiating bilateral fisheries agreements the European Commission negotiates, concludes and implements bilateral Sustainable Fisheries Partnership Agreements (SFPAs) between the European Union and third countries with the objective of contributing to a regulated framework for the EU long-distance fishing fleet while ensuring a suitable exploitation of the third countries' relevant fisheries resources and supporting competitiveness of the Union's fishing fleet. Within the framework of the SFPAs, the Commission maintains a political dialogue on fisheries related policies with third countries concerned, in coherence with the principles governing the Common Fisheries Policy (CFP) and the commitments under other relevant European policies in order to contribute to healthy fish stocks around the world. SFPAs constitute a benchmark for the management of international fishing policies and therefore also contribute to fostering the EU position as a global and leading actor in the field of international fisheries.

Regional Fisheries Management Organisations (RFMOs) and international organisations

Given the exclusive competence of the EU for the conservation of marine living resources and international obligations deriving from the United Nations Convention for the Law of the Sea (UNCLOS) and the implementing UN Fish Stocks Agreement (UNFSA), to which the EU is Party, the Commission pays compulsory annual contributions deriving from EU membership in these bodies. This includes various RFMOs where the EU has an interest and bodies set up by the UNCLOS, namely the International Seabed Authority and the International Tribunal for the Law of the Sea.

EU added value of the programme

Sustainable Fisheries Agreements: The conclusion of bilateral agreements with third countries is necessary to allow European Union fleets access to fish surplus stocks that are not being fished by the coastal States' local fleets and to provide sustainable food supply to the European citizens. Most of these fish stocks cannot be found in European waters (tuna, small pelagic species, crustaceans, cephalopods). An important part of the EU fleet depends on them and therefore needs access to the waters of non-EU countries. At the same time, these bilateral agreements are playing an essential role in developing the partner country's governance of the fishing sector in a sustainable manner through the provision of sectoral support.

In summary, SFPAs deliver the following overall benefits:

- SFPAs give the European fleet access to fishing grounds under a clearer, uniform and more stable legal framework, offering greater legal certainty for European vessel owners, and contributing to their competitiveness;
- SFPAs foster scientific cooperation between the EU and its partner countries;
- SFPAs promote transparency and sustainability in the partner countries that also apply to other agreements between the partner countries concerned and other fleets present in their EEZ. This is therefore contributing to the sustainable management of fishing resources worldwide.
- In the partner countries, SFPAs encourage improved governance and management of the local fisheries sector by supporting the monitoring, control and surveillance of national and foreign fleets' activities. SFPAs provide significant funding to contribute to the sustainable development of local fishing activities, and to the fight against illegal, unreported and unregulated (IUU) fishing.

Regional Fisheries Management Organisations (RFMOs) and international organisations: In line with the External Dimension of the CFP, which is an exclusive Union policy, the EU promotes better international fisheries and ocean governance and the sustainable management of international fish stocks as well as defends EU economic and social interests within these organisations. As the EU is a Contracting Party to the UNCLOS and UNFSA it must cooperate with other fishing nations and be a member of RFMOs when fishing in high seas. As the sole representative for all EU fishing interests in RFMOs with a common strategy for all EU fleets, the EU is a leading member in these organisations and has the clout and authority to defend the EU interests more effectively and forcefully than EU Member States separately.

Implementation mode

Expenditure related to compulsory contributions to RFMOs and other international organisations as well as to Sustainable Fisheries Partnership Agreements are implemented directly by the Commission.

II. Programme Implementation Update

Implementation Status (2016-2018)

At the end of 2018, a total number of 9 SFPAs³⁶⁰ were in force, compared to 12 in 2017.

In 2018, SFPAs-related negotiations have taken place with a total of eight countries. They have been successfully completed for the renewal of the SFPAs protocol with Ivory Coast, Morocco, Cape Verde and Guinea-Bissau. Also, a new Agreement and protocol has been agreed upon with The Gambia. Furthermore some negotiation rounds have taken place, without being completed yet, with Sao Tome e Principe, Kiribati and Madagascar. Finally there have been on-going contacts with Gabon and Mozambique for the renewal of the protocols with these countries.

Preliminary steps have been taken in view of obtaining a negotiation mandate with Mauritania, Seychelles and Senegal, through the launch of procedures for the ex-post and ex-ante evaluations of the SFPAs Protocols with these countries.

RFMOs are international bodies set up to ensure the conservation and sustainability of straddling and highly migratory fish stocks. The EU has a strong presence in all of the world's oceans through its fleets and is obliged under The Convention on the Law of the Sea to co-operate with other parties by participating in these Organisations. The RFMOs are the main vehicle for multilateral cooperation, providing a legal framework that can take into account the specific features and characteristics of each zone and species concerned. The EU paid its membership contributions to 13 RFMOs³⁶¹ and 3 other International Bodies in view of the EU's membership to them (i.e. CMS, ITLOS, ISBA) in 2018.

Key achievements

A total of 250 EU vessels flagged in one of the EU Member States currently benefit from a fishing authorisation granted under an SFPAs protocol, providing them the access they need in a fully transparent environment. SFPAs have also been contributing to the development of the fisheries sector in the partner countries and to better governance of their fisheries sector. A significant part of the total EU budget for SFPAs has been devoted to the concrete projects funded under sectoral support and related mostly to control and surveillance capacities, small port infrastructures, landing facilities and laboratories, equipment for small scale fishermen. At the same time, they contribute to eliminating illegal fishing and providing good framework conditions for local fishermen. SFPAs therefore also contribute to ensuring food security to local coastal communities. Concrete projects financed include for example the supply of fishing equipment for small fishermen, including localisation and safety kits, the reinforcement of sanitary control capacity in ports, landing facilities with storage and ice facilities, financing the acquisition of patrol boats and their maintenance, training of fisheries inspectors and observers, etc.

Evaluations/ studies conducted

The results of the evaluations carried out in 2018 (Cabo Verde, Ivory Coast and Madagascar) are taken on board in the negotiations for the renewal of agreements, more notably in relation to the level of fishing opportunities agreed upon, the relevant technical provisions applicable and the rules regarding the implementation and monitoring of the multiannual sectoral programmes.

The main conclusions of the evaluations were as follows³⁶²:

Cabo Verde

The 2014-2018 Protocol is consistent with the conservation and management measure adopted under the multilateral framework of ICCAT to which the EU and Cabo Verde are parties and supports Cabo Verde's active participation in the work of this RFMO through its sectoral support component.

The Protocol has been evaluated as efficient with an EU financial contribution proportional to the fishing opportunities exploited. Investments in improved landing facilities, supported by national and donor funds, along with the landing incentives introduced by the Protocol have resulted in average landings of over 12,000 tonnes/year by EU vessels (more than double the reference tonnage under the Protocol) indicating the emergence of Cabo Verde as a processing and transshipment hub for the EU fisheries activities in the region.

Ivory Coast

The 2013-2018 Protocol has been evaluated as overall effective.

Concerning its conservation component, the level of monitoring of fishing activities has been good and complies with the management and conservation measures of ICCAT.

The Protocol benefits from a good cost-benefit ratio for both the EU and Ivory Coast since both parties obtain an equitable share of the total value added of catches: respectively EUR 2.4 and 2.8 for every EUR 1 invested by the EU.

The Protocol is also good in terms of 'economy': utilisation of sectoral support funds has improved since 2015 and part of the expected results have been achieved, particularly with regard to strengthening fisheries surveillance.

Madagascar

The 2015-2018 Protocol has been evaluated as effective in terms of its objective of contributing towards sustainable exploitation of fisheries resources in the waters of Madagascar.

³⁶⁰ 9 tuna agreements: Cook Islands, Ivory Coast, Madagascar, Senegal, Mauritius, Liberia and Seychelles; and 3 multi-species (mixed) agreements: Mauritania and Greenland. In 2018 the following protocols expired: Cape Verde on 22/12/18, Morocco on 14/07/18 and Sao Tomé on 22/05/18

³⁶¹ There are 4 organisations targeting the conservation of tuna (CCSBT, IATTC, ICCAT and IOTC), 1 targeting the conservation of salmon (NASCO) and 8 targeting general fisheries aspects (CCAMLR, GFCM, NAFO, NEAFC, SEFAO, SIOFA, SPRFMO and WCPFC)

³⁶² More information on these studies can be found: <https://ec.europa.eu/fisheries/documentation/studies>

Through its sectoral support component, the Protocol contributed to capacity building for monitoring, control and surveillance, and for sanitary controls during a period when the national budget was limited.

The Protocol has been coherent with other EU interventions in the South-Western Indian Ocean, in particular those aimed at improving fisheries governance and the fight against IUU fishing.

In addition, an ex-ante evaluation of a 'dormant agreement' with Gambia was performed in view of negotiating a new agreement and protocol. Based on the results of this evaluation, a new SFPA has been negotiated and initialled and should enter into force in the first half of 2019.

Outlook for the period 2021-2027

As part of the next EU budget framework for the 2021-2027, the European Commission proposed to allocate the budget of EUR 990 million [in current prices] for the international dimension of the Common Fisheries Policy, including the compulsory contributions to the RMFOs and other international organisations as well as the Sustainable Fisheries Partnership Agreements.

This funding will be used for renewing existing as well as concluding new protocols with third countries to allow the EU fleet to access to fish surplus stocks in those countries' exclusive economic zones (EEZs) and to contribute to a sustainable food supply to European consumers. The sectoral support component of SFPAs will continue to support the sustainable management of fisheries resources in third countries, in particular the reinforcement of capacities, the promotion of scientific capacity, surveillance and control mechanisms and the support to small-scale fisheries. It will also contribute to the promotion of the blue economy in economies which are highly dependent on the maritime sector. As fishing for highly migratory and straddling stocks in the high seas is concerned, the European Union is bound by the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and the 1995 United Nations Fish Stock Agreement (UNFSA) to co-operate with other parties by participating in RFMOs and other international organisations. They are the main vehicle for multilateral cooperation, to ensure the long-term conservation and sustainability of fish stocks under their purview. Therefore, the Commission will continue to pay compulsory contributions to these organisations.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application						Reference Amount (EUR million)	
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	
Operational appropriations	80,0	135,6	135,7	127,0	94,5	147,9	148,0	868,8
Total	80,0	135,6	135,7	127,0	94,5	147,9	148,0	868,8

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	94,535	99,76 %	97,447	100,00 %	67,742	36,76 %	70,236	27,73 %
Authorised appropriations (*)	94,535	99,76 %	97,447	100,00 %	-12,416	-200,59 %	-1,614	-1 206,69 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific objectives

Specific Objective 1: To promote, through active involvement in international organisations, sustainable development for fisheries management and maritime governance in line with the CFP objectives, and ensure that fishery resources are maintained above or restored above levels capable of producing maximum sustainable yield

Indicator 1: Conservation measures based on scientific advice adopted, for all species under the purview of RFMOs to which the EU is a member

Baseline 2012	Milestone 2017	Target 2020
49 out of 53 conservation measures adopted by RFMOs in their annual meeting are in line with the best available scientific advice.	95% of the conservation measures adopted by RFMOs in their annual meetings are in line with the best available scientific advice.	All conservation measures adopted by RFMOs in their annual meetings are in line with the best available scientific advice.
	Actual results 52 out of 59 measures were based on best available scientific advice (88%)*	

* Data for NEAFC pending.

Indicator 2: Tools to fight IUU fishing adopted in RFMOs							
Result 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
IUU listing in place in all relevant RFMOs, port state measures adopted only in some RFMOs, catch documentation system in place in CCAMLR for toot fish and ICCAT for Bluefin tuna				Revision of transshipment procedures in CCAMLR, Adoption of MCS in SIOFA, Revision of country-by-country compliance process in SPRFMO	Adoption of PSM in IATTC; Revision of country-by-country compliance mechanisms in IOTC, CCAMLR and SPRFMO	Adoption of PSM measures in IATTC, revision of PSM and IUU procedures in SPRFMO	IUU listing procedures in place and operational in all RFMOs (annual), incremental introduction of port state measures in all RFMOs in line with the FAO Port State Measures until 2020, gradual introduction of catch documentation systems for high value species until 2020.
	Actual results						
	-	Adoption of PSM in CCSBT	Revision of IUU listing procedures in CCAMLR and a new measure in SIOFA, Implementation of revamped e-CDS in CCAMLR, Revision of MCS measures in SEAFO, Revision of VMS legal framework and selection of VMS provider in SPRFMO, Adoption of electronic PSM in IOTC&IUU listing procedures and vessels without nationality in SIOFA and IOTC Adoption of a GFCM recommendation on Port State Measures	Revision of IUU listing procedures in IOTC, CCAMLR and CCSBT; new Port Inspection Scheme in SIOFA; Revision of CDS requirements in CCAMLR; Revision of PSM in SEAFO; Voluntary Port state procedures adopted in WCPFC Adoption of a GFCM recommendation on a regional plan of action to combat IUU	Revision of IUU listing procedures in CCAMLR IOTC and SIOFA; Revision of country-by-country compliance procedures in SIOFA;		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Annual financial contributions to RFMOs enabling the right of full participation in decision making in the RFMO concerned	11 03 02	14*	5.2
2. Contribution to the annual budget of International Tribunal for the Law of the Sea (ITLOS) and the International Seabed Authority (ISBA UN), convention on the conservation of migratory species of wild animals (CMS)	11 03 02	3	0.2
Total		16	5.4

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Annual financial contributions to RFMOs enabling the right of full participation in decision making in the RFMO concerned	F	12	13	14	14	14	14*	14*
	P	12	13	13	13	13		
2. Contribution to the annual budget of International Tribunal for the Law of the Sea (ITLOS) and the International Seabed Authority (ISBA UN)	F	2	2	2	2	2	2	2
	P	2	3	3	3	3		

* Subject to the approval of the accession instrument adoption of the Council Decision of the new RFMO (NPFC)

Justification of changes to the financial programming and/or to the performance information

Specific Objective 2: To establish, through Sustainable Fisheries Agreements, a legal, economic and environmental governance framework for fishing activities carried out by Union fishing vessels in third country waters, in coherence with other EU policies

Indicator 1: Number of Sustainable Fisheries Agreements in force

Result 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
10	13	13	14	14	15	15	15
	Actual results						
	13	14	14	12	9		

Indicator 2: Fishing possibilities for EU vessels

Result 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
118 tuna vessels	120	120	120	120	120	120	120tuna vessels 100 vessels for mixed SFAs Align fishing possibilities granted through the SFAs with the needs of the EU fleet, within the constraints of the sustainability of the fishing activities
	Actual results						
	134	115	121	121	121		
Milestones foreseen							
63 vessels for mixed SFAs	100	100	100	100	100	100	
	Actual results						
	112	123	165	160	160		

Indicator 3: Number of matrix adopted for the follow-up of the sectoral support (matrix of objectives, indicators and targets adopted with the third country, for each protocol in force)

Result 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
10	13	13	14	14	15	15	15
	Actual results						
	13	14	14	12	9		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1.Financial contribution to all the protocols in force providing access for EU vessels in third countries waters	11 03 01 and reserve line	16	145.2
Total		16	145.2

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1.Financial contribution to all the protocols in force providing access for EU vessels in third countries waters	F	13	13	14	14	15	15	15
	P	13	14	14	12	9		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Sustainable Growth (competitiveness, climate, energy and mobility)	2,1	2,2

40% of the budget line 11 0302 'compulsory contributions to RFMOs and other international organisations' contributes to sustainable growth (see the table above).



HEADING 3

Security and citizenship

3: Security and citizenship

HEADING 3: Security and citizenship

Asylum, Migration and Integration Fund

Lead DG: HOME

I. Overview

What the programme is about?

The Asylum, Migration and Integration Fund (AMIF) promotes the efficient management of migration flows and the implementation, strengthening and development of a common Union approach to asylum and immigration. This Fund contributes to the achievement of four specific objectives:

- Asylum: strengthening and developing the Common European Asylum System by ensuring that EU legislation in this field is efficiently and uniformly applied;
- Legal migration and integration: supporting legal migration to EU States in line with the labour market needs and promoting the effective integration of non-EU nationals;
- Return: enhancing fair and effective return strategies, which contribute to combating irregular migration, with an emphasis on sustainability and effectiveness of the return process;
- Solidarity: making sure that EU States which are most affected by migration and asylum flows can count on solidarity from other EU States.

EU added value of the programme

The management of migration flows presents challenges which cannot be dealt with by the Member States acting alone. Some Member States bear a heavy burden due to their specific geographic situation and the length of the external borders of the Union that they have to manage. The principle of solidarity and the fair sharing of responsibilities between Member States is therefore at the heart of the common policies on asylum and immigration. EU funding supports the implementation of those principles.

Furthermore, the adoption of measures and the pooling of resources at EU level will increase significantly the EU leverage necessary to convince third countries to engage with the EU on those migration related issues which are primarily in the interest of the EU and the Member States.

Implementation mode

For the implementation of the allocated budget, the Commission uses several implementation modes:

- Shared management, implemented by the Member States
- Direct management of grants and procurement: Support to Union actions and emergency assistance under AMIF, in cooperation with international and civil society organisations, via grants and contracts awarded through calls for proposals and procurement.
- Indirect management of entrusted entities: Support to programmes implemented through delegation agreements under AMIF annual work programmes.

II. Programme Implementation Update

Implementation status (2016-2018)

In 2017, the national programmes were substantially modified to include additional funding linked to resettlement (EUR 455.6 million), return (EUR 140.8 million) and measures implementing the EU Action Plan on the integration of third-country nationals (EUR 140 million), in particular those carried out by civil society organisations and local authorities in the context of Member States' Migrant Integration Strategy.

The total amount accepted by the Commission³⁶³ and cleared for the financial year 2017 for AMIF constituted EUR 590,1 million.

In 2018, the national programmes were again revised:

- To include EUR 30 million and EUR 20 million to support respectively the integration of third country nationals and the return of irregular migrants.
- To reflect the outcome of the mid-term review exercise carried out in accordance with article 15 “Mid-term review” of the Regulation³⁶⁴ laying down general provisions on AMIF and ISF.

³⁶³ C(2018) 3379 and C(2018) 5316.

³⁶⁴ Regulation (EU) No 514/2014 of the European Parliament and of the Council of 16 April 2014 laying down general provisions on the Asylum, Migration and Integration Fund and on the instrument for financial support for police cooperation, preventing and combating crime, and crisis management.

In December 2018, the article 18³⁶⁵ of the AMIF Regulation was amended³⁶⁶ to allow the reuse of the non-consumed resources for relocation and legal admission.

By 15 February (or 1 March upon justified request) 2019, Member States have submitted their annual accounts covering the financial year 2018; all Member States together have requested a total amount of EUR 605 million. By 31 March 2019³⁶⁷, the Annual Implementation Reports for AMIF were submitted by Member States.

End of January 2019, under AMIF Emergency Assistance, EUR 1.070 million has been awarded to Member States under migratory pressure for addressing the migration and refugee crisis, since 2015. In 2018, 16 awards were granted for a total of EUR 440 million, of which EUR 251 million for two actions under indirect management for Greece. Those two actions were identified in the annual work programmes for emergency assistance 2017 and 2018.

With regard to Union actions, actions under the 2015 and 2016 annual work programmes were implemented in 2018. Grant agreements were concluded for actions under the 2017 annual work programmes and their implementation has started. Data on the grant agreements concluded in 2018 have been inserted in the output tables per Specific Objective.

In May 2018 a single call for proposal was published under budget line 18 03 01 02 on five different priorities with a deadline of 31 January 2019. 174 applications were received and will be evaluated in the spring of 2019. It includes a priority on the care for migrant minors, including unaccompanied minors. The objective of this priority is to have projects relating to the expansion or improvement of alternative care systems (such as family-based care, or foster care, or supervised independent housing arrangements) or of effective alternatives to detention.

The AMIF continued to support the European Migration Network (EMN). The 2019-2020 work programme for grants related to the EMN was adopted on 12 November 2018 and the evaluation of the applications from all Member States is being concluded in the course of February 2019.

Key achievements

The Asylum, Migration and Integration Fund continued to offer important financial assistance to cope with emergency and longer-term actions related to the reception of asylum seekers and provision of advice and services to allow them to exercise their rights. The funding supported also the implementation of relocation, resettlement and legal admission from Turkey.

An amount of EUR 4.4 billion was allocated to Member States in their National Programmes in the period 2014–2020. The cumulative expenditure supported by the Fund from 2014 to 2018 amounts to EUR 1.6 billion, corresponding to 3 118 on-going projects currently financed by the Fund.

Examples of AMIF projects (by countries and by Fund) can be found in the Snapshots published by the Commission at the following link:

https://ec.europa.eu/home-affairs/e-library/multimedia/publications/snapshots-eu-asylum-migration-integration-internal-security-fund_en

In 2018, 228 579 asylum seekers received assistance in the area of reception and asylum system (in comparison to 297 080 persons in 2017). Out of this category, 25 193 asylum seekers benefitted from legal assistance and representation and 60 546 vulnerable persons and unaccompanied minors were delivered specific assistance. Member States continued to improve the reception conditions, a total of 3 027 accommodation places being set up or renovated in 2018. To support the asylum policies, 16 145 staff attended various forms of training with the assistance of the Asylum, Migration and Integration Fund in 2018 (the cumulated value of the implementation period (2014–2018) reaches 36 821 staff trained). 329 104 country of origin products and fact-finding missions were conducted with the assistance of the Asylum, Migration and Integration Fund. The Fund provided also support for the participation of 19 938 eligible third-country nationals in pre-departure measures.

In the area of integration, in 2018, 2 million third-country nationals were assisted through integration measures in the framework of national, local and regional strategies, reaching a cumulative number of 4.9 million covering the period 2014-2018. The actions consisted in education and training, including language training and preparatory actions to facilitate access to the labour market. Furthermore, advice and assistance were provided in the area of housing, means of subsistence and administrative and legal guidance, medical and psychological care. The Asylum, Migration and Integration Fund sustained the integration policies, through 2 704 local, regional and national policy measures/tools involving the relevant stakeholders. It also financed 20 projects designed to develop, monitor and evaluate the integration policies and/or enhance cooperation at the level of the Member States.

Resettlement schemes provide a legal and safe pathway for vulnerable people in need of international protection. By end-December 2018, the resettlement scheme³⁶⁸ from September 2017 had helped approximately 21 000 of the most vulnerable migrants to find shelter in the EU. Resettlements continued under the EU-Turkey Statement with 6 930 resettlements in 2018. The total number of

³⁶⁵ Article 18(3) of the AMIF Regulation states that “those amounts shall not be transferred to other actions under the national programme”. In order to be able to use these remaining amounts for voluntary relocation, resettlement and / or other Union migration priorities beyond 2018, a technical amendment of Article 18 of the AMIF Regulation is needed.

³⁶⁶ Regulation (EU) 2018/2000 amending article 18 of Regulation (EU) No 516/2014 of the European Parliament and of the Council, as regards the recommitment of the remaining amounts committed to support the implementation of Council Decisions (EU) 2015/1523 and (EU) 2015/1601³⁶⁶ or the allocation of those amounts to other actions under the national programmes.

³⁶⁷ Except UK and GR - as a result, the indicators mentioned in this programme statement do not include the 2018 data of UK and GR.

³⁶⁸ C(2017) 6504 of 27.9.2017: Commission Recommendation on enhancing legal pathways for persons in need of international protection.

resettlements under the EU-Turkey Statement (starting on 4 April 2016) had hence reached 18 640 (a part of these places have already been counted under other EU resettlement schemes).

Thanks to concerted efforts by the Member States and other relevant stakeholders, by the end of 2018, 34 709 persons had been relocated (12 710 from Italy and 21 999 from Greece), which represents over 95 % of all eligible and registered candidates for relocation in Italy and Greece under the 2015 Council Decisions. Out of these, 1 556 persons were relocated in 2018. The overall results and the above implementation rate prove that relocation works when all parties fulfil their commitments.

39 463 persons (16 049 in the financial year 2017³⁶⁹) were returned in 2018 with support of the Fund. Out of the total number of returnees, 23 843 persons received pre or post return reintegration assistance co-financed by the Fund. Concerning the capacity building of the relevant actors, 9 261 employees benefited from training in return-related topics. To ensure compliance of removals with the human rights and the dignity of the returnees, 3 510 removal operations were monitored with financial support under the Fund.

The Asylum, Migration and Integration Fund provided also a substantial support to the front line Member States via the emergency assistance.

As regard Greece, more than 32 000³⁷⁰ migrants arrived irregularly to the Aegean islands in 2018, which is a 9 % increase compared to 2017 – in total around 86 000 have arrived since the entry into force of the EU-Turkey Statement in March 2016. In 2018, the Fund supported the transfer of 29 540 persons from the overcrowded islands to the mainland, contributing to the decongestion of hotspots. There are currently around 66 000 places for migrants across the country (approximately 55 000 on the mainland and 11 000 on the islands). EASO, with the financial support of DG HOME, continued providing support to the Greek authorities: the average processing time of appeals was reduced in 2018 from 124 to 68 days. A homogenous implementation of the Vulnerability Assessment Template and the prioritisation of cases, supported by the Commission, contributed to an accelerated asylum procedure. Furthermore, the Commission maintained a dialogue with the Greek authorities to best support the creation of additional reception places suitable for minors, as well as to ensure that children were urgently moved to proper reception centres. In this framework, the Commission supported Greece financially to ensure that adequate reception capacity for unaccompanied minors is in place, both as a regular and emergency solution.

The 2018 Financial Plan for reception facilities in Greece contributed to improve the situation on the islands and more broadly in the country by replacing camps-based accommodation with rental accommodation and improving reception conditions. The supply of winter items and efforts to make the hotspots winter-safe increased with DG HOME funding, and more safe zones were installed to accommodate women and unaccompanied children. Only in 2018, under emergency assistance (EMAS), the Commission signed a total of 14 contracts/agreements with Greek responsible authorities or international organisations (such as the UNHCR and the IOM) worth EUR 429.6 million. This amount includes the budget for two important delegation agreements for actions in 2019 to continue the support provided earlier by the Emergency Support Instrument. The emergency funding comes on top of the EUR 613.5 million already allocated to Greece under the national programmes for 2014–2020 (EUR 328.3 million from the Asylum, Migration and Integration Fund and EUR 261.9 million from the Internal Security Fund).

In 2018, in Greece emergency assistance provided first support for the only open centre where migrants can wait for their return and obtain voluntary return assistance. Second, the Commission supported site management for 1 500 places in the Kara Tepe reception centre in Lesvos and the catering services for about 4.500 persons of concern in both Kara Tepe and ten temporary places (Malakasa, Diavata, Vaiohori, Mesologgi, Elianoas, Oinofita, Elefsina, Volos, Kilkis, Veroia). Third, several emergency assistance projects provided support to services and activities for children/unaccompanied minors: 520 accommodation places were operational throughout the year, 1845 children were transported to public schools, 784 benefitted from accommodation and protection services, 472 received non-formal education, 520 children identified by street teams and supported with case and protection management, 282 received protection assistance and information each month. Multidisciplinary teams provided 24h/day protection services to children. Fourth, emergency assistance grants supported transportation services, notably the transfer of 5 301 persons of concerns from accommodation sites on the islands to the mainland and transportation for 41 855 asylum-seekers/migrants within islands in the framework of asylum processing. Fifth, to alleviate the suffering of vulnerable migrants and refugees, the FILOXENIA project activated temporary shelter in 46 hotels in the mainland, transferring 5 081 persons away from the islands of Lesvos, Chios, Samos, Kos and Leros. Under the project, another 477 persons with particular needs were transferred away from open accommodation centres in mainland to the hotels, at the request of the Greek authorities. As part of the project, the people residing in the hotels receive items for their daily life and some cash assistance. Sixth, various projects ensure that the persons under the care of the project organisations are receiving adequate information, legal aid, medical services and protection assistance, including services such as vulnerability screening and assistance to victims of sex and gender based violence (SGBV cases). Lastly, in 2018 the Commission also continued to support the improvement of the Greek Asylum Service, resulting in an increase of at least 15 per cent beyond the 2017 capacity of about 1 200 cases per week until the end of 2018. The support included purchase of work equipment (158 workstations + ICT equipment), the interpreters' pool, training of 300 staff members, and the deployment of 20 police officers to implement the EU-Turkey Statement.

As regard Italy, several projects were being implemented by the Italian Ministry of Interior in 2018 under the emergency assistance strand of the Asylum, Migration and Integration Fund. The projects were aiming to: ensure effective and coordinated psycho-social protection services for the benefit of unaccompanied minors in hotspots; provide accommodation and reception services for

³⁶⁹ 71 16/10/2016-15/10/2017.

³⁷⁰ DG HOME computation of data from the Hellenic Police.

relocation candidates; support the asylum sections of immigration and border police offices; and carry out assisted voluntary return from Italy and reintegration in home countries. The total amount of EU contribution for these projects was EUR 35.5 million. In addition, an amount of EUR 5.3 million emergency support under the Asylum, Migration and Integration Fund was awarded to Italy to implement a new project addressing protection needs of victims of human trafficking (to be started in 2019).

Evaluations/studies conducted

At the end of 2017, the Member States submitted to the Commission an interim evaluation report on the implementation of actions and progress towards achieving the objectives of their national programmes. On this basis and taking into account the mid-term review exercise, the Commission submitted to the European Parliament, to the Council, to the European Economic and Social Committee and to the Committee of the Regions an interim evaluation report on the implementation of the legal bases, by mid-June 2018 (COM(2018) 464).

The interim evaluation of the Asylum Migration and Integration Fund (AMIF) covered the period from 1 January 2014 until 30 June 2017 and assessed AMIF's progress towards its objectives against the following evaluation criteria: effectiveness, efficiency, relevance, coherence, complementarity, sustainability, EU added value, simplification and reduction of administrative burden. During the implementation period under review, the migration conditions changed drastically due to the sudden and unexpected increase in migratory pressure, putting an enormous strain on the Member States and the Union.

The resources mobilised by the AMIF amounted initially to EUR 3 137 million, divided between national programmes (EUR 2 752 million) and direct management such as Union actions and Emergency assistance (EUR 385 million). This budget was substantially increased through top-ups to support relocation and resettlement, integration and return, the resources linked to the revision of the Dublin Regulation and in order to show solidarity and share the burden with the most affected MS, amounting by the end of 2017 to a total of EUR 6 888 million.

The results of the evaluation point that AMIF has played an important role in improving the asylum systems and strengthening reception capacity in the Member States, and because of the migration crisis, the area of asylum was especially prioritised in many countries. The Fund also paid special attention to the most vulnerable, particularly the unaccompanied minors. AMIF has made good progress on integration issues although limited progress has been made on legal migration so far. AMIF has made a limited contribution to the effective implementation of return strategies. AMIF also proved to ensure coherence, complementarity and strategic alignment with other financial instruments and with relevant key EU policy strategies. Overall AMIF has generated important EU added value. The main EU level benefit arises from the transnational dimension of certain actions but also the burden-sharing EU level benefit, supported in particular by the Emergency assistance and the relocation mechanism. Sustainability has been thoroughly considered by AMIF through checks mechanisms set in place at programming and implementation stages across most instruments, although to a lesser extent by the Emergency assistance due to the nature of the actions. Overall, most of the innovative measures (e.g. simplified cost-options, multiannual programming) are considered particularly beneficial by beneficiaries and appear to have achieved simplification. Despite simplification improvements, the national rules and procedures that are applied under the national programmes appear to lead to moderate to high administrative burden, thereby affecting efficiency of the fund.

Room for improvement was identified by the evaluation, especially in what concerns the internal coherence of the fund (among AMIF management modes) because there is little awareness among beneficiaries about the actions and projects realised within the AMIF framework. Greater account could be taken of sustainability criteria in the design of AMIF interventions. Similarly, the administrative burden appeared to be the main factor that undermined the efficiency, including some control measures that appeared too stringent even if AMIF has led to simplification relative to the past. There is limited evidence, on the other hand, of increased capacity to develop, monitor and evaluate asylum systems, and, while the EU resettlement programme has been making big progress so far, there is limited contribution towards the establishment, development and implementation of national resettlement programmes. Finally, the monitoring and evaluation system brought by AMIF in line with the Better Regulation guidelines needs further improvement, including in terms of definitions of its indicators and the collection of data.

The AMIF interim evaluation report prepared for the Commission by external contractors is available for consultation at the following [link](#).

As regards the Mid-Term Review (MTR), the Member States contributed to this exercise by carrying out a needs assessment in light of the policy objectives for the remaining period to prepare the Mid-Term Review of AMIF. The exercise was concluded 1st quarter of 2018. For a number of Member States (Spain, Italy, Greece, Croatia, Bulgaria, Hungary), the analysis of the MTR resulted in the identification of important funding gaps in the NPs, leading to a reinforcement of EUR 175 million in 2019 under the budget line 18 03 01 01.

By 31 December 2023, the Member States will provide an ex-post evaluation report on the effects of actions under their national programmes and the Commission will present by 30 June 2024 an ex-post evaluation report on the effects of the legal bases.

Forthcoming implementation (2019-2020)

It is expected that, following the information received in the 2018 AMIF Annual Accounts and Annual Implementation Reports, the implementation of the Funds will gain further momentum. DG HOME intends to steer the Member States even more to enhance the implementation of the programme, among others through the participation to national monitoring committee meetings, bilateral discussions, monitoring visits, messages at political level, etc.

A revision of the national programmes is envisaged in 2019 in order to include the additional funding of EUR 175 million for supporting measures for the accommodation and services for applicants of international protection and beneficiaries.

Grant agreements under the AMIF 2018 annual work programme for Union actions will be concluded in 2019 and the implementation of the actions will start. In continuation of previous years, it will concern the area of integration of third-country nationals for which seven priorities have been established in the annual work programme. It will also concern the asylum and migration policy, including the external dimension of this component to enhance third countries' capacity to provide that asylum-seekers and refugees receive effective protection, assistance and durable solutions (repatriation, local integration and/or resettlement) (Regional Development and Protection Programmes).

Member States facing migratory pressure and not being able to cover the resulting needs from the national programme envelopes, will continue to be supported via the AMIF Emergency Assistance. The 2019 annual work programme was adopted on 14 December 2018.

The European Migration Network (EMN) will be supported under the EMN 2019-2020 work programme.

Outlook for the period 2021-2027

For the next long-term EU budget 2021-2027, the Commission's proposal is a response to increased migratory, mobility and security challenges, with more flexible funding instruments to address unforeseen migratory events and border protection at the core of the new budget. The Commission proposed to replace the current AMIF by the Asylum and Migration Fund.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 516/2014 of the European Parliament and of the Council of 16 April 2014 establishing the Asylum, Migration and Integration Fund, amending Council Decision 2008/381/EC and repealing Decisions No 573/2007/EC and No 575/2007/EC of the European Parliament and of the Council and Council Decision 2007/435/EC	2014 - 2020	3 137,0

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	2,2	2,2	2,3	2,5	2,5	2,5	2,5	16,6
Operational appropriations	228,4(*)	620,9	1 796,6	1 612,0	745,4	1 118,3	946,2	7 067,8
Total	230,5	623,0	1 799,0	1 614,5	747,9	1 120,8	948,7	7 084,4

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	747,866	99,92 %	698,623	99,70 %	1 030,814	41,07 %	856,745	37,77 %
Authorised appropriations (*)	992,351	99,37 %	738,082	98,93 %	948,826	45,22 %	771,385	42,68 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to contribute to the efficient management of migration flows and to the implementation, strengthening and development of the common policy on asylum, subsidiary protection and temporary protection and the common immigration policy, while fully respecting the rights and principles enshrined in the Charter of Fundamental Rights of the European Union

Indicator 1: Effectiveness of return policy as reflected by the ratio between the number of irregular migrants returned to their country of origin compared to return decisions issued

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
39,2 % (166 975 effected returns / 425 875 issued)				Increased ratio			Increased ratio

with a return decision**) (source: Eurostat) ³⁷¹	Actual results					
	41,75 %	42,7 %*	50,6 %*	41,5 %*	n.a.	

* Extract from Eurostat on 28/01/2019. Data are revised on a continuous basis according to the most recently updated data provided by the countries.

** For accuracy purposes, the indicator should be called: "Effectiveness of return policy as reflected by the ratio between the total number of irregular migrants returned compared to return decisions issued".

In 2017, the total return rate decreased from 50.6 % to 41.5 %. The rate of effective return to third countries decreased from 45,8 % to 36,6 %. While the number of return decisions taken EU-wide in 2017 has increased, this is not matched by a similar increase in the number of implemented returns. The downward trend in both total return rate and effective return rate is partially explained by the fact that the volume of potential returnees from the Western Balkans has significantly decreased. Cooperation with these third countries on readmission of their own nationals has been excellent over the last two years, facilitated by closely managed and effective EU readmission agreements. The return rate showed that the previously accumulated backlog from these countries has been effectively dealt with in 2015 and even more in 2016. Technically, this pushed the EU average return rate up. This being said, if data regarding Western Balkans countries is removed from the overall 2017 EU return data, there is still a decrease of the return rate from 34,5 % in 2016 to 29,2 % in 2017. This may be due to the increase in the number of return decisions for nationals of less cooperative countries of origin of irregular migrations to the EU.

Indicator 2: Ratio voluntary/forced return

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
45,5 % (source: Eurostat)				Increased			Increased ratio
	Actual results						
	58,4%	80,3 %	117,3 %*	120,11 %*	n.a.		

*Eurostat on 28/01/2019. Data are revised on a continuous basis according to the most recently updated data provided by the countries.

Indicator 3: Difference in employment rates of third-country national (TCN) compared to that of EU nationals

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
11,9 points				12 points			10 points Given the migratory context/refugee crisis, this figure will not decrease drastically over the short term. Integration efforts by MS supported by the EU could produce an effect as from 2017/2018 unless the overall EU economic situation deteriorates.
	Actual results						
	13,4 points Third-country nationals: 56,3 % Host-country nationals: 69,7 %	14 points Third-country nationals: 56,7 % EU nationals: 70,7 %	13,6 points Third-country nationals: 53,6 % EU nationals: 67,2 %	15,5 points Third-country nationals: 57,4 % EU nationals: 72,9 %	Not yet available		

Source: Eurostat. Baseline 2013: Employment rate of non-EU citizens has decreased from 54,9 % in 2011 to 52,6 % in 2013, whilst the employment rate for EU nationals remains stable at 64,5 %.

Indicator 4: Convergence of recognition rates for international protection by Member States for asylum applicants from the same third country

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
The standard deviation in the recognition rates in the Member States for asylum seekers from Afghanistan is 20,1 ³⁷² (the higher the standard deviation, the higher the difference between MS's recognition rate in comparison to the average recognition rate) Calculations based on Eurostat data				Lower (increased convergence)			Lower (increased convergence)
	Actual results						
	25,2	27,3	28,2	29	24,3*		

* Standard deviation of the recognition rates for Afghanistan for Q1Q3 2018.

Specific objectives

Specific Objective 1: to strengthen and develop all aspects of the Common European Asylum System, including its external

³⁷¹ The baseline figure 2013 has evolved from the time when it was included as baseline. According to Eurostat data, in 2013: 50,15 % (215 885 third country national returned following an order to leave / 430 450 third-country nationals ordered to leave) (source: Eurostat).

³⁷² For Member States with at least 100 decisions regarding asylum seekers from Afghanistan

dimension							
Indicator 1: Number of target group persons provided with assistance through projects in the field of reception and asylum systems supported under the Fund							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			460 038			914 625**
	Actual results						
	148 045*	299 697*	352 777**	297 083**	228 579***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR), reflecting the current situation on migration flow which is decreasing.

Milestones and target are cumulative, actual results are annual.

Indicator 2: Capacity (i.e. number of places) of new reception accommodation infrastructure set up in line with the common requirements for reception conditions set out in the Union acquis and of existing reception accommodation infrastructure improved in accordance with the same requirements as a result of the projects supported under the Fund and percentage in the total reception accommodation capacity

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			18 836			44 001**
	Actual results						
	1 534*	1 623*	5 600**	7 557**	3 027***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (*data from Greece is not available*). It appears that the Member States are reducing the capacity of new reception accommodation infrastructure, likely linked to the reduced number of asylum seekers in some countries.

Milestones and target are cumulative, actual results are annual.

Indicator 3: Number of persons trained in asylum-related topics with the assistance of the Fund, and that number as a percentage of the total number of staff trained in those topics

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			10 782			22 915** 56 %
	Actual results						
	0*	914*	7 179**	12 846**	16 145***		
	0 %	43 %	62 %	60 %			

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR). The indicator shows a continuous increase of number of persons trained in asylum-related topics.

Milestones and target are cumulative, actual results are annual.

Indicator 4: Number of country-of-origin information products and fact-finding missions conducted with the assistance of the Fund

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			36 378			72 236**
	Actual results						
	0*	4 982*	15 478**	298 966**	329 104***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR). The indicators shows a continuous increase.

Milestones and target are cumulative, actual results are annual.

Indicator 5: Number of projects supported under the Fund to develop, monitor and evaluate asylum policies in Member States

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			72			143**
	Actual results						
	1*	40*	13**	15**	2***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative numbers. Actual results are annual.

Indicator 6: Number of persons resettled with support of the Fund							
Baseline 2012	Milestones foreseen						Target 2020 (2014-2020)
	2014	2015	2016	2017	2018	2019	
0	7 269			30 139			79 320
	Actual results						
	3 766*	12 423*	8 655*	24 844*	14 043**		

* Provided in the annual accounts sent by Member States on 15 February each year.

** Based on latest data submitted by Member States in the 2018 accounts as of 15/02/2019 (number of persons resettled declared in the 2018 accounts).

Milestones and target are cumulative numbers. Actual results are annual. The cumulative annual achievement is far better than milestone due to financial reinforcement of this activity during the period.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects aiming at improving reception and asylum systems.	18 03 01 01	482	152,4
Projects aiming at improving Member States' capacity to develop, monitor and evaluate their asylum policies.	18 03 01 01	23	9,6
Persons pledged for resettlement with the lump sum.	18 03 01 01	0	0
Projects under Union actions aiming at strengthening and developing the Common European Asylum System.	18 03 01 01	15	32,8
Persons benefitting from the voluntary humanitarian admission scheme – Turkey.	18 03 01 01	0	0
Total (projects)		520	194,8

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Projects aiming at improving reception and asylum systems.	F	81	240	450	351	506	955	482
	P	0	109	191	337	605		
Projects aiming at improving Member States' capacity to develop, monitor and evaluate their asylum policies.	F	20	20	20	16	23	23	23
	P	0	6	9	18	34		
Persons pledged for resettlement with the lump sum.	F	7 362	9 312	7 700	5 765	1 462	633	0
	P	60	3 215	12 423 (*)	24 844 (**)	14 043 (***)		
Projects under Union actions aiming at strengthening and developing the Common European Asylum System.	F	10	10	12	9	11	13	15
	P	0	6	5	3	3		
Persons benefitting from the voluntary humanitarian admission scheme – Turkey.	F	n/a	n/a	n/a	13 000	17 000	0	0
	P	n/a	n/a	n/a	n/a	n/a		

(*) Source: Annual Implementation Reports 2016 from the Member States.

(**) Source: AMIF Annual Accounts 2017.

(***) Source: AMIF Annual Accounts 2018.

Justification of changes to the financial programming and/or to the performance information

The amount requested for shared management corresponds to the current financial programming under the National Programmes. For direct management, the amount foreseen will allow further support the Regional Development and Protection Programmes (RDPP) for North Africa and Horn of Africa.

Regarding performance information, the targets have been changed to reflect the revision of National Programmes. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in the needs and contexts affecting obviously the targets set.

Specific Objective 2: to support legal migration to the Member States in accordance with their economic and social needs, such as labour market needs, while safeguarding the integrity of the immigration systems of Member States, and to promote the effective integration of third-country nationals

Indicator 1: Number of target group persons who participated in pre-departure measures supported under the Fund							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			117 210			236 420**
	Actual results						
	0*	725 072*	10 950**	12 377**	19 938***		

* Provided in the annual implementation reports sent by Member States on 31 March 2017 - Germany data only.

** Based on latest data submitted by Member States as of 31/03/2018 – Germany data only.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative, whereas actual results are annual.

Indicator 2: Number of target group persons assisted by the Fund through integration measures in the framework of national, local and regional strategies

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			1 216 798			2 515 820**
	Actual results						
	34 791*	279 004*	1 694 337**	1 341 744**	2 030 434***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative, whereas actual results are annual.

It is crucial to support efforts of Member States to integrate third-country nationals and promote exchanges of experiences and practices in this field through funding of transnational actions. The increased trend of the indicator demonstrates the capacity of the AMIF to assist third-country national in the area of Integration. These people arrived in the context of the migration crisis and now are benefiting from projects managed by the Member States.

Indicator 3: Number of local, regional and national policy frameworks/measures/tools in place for the integration of third-country nationals and involving civil society and migrant communities, as well as all other relevant stakeholders, as a result of the measures supported under the Fund

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			1 073			6 388**
	Actual results						
	7*	401*	1 912**	2 494**	2 704***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative, whereas actual results are annual.

Indicator 4: Number of cooperation projects with other Member States on the integration of third-country nationals supported under the Fund

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			31			62**
	Actual results						
	0*	0*	8**	17**	2***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative numbers. Annual results are annual.

Indicator 5: Number of projects supported under the Fund to develop, monitor and evaluate integration policies in Member States

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			56			133**
	Actual results						
	1*	4*	28**	17**	20***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative numbers. Annual results are annual.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects aiming at facilitating legal migration and increasing the number and quality of pre-departure measures.	18 03 01 02	6	9,6
Projects related to integration measures, both at local and regional level.	18 03 01 02	423	92,2
Projects aiming at increasing the capacity of Member States to support legal migration to the Union and to promote the effective integration third-country nationals.	18 03 01 02	54	14
Projects under Union actions within Asylum and Migration Fund aiming at supporting legal migration to the Union and promoting the effective integration of third-country nationals.	18 03 01 02	48	84,2

Total	531	200,0
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Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Projects aiming at facilitating legal migration and increasing the number and quality of pre-departure measures.	F	7	7	8	17	6	5	6
	P	0	1	5	8	12		
Projects related to integration measures, both at local and regional level.	F	81	240	450	929	741	379	423
	P	0	97	495	733	1334		
Projects aiming at increasing the capacity of Member States to support legal migration to the Union and to promote the effective integration third-country nationals.	F	27	45	80	165	62	48	54
	P	0	21	44	110	237		
Projects under Union actions aiming at supporting legal migration to the Union and promoting the effective integration of third-country nationals.	F	10	10	10	30	18	10	48
	P	0	0	17	25	39		

Justification of changes to the financial programming and/or to the performance information

The amount requested for shared management corresponds to the current financial programming under the National Programmes. For direct management, the amount foreseen will allow further support activities in the area of integration of third-country nationals, in particular at regional and local level.

Regarding performance information, the targets have been changed to reflect the revision of National Programmes. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in the needs and contexts affecting obviously the targets set.

Specific Objective 3: to enhance fair and effective return strategies in the Member States which contribute to combating illegal immigration, with an emphasis on sustainability of return and effective readmission in the countries of origin and transit

Indicator 1: Number of persons trained on return-related topics with the assistance of the Fund

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			12 322			27 005**
Actual results							
	40*	993*	4 026**	4 085**	9 261***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative numbers. Annual results are annual.

Indicator 2: Number of returnees who received pre or post return reintegration assistance co-financed by the Fund

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			82 202			194 514**
Actual results							
	7 614*	20 135*	21 224**	16 218**	23 843***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative numbers. Annual results are annual.

Indicator 3: Number of returnees whose return was co-financed by the Fund, persons who returned voluntarily and persons who were removed

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				329 070 of which: 219 640 voluntary returns and 109 430 forced returns			636 558** of which: 340 698** voluntary returns and 295 860** forced returns
Actual results							
	5 904 of which 4 522 voluntary returns and 1 382 forced	39 888 of which 30 466 voluntary returns and 9 422 forced	35 335** of which 26 264** voluntary returns and	45 061** of which 16 049** voluntary and 29 012**	68 280*** of which 39 463*** voluntary and 28 817***		

	returns*	returns*	9 071** forced returns*	forced returns	forced returns		
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* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative numbers. The cumulative annual achievements are slightly below the 2017 milestone, but it shows a constant increase. Targets were established by the Member States in their national programmes.

Indicator 4: Number of monitored removal operations co-financed by the Fund

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			91 130			6 856
Actual results							
	10*	4 635*	6 098**	6 737**	3 510***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Milestones and target are cumulative numbers. Actual results are annual.

Indicator 5: Number of projects supported under the Fund to develop, monitor and evaluate return policies in Member States

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			17			45**
Actual results							
	2*	4*	4**	9**	0***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR). Milestones and target are cumulative numbers, whereas actual results are annual. No projects in this area were declared in 2018.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects aiming at increasing the number and quality of measures accompanying return procedures.	18 03 01 02	47	45,5
Projects aiming at increasing the number and quality of return measures.	18 03 01 02	80	102,1
Projects aiming at increasing the practical cooperation between Member States and the capacity of Member States to develop effective and sustainable return policies.	18 03 01 02	22	4,7
Projects under Union actions aiming at enhancing fair and effective return strategies in the Member States.	18 03 01 02	1	4
Total		150	156,3

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Projects aiming at increasing the number and quality of measures accompanying return procedures.	F	40	45	50	114	53	42	47
	P	0	41	51	80	121		
Projects aiming at increasing the number and quality of return measures.	F	54	70	85	194	90	72	80
	P	0	48	98	85	147		
Projects aiming at increasing the practical cooperation between Member States and the capacity of Member States to develop effective and sustainable return policies.	F	14	18	22	50	23	22	22
	P	0	18	5	7	12		
Projects under Union actions aiming at enhancing fair and effective return strategies in the Member States.	F	10	10	10	4	25	8	1
	P	2	1	6	29	6		

Justification of changes to the financial programming and/or to the performance information

The amount requested for shared management corresponds to the current financial programming under the National Programmes. For direct management, the amount foreseen will allow further support the Regional Development and Protection Programmes (RDPP) for North Africa and Horn of Africa.

Regarding performance information, the targets have been changed to reflect the revision of National Programmes. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in the needs and contexts affecting obviously the targets set.

Specific Objective 4: to enhance solidarity and responsibility-sharing between the Member States, in particular with those most affected by migration and asylum flows, including through practical cooperation

Indicator 1: Number of applicants and beneficiaries of international protection transferred from one Member State to another with support of the Fund

Baseline	Milestones foreseen						Target 2014 - 2020
	2014	2015	2016	2017	2018	2019	
0			160 000				160 000****
	Actual results						
	0	0	13 546*	31 503**	16 018***		

* 13 546 relocations took place since the entry into force of the Council Decisions on relocation (9 610 from Greece and 3 936 from Italy), as communicated in the Tenth Report on relocation and resettlement of 2/03/2017 (COM(2017)202).

** 31 503 relocations took place since the entry into force of the Council Decisions on relocation (21 238 from Greece and 10 265 from Italy), as communicated in Progress Report on the European Agenda on Migration of 15/11/2017 (COM(2017)669).

*** Based on latest data submitted by Member States in the 2018 accounts as of 15/02/2019 (number of persons relocated declared in the 2018 accounts).

**** This figure does not take into account the persons transferred in the framework of the Dublin reform.

Milestones and target are cumulative whereas actual results are annual.

Indicator 2: Number of cooperation projects with other Member States on enhancing solidarity and responsibility sharing between the Member States supported under the Fund

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			2			4**
	Actual results						
	0*	0*	0**	0**	0***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR). In the annual implementation reports, the objective of solidarity is expressed via transfer, relocation and resettlement of people, not via projects.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects addressing relocation.	18 03 01 01	0	0
Persons pledged for relocation with the lump sum.	18 03 01 01	0	0
Persons transferred in the framework of the Dublin reform and/or emergency actions addressing migratory pressure	18 03 01 01	14	395
Total (projects)		14	395

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Projects addressing relocation.	F	1	1	1	0	0	0	0
	P	0	0	1	1	2		
Persons pledged for relocation with the lump sum.	F	0	0	160 000	0	0	0	0
	P	0	4	6 467 (*)	53 320 (**)	49 941 (***)		
Persons transferred in the framework of the Dublin reform and/or emergency actions addressing migratory pressure	F	7	7	30	20	8	2	4
	P	0	17	20	11	18		

(*) Source: Annual implementation report 2016 covering the accounting period (16/10/2015 – 15/10/2016).

(**) Source: AMIF Annual Accounts 2017.

(***) Source: AMIF Annual Account 2018.

Justification of changes to the financial programming and/or to the performance information

The financial resources accompanying the proposed new Dublin Regulation should cover partially the transfer of asylum applicants from one Member State to another, the reception places and the running costs of reception centres. Pending the outcomes of the negotiations on the adoption of the new Dublin Regulation, a certain level of flexibility in the 2020 budget shall be maintained, allowing the mobilisation of this amount via emergency assistance, specific actions, or other activities such as resettlement and relocation, to respond to the needs expressed by the Member States most affected by the pressure on their Asylum system.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
Part of line 18 03 01 02. It corresponds to more or less 50 % of the amount for the output "projects related to integration measures, both at local and regional level", under specific objective 2.

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Inclusive Growth (employment and skills, fighting poverty)	41,3	46,1

Part of line 18 03 01 02. It corresponds to more or less 50 % of the amount for the output "projects related to integration measures, both at local and regional level", under specific objective 2

Gender mainstreaming

The AMIF Regulation (Regulation (EU) No 516/2014) stipulates that eligible actions need to take account of the human rights-based approach to the protection of migrants, refugees and asylum seekers and should, in particular, ensure that special attention is paid to, and a dedicated response is provided for, the specific situation of vulnerable persons, in particular women, unaccompanied minors and other minors at risk. Support for third country national victims of trafficking is ensured on this ground.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere and SDG 10 Reduce inequality within and among countries

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

As of 2016, AMIF contributes to the EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa. The initial contribution of EUR 5 million to the Trust Fund foreseen under the AMIF 2017 annual work programme for Union actions was reinforced up to a total of EUR 77 million in order to address funding gaps identified especially for the North Africa window of the EUTF, and where needs on the root causes of migration are more pressing and relevant for DG HOME priorities. Furthermore, in 2018, DG HOME contribution to the Trust Fund was increased from an initial EUR 5 million to EUR 23 million. It will be reported under the expenditure related output for the Union Actions in the Specific Objective 3 "to enhance fair and effective return strategies in the Member States which contribute to combating illegal immigration, with an emphasis on sustainability of return and effective readmission in the countries of origin and transit".

HEADING 3: Security and citizenship

Internal Security Fund

Lead DG: HOME

I. Overview

What the programme is about?

The Internal Security Fund (ISF) promotes the implementation of the Internal Security Strategy, law enforcement cooperation and the management of the Union's external borders. The ISF is composed of two instruments, ISF Borders and Visa and ISF Police. ISF Borders and Visa's main objective is to contribute to ensuring a high level of security in the Union, while safeguarding the free movement within it and facilitating legitimate travel. This includes effective processing of Schengen visas by supporting a common visa policy and achieving a uniform and high level of control of the external borders, with the twofold aim of ensuring the smooth crossing of the external borders by legitimate travellers and detecting illegal movements, thus contributing to effectively managing irregular migration. The ISF Police component focuses on the fight against crime and risk and crisis management, in particular by supporting actions to prevent and fight terrorism and radicalisation (both on online and on the ground), as well as increasing resilience and protection of public spaces. It also contributes to prevention of and fight against serious and organised crime, including drugs, human beings and firearms trafficking, and cybercrime. Moreover, the fund ensures support to Member States to enhance information exchange and work toward an interoperable IT architecture for security and borders and to strengthen cross border police cooperation and training.

EU added value of the programme

The management of migration flows and security threats represents a challenge which cannot be dealt with by the Member States acting alone. In fact, some Member States bear a heavy burden due to their specific geographic situation and the length of the external borders of the Union that they have to manage. The abolition of internal border controls makes it even more necessary to ensure that the external borders are effectively protected and must be accompanied by common measures for the effective control of the Union's external borders, including the support for the relevant IT systems: SIS II (Schengen information system), VIS (Visa information system), Eurodac (Identification of applicants) and Eurosur (European Border Surveillance system). The principles of solidarity and fair sharing of responsibilities not only among the Member States but also between the Member States and the EU are therefore at the heart of the common policies on asylum, immigration and external border management. EU funding supports the implementation of those principles.

In the area of security, serious and organised crime, including trafficking in human beings, terrorism and other security-related threats are increasingly cross-border in nature. Transnational co-operation and coordination between law enforcement authorities is essential to successfully prevent and fight these crimes, for example through the exchange of information, joint investigations, interoperable technologies and common threat and risk assessments.

Dealing with migration flows, the management of the EU's external borders and the security of the EU requires substantial resources and capabilities from the Member States. Improved operational co-operation and coordination involving the pooling of resources in areas like training and equipment create economies of scale and synergies, thereby ensuring a more efficient use of public funds and reinforcing solidarity, mutual trust and responsibility sharing for common EU policies among Member States. This is particularly relevant in the area of security, where financial support for all forms of cross-border joint operation is essential to enhance cooperation between police, customs, border guards and judicial authorities, in close cooperation with the HOME affairs EU agencies: European Union Agency for Law Enforcement Cooperation (Europol), European Union Agency for Law Enforcement Training (CEPOL), European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA), European Border and Coast Guard Agency (EBCGA), European Monitoring Centre for Drugs and Drug Addiction (EMCDDA).

Implementation mode

For the implementation of the allocated budget, the Commission uses several implementation modes: shared management, implemented by the Member States; direct management of grants and procurement: Support to Union actions and emergency assistance under ISF, in cooperation with international and civil society organisations, via grants and contracts awarded through calls for proposals and procurement and indirect management of entrusted entities: Support to programmes implemented through delegation agreements under ISF annual work programmes.

II. Programme Implementation Update

Implementation status (2016-2018)

Shared management. After an initial delay in the adoption of the legal bases of the Home Affairs Funds due to several factors outside the control of DG HOME, all ISF Member State National Programmes were adopted in 2015, except those of the Schengen Associated Countries (SAC) participating in ISF Borders and Visa, with their implementation reaching a cruising speed in 2017.

The four Schengen Associated Countries (SAC) Switzerland, Norway, Iceland and Liechtenstein also participate in the ISF-Borders and Visa instrument of the fund. The process regarding the participation of SAC has been successfully finalised. All four National Programmes of SAC were adopted (The ISF National Programme for Norway was adopted in September 2017 while the adoption of the programmes of Liechtenstein, Iceland and Switzerland took place in the course of 2018).

Since 2017, the national programmes have been revised.

- In the case of ISF-Police, to include 2017 top-up amounts of EUR 70 million for the Passenger Name Record (PNR) and EUR 22 million for interoperability of information systems;
- In the case of ISF-Borders, to include in 2017 additional EUR 76 million and in 2018, 128,7 for the purchase of equipment to be put at the disposal of the EBCG Agency during joint operations. In this respect, the Commission is finalising a Guidance note on implementation and reporting to ensure that Member States put at the disposal of the Agency in a timely manner the equipment purchased, for deployment during its joint operations whenever necessary, and in line with the applicable rules.
- In addition, the national programmes were also revised in 2018 to include an overall amount of EUR 192.3 million allocated, in equal shares, to all the Member States participating in the ISF Borders & Visa instrument to cover certain costs for the implementation of the Entry-Exit System (EES), having each Member State received a top-up to their national programme of EUR 6.4 million..

The legal base for the ISF Borders & Visa instrument envisages in the framework of the mid-term review to allocate an additional amount of EUR 128 million in 2018, taking into account the burden of MS in border management, threat levels at the external borders for the period 2017-2020 as well as factors that affected security at the external borders in 2014-2016. The distribution key was established in 2017 by the Commission in accordance with the EBCG Agency's risk analysis report and in consultation with the EBCG agency, and, where relevant, with other Union agencies. This process was concluded in 2018, with the allocation of an additional overall amount of EUR 158.6 million (EUR 128 million foreseen in article 6(1)c) of ISF Borders & Visa regulation plus an EUR 30.6 million as contribution from three SAC) to the Member States participating in the ISF Borders & Visa instrument, through the revision of their respective National Programmes.

By 15 February (or 1 March upon justified request) 2019, Member States have submitted their annual accounts covering the financial year 2018; all Member States together have requested a total amount of EUR 384 million (EUR 234 million for ISF – Border and Visa, and EUR 150 million for ISF – Police). By 31 March 2019³⁷³, the Annual Implementation Reports for ISF were submitted by Member States.

Direct management. With regard to the funds managed directly by the Commission, all calls envisaged in the 2018 ISF Annual Work Programmes for Union Actions have been published. The procedures leading to the conclusion of grant agreements are ongoing and will be finalised by the deadline of 31 December 2019. Those projects for which the grant agreements have been concluded are inserted in the output tables below per Specific Objective.

Under ISF Emergency Assistance, as of 24 January 2019, EUR 68 million – representing 12 grant agreements – were awarded to Member States to enhance their border control in light of migration pressure and EUR 4.8 million, representing 4 projects, under police emergency assistance. The total amount of emergency assistance since 2014 stands at EUR 390.23 million.

With regard to Union actions, actions under the 2015 and 2016 annual work programmes were implemented in 2018. Grant agreements were concluded for actions under the 2017 annual work programmes and their implementation has started. Data on the grant agreements concluded in 2017 have been inserted in the output tables per Specific Objective.

The ISF 2018 work programme for Union actions in the area of police cooperation was adopted on 4 October 2018. The work programme includes 1 million for emergency assistance. The calls for proposals planned under the work programme were published and beneficiaries of direct award of grants identified under the work programme were invited to submit their grant applications.

The ISF 2018 work programme for Union actions on borders and visa was adopted on 3 July 2018. The one call for proposals in the work programme, on cooperation between Member States on border surveillance (EUROSUR) was published with a deadline of 7 March 2019. The direct award was signed last year and the preparation for tenders is ongoing.

The ISF-borders 2018 work programme for emergency assistance was adopted on 14 December 2018, knowing that the remaining 2017 appropriations could still be used for awards throughout 2018. The last awards were signed in December 2018 with Cyprus, Croatia and Greece.

Key achievements

Shared management: As regard the Internal Security Fund (ISF) – Borders and Visa, an amount of EUR 2.1 billion was allocated to Member States in their National Programmes in the period 2014–2020. The cumulative expenditure supported by the Fund from 2014 to 2018 amounts to EUR 625 million.

As mentioned in the 2018 accounts (submitted by February 2019), 801 on-going projects are currently financed by the Fund. These projects contribute to achieve the objectives of the Fund, in particular, strengthening the protection of the EU's external borders, using IT systems and technologies to better ensure internal security and facilitate regular border crossings.

³⁷³ Except UK and GR- As a result, the indicators mentioned in this programme statement do not include the 2018 data of UK and GR

Since 2014, the Fund helped to develop 162 consular cooperation activities, and to develop or upgrade 869 consulates. 2474 staff were trained in common visa policy related aspects and 483 specialised post in third countries, of which 119 immigration liaison officers have been supported by the instrument. Member States continued to strengthen the operational capacities through training of staff in aspects related to border management (13 767 persons). They have reported 19 059 interventions aimed at upgrading the border control and surveillance infrastructure. There also have been reported acquisitions of high-value assets essential in the effective management of the external borders (such as procurement of 4 Coastal Patrol Boats, 2 Coastal Patrol Vessels, 3 Fixed wing Aircrafts, 3 Thermal Vision Vehicles, and of dedicated IT systems, upgrade of patrol aircraft and vessels etc.). The number of border crossings of the external borders through the Automated Border Control (ABC) gates funded by ISF-Borders has had a constant ascending trend, reaching the value of almost 20 million in 2018 and a total of 55 million over the period 2014-2018.

In 2018, the Internal Security Fund–Police continued to support the prevention and fight against security related-risks and crisis (including terrorism), in order to ensure a high level of security in the Union. In the financial year 2018, the Member States financed actions in this area reaching a total expenditure of EUR 150 million of EU funding, which is 55% higher than in 2017. In total, an amount equal to EUR 308 million was declared in 2014-2018 with support of the fund out of EUR 753 million allocated in 2014-2020. 815 on-going projects are currently financed by the Fund.

The role of the Internal Security Fund - Police is important to undertake operational action and develop exchange of information. Since 2014, 530 joint investigation teams (JITs) and European Multidisciplinary Platform against Criminal Threats (EMPACT) were established with support of the Fund. In addition, the Member States intensified the training activities so that the number of law enforcement officials trained on cross-border-related topics in 2018 reached the value of 27 523, an increase of 230% compared to 2017 (since 2014, 39 370 law enforcement officials have been trained with the help of the Fund). 294 tools have been put in place or upgraded with the help of the Fund to facilitate the protection of critical infrastructure by the Member States

Examples of ISF projects (by countries and by Fund) can be found in the Snapshots published by the Commission at the following link: https://ec.europa.eu/home-affairs/e-library/multimedia/publications/snapshots-eu-asylum-migration-integration-internal-security-fund_en

In 2018, the Commission continued cooperating very closely with the European Border and Coast Guard Agency (EBCGA) and supported the further operationalisation of the Agency's extended mandate and work programme, including through active participation in the Management Board and various expert networks. The Agency coordinated 12 Joint Operations at EU external borders. These activities totalled over 263 800 deployed man-days (compared to 347 800 in 2017 and 88 500 in 2013)³⁷⁴. The decrease in level of deployment compared to 2017 stems from the changing operational needs, meaning the decrease of irregular migratory pressure at the EU external borders.

Over the past years, the EU has been developing large-scale centralised IT information systems for collecting, processing and sharing information relevant to security, migration and external border management. These systems are vital for security cooperation, as well as for the management of external borders and migration in the EU.

The Schengen Information System (SIS) is an EU-wide, large-scale information system that stores alerts and provides information on certain categories of wanted or missing persons or objects. The system also includes instructions to police officers or border guards on the specific action to be taken when a person or object is located. In 2018, the SIS was consulted 6.1 billion times³⁷⁵ 83 compared to 5.1 billion times in 2017 and 4 billion times in 2016. This reduces the chances that people who pose a security threat, including returning EU nationals, cross borders unnoticed. At the same time, the number of hits was 267 200, a 10% increase compared to 2017.

While Member States remain responsible for ensuring the implementation of the hotspots approach, provision of adequate reception conditions to migrants and an effective processing of their cases, the Commission continued in 2018 to support Italy and Greece in the implementation of the hotspot approach. Five hotspots continued operating in Greece, with a total capacity of around 7 600 places (including facilities outside the Reception and Identification Centres). In September 2018, the Italian authorities decreased the number of hotspots in Italy from five to four, converting the Trapani hotspot into a detention centre due to continued low arrivals. The declared hotspot capacity in Italy was thereafter 1 450 places. It is estimated that more than 55 000 migrants arrived to the hotspots in Italy and Greece in 2018. In 2018, AMIF Funds supported the transfer of 29 540 persons from the overcrowded islands to the mainland, contributing to the decongestion of hotspots. There are currently around 66 000 places for migrants across the country (approximately 55 000 on the mainland and 11 000 on the islands).

Direct management: The Commission continued providing substantial financial, technical and operational support to the Italian authorities by keeping in regular contact and informing on relevant updates. The decreased migratory pressure led to a lower occupancy rate in reception facilities and hotspots. However, Italy still faced challenges relating to certain disembarkation events and return. Under the Internal Security Fund emergency assistance, Italy was implementing 16 projects in 2018, for a total amount of EUR 62.9 million EU contribution, related to hotspots and other disembarkation areas, including procurement of equipment for border checks and interpretation/inter-cultural mediation services, as well as for the running costs and upgrading of border surveillance assets. Furthermore, under this Fund, additional emergency assistance was granted by the Commission to Italy in 2018 for an amount of EUR 4.41 million.

³⁷⁴ Data source: EBCGA.

³⁷⁵ Data Source: Member States

During 2018, 31 announced and four unannounced Schengen evaluation visits were carried out under the Schengen evaluation mechanism³⁷⁶ to verify the correct application of the Schengen acquis in all relevant policy fields, including management of the external border, common visa policy, return, police cooperation, the Schengen Information System and data protection as well as the absence of border control at the internal borders. The mission expenditure, trainings and equipment necessary for the implementation of the mechanism are supported by the Union actions under the Internal Security Fund-Borders.

To date there are 34 European networks which are financed via direct grants under Union Actions for ISF-Police, and in some cases, ISF-Borders. The networks carry out activities with specific characteristics that require a particular type of body on accounts of its technical competence, its high degree of specialisation or its administrative powers and that do not fall within the scope of calls for proposals. The networks support co-operation between authorities across borders and carry out activities such as trainings and simulations, cooperation meetings, while producing together guidance manuals and operational tools. Without EU support, these cross-border activities are unlikely to materialise as they would be wholly dependent on the willingness of individual Member States to pay for the activity at European level, including notably the travel expenses of representatives of other countries involved. For European police cooperation to thrive in a world where crime is transnational, the network activities need to be financed on a regular basis by the EU. They also provide useful fora for exchange of good practices, the testing of new methods and tools and exchanges of views with experienced practitioners on the relevance of new policies. Networks are crucial players and act as mediators between policy making and project development.

Europe has been confronted with a rising number of terrorist attacks in the last years. EU support to the ATLAS Network (Special Intervention Units) provides for training platforms, the sharing of best practices in terms of proficiency and tactics and support in operational activities. EU resources have enabled it to significantly strengthen the capacities and capabilities of the individual specialised intervention units to mobilize and react adequately and rapidly in such scenarios, as well as to increase the performance of conducting multinational operations against terror attacks. The expertise acquired during ATLAS activities is shared not only with all ATLAS units but also with regular police forces, which illustrates the enormous added value of the ATLAS Network for the law enforcement community in the EU. The ATLAS expertise has been acknowledged by authorities and professionals as mitigating the consequences of terrorist attacks for years.

A last example of the concrete results such networks deliver related to the introduction of a quality control concept for forensic genetic data using STRIDER in 2016. The European Network of Forensic Science Institutes (ENFSI) Network initiated several working groups on topic and in 2017 STRIDER was accepted as mandatory for publishing forensic genetic population data in Forensic Science Institutes, one of them being the development of a training and education concept for forensic hair and fibre experts. An e-learning platform was activated on 3rd July 2018 and is accessible under: <https://e-learning.ethg.euT>

Evaluations/studies conducted

At the end of 2017, the Member States submitted to the Commission an interim evaluation report on the implementation of actions and progress towards achieving the objectives of their national programmes. On this basis and taking into account the mid-term review exercise, the Commission submitted to the European Parliament, to the Council, to the European Economic and Social Committee and to the Committee of the Regions an interim evaluation report on the implementation of the legal bases, in mid- June 2018 (COM(2018)464).

This interim evaluation of the Internal Security Fund examined the performance of the Fund during the period from 1 January 2014 up to 30 June 2017 against the following evaluation criteria: effectiveness, efficiency, relevance, coherence, complementarity, sustainability, EU added value, simplification and reduction of administrative burden. It should be noted that the Fund has been operating in the context of increased migratory pressure on Europe's southern and southern-east external borders, which led to changing needs and funding priorities in order to ensure the protection of the external borders of the EU.

The results of the evaluation point that ISF-Borders and Visa (ISF-BV) support is being essential for carrying out the investments required improving the EU external border management systems. The ISF-BV is making a crucial contribution to the application of the Schengen acquis. The Fund is indeed tackling fragmentation by supporting the development and improvement at the national level of large IT systems, such as VIS and SIS II, as well as contributing to their coherent and effective use among all Member States. The ISF-BV is also fostering a better use of resources by increasing the capacity of Member States to undertake border surveillance and by developing consular cooperation between Member States. The Fund is considered as flexible enough to respond to the changing needs induced by the migration crisis by shifting resources to the affected Member States, also through EMAS. Due to mainly external factors, limited progress was registered in promoting the development, implementation and enforcement of policies ensuring the absence of any control on persons. Finally, the Fund has also contributed to the set-up of comprehensive management and control systems, including good coordination with the European Commission, the application of stringent procurement procedures, ex-post audits of projects and monitoring arrangements, thereby promoting the reasonable use of EU financing in the field of border management.

The following lessons can be learnt from the implementation of the ISF-BV: the Fund's sustainability should be increased as the continuity of the ISF-BV funded actions relies to a large extent on the EU funding, further measures should be made to alleviate the administrative burden of the Fund and evaluation and monitoring framework with its indicators should be in place right from the start. The corresponding reporting time tables should be aligned better with Member States time tables. Most Member States point

³⁷⁶ OJ L 295, 6.11.2013, p. 27.

to a need for additional guidance from the Commission on the implementation of the Fund. Greater EU added value could have been expected in the areas of consular cooperation, cooperation with non-EU countries and IT systems.

Concerning the ISF-Police Fund (ISF-P), the results of the evaluation point that ISF-P support is essential for improving the capacity of Member States to address new security threats with a transnational dimension, e.g. terrorism, organised crime, corruption. The Fund has promoted the law enforcement cooperation at European level through the exchange of information and dissemination of best practices, the establishment of transnational networks and projects and the participation of Member States in joint investigation teams and EMPACT policy cycle actions. The ISF-P also supported the development of an EU crisis management strategy through the establishment of sector-specific early warning systems, cooperation mechanisms and the upgrading and procurement of IT systems and operational equipment allowing a better response to emergency situations. However, the ISF-P has made limited progress in reinforcing Member States' administrative and operational ability to protect critical infrastructure, protecting victims, developing training schemes and exchange programmes, and taking action with non-EU countries and international organisations, although most projects relating to these operational objectives are still ongoing. Furthermore, the Fund has proved to be flexible enough to respond to the changing needs emerged as a consequence of the migration and security crisis, as also enables shifting resources to the affected Member States. The results of ISF-P have been achieved at a reasonable cost in terms of both human and financial resources, also thanks to an effective management and control system that ensured correct implementation of the Fund and effective prevention of irregularities.

The evaluation identified room for improvement, for example for the monitoring and evaluation framework, which should be developed further addressing issues such as baseline values, definition of indicators, synchronisation of reporting calendars etc.,. The evaluation also pointed out to issues linked to the efficiency of the fund: monitoring, reporting and control measures are still perceived as burdensome and Member States have asked for further guidance to comply with EU requirements. The flexibility in the design of the national programmes and allocation of funding could be improved.

The ISF interim evaluation reports prepared for the Commission by external contractors are available for consultation at the following [link \(Border and Visa\)](#) and [link \(Police\)](#).

By 31 December 2023, the Member States will provide an ex-post evaluation report on the effects of actions under their national programmes and the Commission will present by 30 June 2024 an ex-post evaluation report on the effects of the legal bases.

Forthcoming implementation (2019-2020)

Shared management It is expected that, following the information received in the 2018 ISF Annual Accounts and Annual Implementation Reports, the implementation of the Funds will gain further momentum. DG HOME intends to steer the Member States even more to enhance the implementation of the programme, among others through the participation to national monitoring committee meetings, bilateral discussions, monitoring visits, messages at political level, etc.

According to the Legislative Financial Statement annexed to the ETIAS Regulation entered into force on 9 October 2018, in 2019 the ISF-Borders and Visa instrument will allocate a total of EUR 209.9 million for the development of ETIAS, out of which EUR 96.5 equally to the Member States. Additional EUR 36.8 million will be distributed in 2019 among Member States following the entry into force of the recast of the SIS II in December 2018. Finally, the ISF-Borders and Visa instrument will be reinforced in 2019 with an amount of around EUR 95 million coming from the SAC contribution. 90% of this amount will be implemented through shared management, to support the implementation of Specific Actions (40%) and for the development of IT systems (50%). Such extra funding will be allocated through the revision of the National Programmes of all the Member States participating in the ISF-Borders and Visa instrument.

Direct management: Grant agreements under the ISF 2018 annual work programmes for Union actions will be concluded in 2019 and the implementation of the actions will start. The ISF 2019 annual work programmes for Union actions will be adopted and as a continuation of previous years, it is expected to focus on counter-terrorism, organised crime and cybercrime.

Member States facing migratory pressure at their external borders will continue to be supported via the ISF-Borders Emergency Assistance. The 2019 annual work programme will be adopted in the first quarter of 2019.

Outlook for the period 2021-2027

The next long-term EU budget 2021-2027 Commission's proposal will be able to respond to increased migratory, mobility and security challenges, with more flexible funding instruments to address unforeseen migratory events and border protection at the core of the new budget. The Commission proposed to replace the current ISF by the Border Management and Visa Instrument (ex-ISF border and visa) and the Internal Security Fund (ex-ISF-Police).

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 515/2014 of the European Parliament and of the Council of 16 April 2014 establishing, as part of the Internal Security Fund, the instrument for financial support for external borders and visa and repealing Decision No 574/2007/EC	2014 - 2020	3 764,0

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	2,2	2,2	2,3	2,5	2,5	2,5	2,5	16,6
Operational appropriations	127,3(*)	549,4	733,2	732,4	727,2	531,0	498,4	3 898,9
Total	129,5	551,5	735,5	734,9	729,7	533,5	500,9	3 915,5

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	729,730	99,91 %	431,487	97,81 %	533,497	72,24 %	663,720	28,13 %
Authorised appropriations (*)	901,302	88,61 %	562,438	80,44 %	636,022	64,84 %	766,018	27,71 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to contribute to ensuring a high level of security in the Union

Indicator 1: Number of irregular migrants apprehended at the EU external borders

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
73 042				750 000*			250 000*
Source: EBCGA Risk Analysis Network	Actual results						
	283 532	1 825 979**	513 399***	204 179****	150 114*****		

*A forecast is difficult to make because of the high volatility of the relevant external factors (political situation in the third countries considered as sources of irregular migration) which are very difficult to predict and control.

** The data for 2015 is composed of 3 642 clandestine entries detected at border crossing points (BCPs) and 1 822 337 illegal border crossings detected between BCPs. Please note that the number refers to crossings and not to persons as the same persons may have been detected and counted more than once when crossing different external borders. Source: EBCGA Risk Analysis for 2016.

*** The data for 2016 is composed of 2 028 clandestine entries detected at border crossing points (BCPs) and 511 371 illegal border crossings detected between BCPs. Please note that the number refers to crossings and not to persons as the same persons may have been detected and counted more than once when crossing different external borders. Source: FRAN data as of 2 February 2017.

**** Source: EBCG Agency (EBCGA) report quoted in DG HOME AAR 2017.

***** Source EBCG Agency – Risk Analysis for 2019 - In 2018, Member States reported 150 114 detections of illegal border-crossing along the EU's external borders, which represents a 27 % decrease compared with 2017 (around a twelfth of the 1.8 million detections at the height of the migration crisis). The decrease in 2018 was almost exclusively due to fewer detections on the Central Mediterranean route.

Indicator 2: Volume of terrorism in the EU expressed by the number of failed, foiled or completed terrorist attacks in the EU

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
152 attacks 7 deaths				170 attacks 0 death			Below 120 attacks 0 death This target has been defined to cut by half the number of terrorist incidents in Europe
Europol TE-SAT, 2014	Actual results						
	201 attacks 4 deaths Europol TE-SAT, 2015	211 attacks 115 deaths Europol TE-SAT, 2016	142 attacks 142 deaths Europol TE-SAT, 2017	205 attacks 68 deaths Europol TE-SAT, 2018	Not yet available		

Specific objectives

Specific Objective 1: Supporting a common visa policy to facilitate legitimate travel, provide a high quality of service to visa applicants, ensure equal treatment of third-country nationals and tackle illegal immigration

Indicator 1: Cumulative number of consular cooperation activities developed with the help of the Instrument. Broken down in co-locations, common application centres, representations, others*

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				15			186**
	Actual results						
	14*	39*	45**	42**	19***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Target is cumulative, actual results are annual.

Indicator 2: Cumulative number of staff trained and number of training courses in aspects related to the common visa policy with the help of the Instrument

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				1 000 staff trained, 50 regional training courses			11 365** staff trained, 100 regional training courses
	Actual results						
	0*	721*	4 060**	2 042**	768***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Target is cumulative, actual results are annual.

Indicator 3: Cumulative number of specialised posts in third countries supported by the Instrument. Broken down by ILOs, others*

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
30 (Source: MS information from the National Programmes)				45			395**
	Actual results						
	0*	39*	76**	84**	88***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Target is cumulative, actual results are annual.

Indicator 4: Percentage and number of consulates developed or upgraded with the help of the Instrument out of the total number of consulates

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				100			971** (target cumulative)
	Actual results (annual)*						
	Number: 8	Number: 43	Number: 133**	Number: 195**	Number: 462***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects supporting and expanding the existing capacity at national level in visa policy	18 02 01 01	33	23,5
Projects ensuring the correct and uniform application of the Union acquis on visas in response to weaknesses identified at Union level, as shown by results established in the framework of the Schengen evaluation and monitoring mechanism	18 02 01 01	15	1,7
Projects supporting the further development of the management of migration flows by consular and other services of the Member States in third countries, including the setting up of consular co-operation mechanisms with a view to facilitating legitimate travel in accordance with Union law or the law of the Member State concerned and preventing illegal immigration into the Union	18 02 01 01	11	4,2
Projects under specific actions for visas policy and consular cooperation	18 02 01 01	2	2,6
Projects under Union and emergency actions for visas policy and consular cooperation	18 02 01 01	2	2,0
Operating support Visas	18 02 01 01	n/a	0
Technical assistance (as part of the national programme, 100% EU contribution)	18 02 01 01	n/a	5,7
Total		63	39,7

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015*	2016	2017	2018	2019	2020
Projects supporting and expanding the existing	F	33	36	36	30	30	33	33

capacity at national level in visa policy	P	0	N/A		37	70		
Projects ensuring the correct and uniform application of the Union acquis on visas in response to weaknesses identified at Union level, as shown by results established in the framework of the Schengen evaluation and monitoring mechanism	F	15	15	16	15	15	15	15
	P	0	N/A		12	15		
Projects supporting the further development of the management of migration flows by consular and other services of the Member States in third countries, including the setting up of consular co-operation mechanisms with a view to facilitating legitimate travel in accordance with Union law or the law of the Member State concerned and preventing illegal immigration into the Union	F	10	10	11	11	11	11	11
	P	0	N/A		8	9		
Projects under specific actions for visas policy and consular cooperation	F	0	1	2	2	2	2	2
	P	0	N/A		2	6		
Projects under Union actions for visas policy and consular cooperation	F	4	6	7	4	5	7	2
	P	3	8	11	0	0		

* First deadline for submission of the Annual Accounts by Member States 15 February 2016, first deadline for submission Annual Implementation Report is 31 March 2016.

Justification of changes to the financial programming and/or to the performance information

The amount foreseen for the National Programmes managed by the Member States corresponds to the initial financial programming. Regarding performance information, the targets have been changed to reflect the revision of National Programmes. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in the needs and contexts affecting obviously the targets set.

Specific Objective 2: Supporting integrated border management to ensure, on one hand, a uniform and high level of control and protection of the external borders, and on the other hand, the smooth crossing of the external borders in conformity with the Schengen acquis, while guaranteeing access to international protection for those needing it, in accordance with the obligations contracted by the Member States in the field of human rights

Indicator 1: Number of staff trained and number of training courses in aspects related to border management with the help of the Instrument

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				750 staff trained, 25 training courses			34 590** staff trained, 50 training courses
	Actual results						
	Number of staff: 2 260, Number of courses: 68*	Number of staff: 4 190, Number of courses: 147*	Number of staff: 3 011 Number of courses: 129*	Number of staff: 2 532** Number of courses: not yet available	Number of staff: 4 721*** Number of courses: not available		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Target is cumulative, actual results annual.

Indicator 2: Number of border control (checks and surveillance) infrastructure and means developed or upgraded with the help of the Instrument. Broken down by infrastructure, fleet (air, land, sea borders), equipment, others*

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0							20 334**
	Actual results						
	843*	1 127*	5 883**	704**	9 976***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Target cumulative, actual results annual.

Indicator 3: Number of gates funded and number of border crossings of the external borders through ABC gates supported from the Instrument out of the total number of border crossings

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	

0 gates funded				45 gates			100 gates 375 million crossings out of 2 256 million**
	Actual results						
	No data *	7 405 887 crossings out of 160,3 million*	11 556 677 crossings out of 196 million**	15 467 815 crossings out of 191 million**	20 808 629 crossing out of 285 million***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR) (number of gates funded are not reported by Member States as it is not a common indicator).

Target cumulative, actual results annual.

Indicator 4: Number of national border surveillance infrastructure established/further developed in the framework of EUROSUR. Broken down by National Coordination Centres, Regional Coordination Centres, Local Coordination Centres, other types of coordination centres

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
19 National Coordination Centres	30			30	30		30 National Coordination Centres and other infrastructure/ upgrade
	Actual results						
	30	30	30	30	30		

Source: Eurosur Regulation. The 19 MS having external borders to the east and to the south were required by the Eurosur Regulation to set up their NCCs by December 2013. All the NCCs were set up by December 2014.

Indicator 5: Number of incidents reported by Member States to the European Situational Picture. Broken down by illegal immigration, including incidents relating to a risk to the lives of migrants, cross-border crime, crisis situations*

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
EUROSUR entered into force only on 02/12/2013. Relevant indicators, data and their evolution can be assessed and quantified only from 2015 onwards.							N.A.
	Actual results						
	2 294*	1 687*	8 500**	8 287**	13 193***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects developing the European Border Surveillance system (EUROSUR)	18 02 01 01	2	38,1
Projects supporting and expanding the existing capacity at national level in the management of the external borders	18 02 01 01	80	40,0
Projects reinforcing integrated border management by testing and introducing new tools, interoperable systems and working methods which aim to enhance information exchange within the Member State or to improve inter-agency co-operation	18 02 01 01	8	8,9
Developing projects with a view to ensuring a uniform and high level of control of the external border in accordance with common Union standards and aiming at increased interoperability of border management systems between Member States	18 02 01 01	30	1,4
Projects supporting actions, after consulting the Frontex Agency, aimed at promoting further harmonisation of border management and in particular technological capabilities, in accordance with common Union standards	18 02 01 01	2	1,4
Projects ensuring the correct and uniform application of the Union acquis on border control in response to weaknesses identified at Union level, as shown by results established in the framework of the Schengen evaluation and monitoring mechanism	18 02 01 01	2	2,9
Projects building the capacity to face upcoming challenges, including present and future threats and pressures at the external borders, taking into account in particular the analyses carried out by relevant Union agencies	18 02 01 01	2	1,4
Projects under specific actions for border management including the purchase of equipment to be put at disposal of Frontex	18 02 01 01	4	48,1
Projects under Union and emergency actions for border management	18 02 01 01	8	28,5
Operating support for the Special Transit Scheme	18 02 01 01	1	24,7

Operating support Borders	18 02 01 01	n/a	46,2
Technical Assistance (as part of the national programme, 100% EU contribution)	18 02 01 01	n/a	5,7
Entry/Exit System: grants for integrating national border infrastructures in Member States via National Uniform Interface (NUI)".	18 02 01 03	0	0
ETIAS: grants for customisation of National Uniform Interface (NUI) in Member States	18 02 01 03	30	20
Total		169	267,3

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015*	2016	2017	2018	2019	2020
Projects developing the European Border Surveillance system (EUROSUR)	F	8	8	7	5	8	2	2
	P	0	N/A	21	33	63		
Projects supporting and expanding the existing capacity at national level in visa policy and in the management of the external borders	F	119	110	125	100	96	90	80
	P	0	N/A	34	72	168		
Projects reinforcing integrated border management by testing and introducing new tools, interoperable systems and working methods which aim to enhance information exchange within the Member State or to improve inter-agency co-operation	F	10	11	12	12	12	12	8
	P	0	N/A	6	15	18		
Developing projects with a view to ensuring a uniform and high level of control of the external border in accordance with common Union standards and aiming at increased interoperability of border management systems between Member States interoperability of border management systems between Member States	F	75	70	75	70	60	60	30
	P	0	N/A	N/A	N/A	N/A		
Projects supporting actions, after consulting the EBCG Agency, aimed at promoting further harmonisation of border management and in particular technological capabilities, in accordance with common Union standards	F	5	5	5	4	4	4	2
	P	0	N/A	7	15	31		
Projects ensuring the correct and uniform application of the Union acquis on border control in response to weaknesses identified at Union level, as shown by results established in the framework of the Schengen evaluation and monitoring mechanism	F	5	5	5	4	4	4	2
	P	0	N/A	9	19	31		
Projects building the capacity to face upcoming challenges, including present and future threats and pressures at the external borders, taking into account in particular the analyses carried out by relevant Union agencies	F	5	5	5	4	4	4	2
	P	0	N/A	4	6	4		
Projects under specific actions for border management including the purchase of equipment to be put at disposal of Frontex	F	0	3	7	43	15	8	4
	P	0	N/A	2	7	16		
Projects under Union and emergency actions for border management	F	5	5	9	16	24	1	8
	P	3	9	11	25	13		
Operating support for the Special Transit Scheme	F	1	1	1	1	1	1	1
	P	0	1	1	1	1		
Entry/Exit System: grants for integrating national border infrastructures in Member States via National Uniform Interface (NUI).	F	0	0	0	30	30	30	0
	P	0	0	0	0	0		
ETIAS: grants for customisation of National Uniform Interface (NUI) in Member States	F	0	0	0	0	30	30	30
	P	0	0	0	0	0		

* First deadline for submission of the Annual Accounts by Member States 15 February 2016, first deadline for submission Annual Implementation Report is 31 March 2016.

Justification of changes to the financial programming and/or to the performance information

For **shared management**, the amount covers the initial financial programming under the National Programmes as well as the financial impact of the various adopted or still to be adopted legislative proposals, i.e. ETIAS, Entry-Exit System and the recast of the SIS II Regulation.

For **direct management**, the amount proposed for Union actions should allow the Commission to continue the current activities in particular Eurosur and the Schengen evaluation mechanism.

As regards the indicators, target and milestones are cumulated figures. The data reported by the Member States in the annual implementation reports are annual. Each Target was established by the Member States in the annual implementation reports. The targets have been changed to reflect the revision of National Programmes. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in the needs and contexts affecting obviously the targets set.

Specific Objective 3: Crime prevention, combating cross-border, serious and organised crime including terrorism, and reinforcing coordination and cooperation between law enforcement authorities and other national authorities of Member States

Indicator 1: Cumulative number of joint investigation teams (JITs) and European Multidisciplinary Platform against Criminal Threats (EMPACT) operational projects supported by the Instrument, including the participating Member States and authorities. Broken down by Leader (Member State), Partners (Member State), participating authorities, participating EU Agency (Eurojust, Europol), if applicable*

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				820			216** (Target cumulative)
	Actual results (annual)*						
	0	0	10**	103**	413***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Indicator 2: Cumulative Number of law enforcement officials trained on cross-border-related topics with the help of the Instrument, and the duration of their training (person days). Broken down by type of crime (Art. 83 TFEU), and horizontal area of law enforcement*

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Officials trained: 0 Person days: 0				20 000 40 000			128 140** 197 445** (Target cumulative)
	Actual results (annual)*						
	Officials trained: 556; person days: 3 755	Officials trained: 1 169; person days: 6 473	Officials trained: 2 632**; person days: 7 512**	Officials trained: 8 134**; person days: 87 513**	Officials trained: 27 523*** Person days: 43 059***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Indicator 3: Number and financial value of projects in the area of crime prevention. Broken down by type of crime (Art. 83 TFEU)*

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number and financial value of projects in the area of crime prevention: 0				N/A			Number: 361**, financial value: EUR 251 million** (Target cumulative)
	Actual results (annual)*						
	Number: 32, financial value: EUR 1,5 million	Number: 55, financial value: EUR 24,7 million	Number: 116**, financial value: EUR 52 million**	Number: 99**, financial value: EUR 66,1 million**	Number: 164*** Value: EUR 110,3 million***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Indicator 4: Number of projects supported by the Instrument, aiming to improve law enforcement information exchange which are related to Europol data systems, repositories or communication tools. Broken down by type of crime (Art. 83 TFEU)*

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				24			132** (Target cumulative)
	Actual results (annual)*						
	12	19	25**	45**	69***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects aiming at strengthening Member States' capability to prevent crime and combat cross-border, serious and organised crime.	18 02 01 02	99	33,3
Projects aiming at coordination, cooperation, mutual understanding and the exchange of information among Member States' national authorities, relevant Union bodies, third-countries and international organisations.	18 02 01 02	63	31
Projects aiming at training schemes in implementation of European training policies, including through specific Union law enforcement exchange programmes.	18 02 01 02	25	5,3
Projects aiming at measures and best practices for the protection and support of witnesses and victims of crime, including victims of terrorism.	18 02 01 02	5	3
Union projects aiming at preventing and combating cross-border, serious and organised crime, and reinforcing coordination and cooperation between law enforcement authorities	18 02 01 02	57	66,8
Total		249	139,4

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Projects aiming at strengthening Member States' capability to prevent crime and combat cross-border, serious and organised crime.	F	99	107	107	107	107	97	99
	P	0	N/A	93	173	265		
Projects aiming at coordination, cooperation, mutual understanding and the exchange of information among Member States' national authorities, relevant Union bodies, third-countries and international organisations.	F	63	63	68	70	63	63	63
	P	0	N/A	17	63	154		
Projects aiming at training schemes in implementation of European training policies, including through specific Union law enforcement exchange programmes.	F	25	25	25	25	25	25	25
	P	0	N/A	21	59	94		
Projects aiming at measures and best practices for the protection and support of witnesses and victims of crime, including victims of terrorism.	F	5	6	5	4	5	5	5
	P	0	N/A	6	19	22		
Union projects aiming at preventing and combating cross-border, serious and organised crime, and reinforcing coordination and cooperation between law enforcement authorities	F	57	60	60	101	57	50	57
	P	0	3	23	11	54		

Justification of changes to the financial programming and/or to the performance information

The amount foreseen for the National Programmes managed by the Member States corresponds to the initial financial programming.

The total amount of Union action will allow the Commission to reinforce the budget for the call for proposals under ISF-Police, as well as the budget for procurement and the Mobility Partnership Framework (MPF).

As regards the indicators, target and milestones are cumulated figures. The data reported by the Member States in the annual implementation reports are annual. Each Target was established by the Member States in the annual implementation reports. Regarding performance information, the targets have been changed to reflect the revision of National Programmes. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in the needs and contexts affecting obviously the targets set.

Specific Objective 4: Enhancing the capacity of Member States and the Union for managing effectively security-related risks and crises, and preparing for and protecting people and critical infrastructure against terrorist attacks and other security-related incidents

Indicator 1: Number and tools put in place and/or further upgraded with the help of the Instrument to facilitate the protection of critical infrastructure by Member States in all sectors of the economy

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0	0	1	2	2	3	272** (Target cumulative)
	Actual results – annual*						
	0	44	93**	111**	42***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Indicator 2: Cumulative number of projects relating to the assessment and management of risks in the field of internal security supported by the Instrument

Baseline	Milestones foreseen	Target 2020
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2013	2014	2015	2016	2017	2018	2019	
0 (Source: Commission)		30	45	60	75	80	100** (Target cumulative)
	Actual results – annual*						
	2	9	23**	25**	37***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Indicator 3: Number of expert meetings, workshops, seminars, conferences, publications, websites and online consultations organised with the help of the Instrument. Broken down by relating to critical infrastructure protection, and relating to crisis and risk management*

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0		15				892** (Target cumulative)
	Actual results – annual*						
	0	4	46**	153**	425***		

* Provided in the annual implementation reports sent by Member States on 31 March each year.

** Based on latest data submitted by Member States as of 31/03/2018.

*** Based on latest data submitted by Member States as of 31/03/2019 (without GR).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Projects aiming at strengthening Member States' capability to protect critical infrastructure	18 02 01 02	30	9,5
Projects aiming at securing links and effective coordination between existing sector-specific early warning and crisis cooperation actors at Union and national level	18 02 01 02	9	6,2
Projects aiming at strengthening capacity of the Member States and the Union to develop threat and risk assessments	18 02 01 02	4	4,4
Union projects aiming at enhancing the capacity of Member States and the Union for managing effectively security-related risks and crisis	18 02 01 02	14	31,8
Total		57	51,9

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Projects aiming at strengthening Member States' capability to protect critical infrastructure	F	30	30	30	30	30	30	30
	P	0	N/A	5	17	30		
Projects aiming at securing links and effective coordination between existing sector-specific early warning and crisis cooperation actors at Union and national level	F	9	9	9	9	9	9	9
	P	0	N/A	9	16	19		
Projects aiming at strengthening the capacity of the Member States and the Union to develop threat and risk assessments	F	4	4	4	4	4	4	4
	P	0	N/A	5	13	8		
Union projects aiming at enhancing the capacity of Member States and the Union for managing effectively security-related risks and crisis	F	14	14	14	25	14	8	14
	P	0	0	9	12	37		

Justification of changes to the financial programming and/or to the performance information

The amount foreseen for the National Programmes managed by the Member States corresponds to the initial financial programming.

The total amount of Union action will allow the Commission to reinforce the budget for the call for proposals under ISF-Police, as well as the budget for procurement and the Mobility Partnership Framework (MPF).

As regards the indicators, target and milestones are cumulated figures. The data reported by the Member States in the annual implementation reports are annual. Each Target was established by the Member States in the annual implementation reports. Regarding performance information, the targets have been changed to reflect the revision of National Programmes. The justification for these amendments varies programme to programme, but they are mostly triggered by changes in the needs and contexts affecting obviously the targets set.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies *not applicable*

5. Programme contribution to the Sustainable Development Goals

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

HEADING 3: Security and citizenship

Justice Programme

Lead DG: JUST

Associated DGs: HOME

I. Overview

What the programme is about?

This programme shall contribute to the further development of a European area of justice based on mutual recognition and mutual trust. It promotes:

- Judicial cooperation in civil matters, for instance on insolvency and in the field of family law
- Judicial cooperation in criminal matters
- Judicial training, including language training on legal terminology, with a view to fostering a common legal and judicial culture
- Effective access to justice in Europe, including rights of victims of crime and procedural rights in criminal proceedings
- Initiatives in the field of drugs policy (judicial cooperation and crime prevention aspects).

EU added value of the programme

The Justice programme promotes judicial cooperation between Member States' authorities and contributes to the effective and coherent application and enforcement of EU law in the areas of civil law and criminal law, civil law and criminal procedural law, the rights of persons suspected or accused of crime and the rights of victims of crime.

The activities funded by the Programme result in better implementation of EU justice instruments (e.g. European Investigation Order, European Arrest warrant and surrender procedures, European Protection Order, European Account Preservation Order, family law) and faster proceedings through cooperation, dialogue, sharing of experience, exchange of information, training activities and harmonisation of practices. Some activities supports the monitoring of the implementation of existing EU legislation, prepare or accompany new legislation or respond to policy changes in the areas covered by the programme.

Financial intervention at EU level is essential to ensure cross-border cooperation in judicial matters and develop a European area of justice. Judicial training contributes decisively to participants' awareness of belonging to common judicial area while sharing a common judicial culture.

Implementation mode

Directorate-General for Justice and Consumers (DG JUST) is the lead DG for the programme implementation. The programme is implemented through direct management (grants and procurement).

II. Programme Implementation Update

Implementation Status (2016-2018)

All calls for proposals and tenders procedures under the 2014-2017 work programmes³⁷⁷ are finalised. The implementation of related projects and contracts is on-going. The 2018 work programme (adopted on 19 December 2017³⁷⁸) calls for proposals evaluation is currently being finalised. The 2019 work programme (adopted timely on 29 November 2018³⁷⁹) calls for proposals were published on 15 January 2019.

The outputs of the Justice Programme are closely linked to the Commission activity on preparing, supporting and ensuring the correct implementation of an important number of EU legal instruments in civil and criminal law, improving their enforcement and remedy capacities in Member States, and ensuring an adequate cross border and EU level cooperation. The Justice Programme has supported conformity check studies for EU legislation transposed in the EU Member States. It has equally successfully supported judicial networks and judicial training. Proper application of EU law is in fact a key element to allow EU citizens and business to benefit from EU law. This is achieved both through preventive actions (workshops, expert meetings, stakeholder dialogue, technical guidelines for national authorities and training of legal practitioners financed through the Programme) and infringement procedures.

Key achievements

Specific objective 1: Judicial cooperation in civil and criminal matters:

The Justice Programme finances the European Judicial Network (EJN) in civil and commercial matters, which strengthens cooperation between national judicial authorities. By improving the practical application and implementation of EU civil justice

³⁷⁷ C(2014) 2556 final, C(2015) 1997 final, C(2016) 1677 final and C(2017) 1544 final

³⁷⁸ C(2017) 8520 final

³⁷⁹ C(2018) 7926 final

instruments³⁸⁰, EJN contributes to building bridges between the justice systems of the Member States and thereby creates mutual trust³⁸¹. In civil justice, the family law instruments, the insolvency regulation, the European Account Preservation Order, the European Small Claims procedure and mediation in civil and commercial matters have been promoted through programme funding since 2014. That has contributed to raising awareness among the legal practitioners and the general public so as to enable their correct application.

Furthermore, the funding has been used to support the application of many EU legal instruments in judicial cooperation in criminal matters, such as the European Arrest Warrant (EAW), which with over 10 000 cases per year is the most successful EU instrument in criminal matters. The Electronic Criminal Records Information System (ECRIS), a decentralised IT system operated by the central authorities of the EU Member States has registered an increase in the number of exchanges of information. In 2018, the increase was almost tenfold compared to the 2012 baseline and in line with reaching its 2020 target.

Further to the Council Conclusions from 9 June 2016 on improving criminal justice in cyberspace, IT development activities are on-going towards the establishment of a common e-Evidence Digital Exchange system, enabling secure electronic communication between the competent national authorities to obtain evidence in criminal matters. This system, is a first step to digitalise judicial cooperation procedures in criminal matters and uses e-Codex as a secure transmission channel, a system that was developed by several Member States through a grant from the Justice Programme.

Projects were funded to enhance the use of alternatives to imprisonment both in the pre-trial and post-trial stage and to improve detention conditions in the Member States. Funding has also focused on projects relating to the judicial responses to terrorism, notably on reinforcing the prevention of radicalisation, especially in prisons. Improving prison conditions has become a political priority also at EU level because they affect the efficient operation of EU mutual recognition instruments such as the European Arrest Warrant (EAW), and because of the danger of radicalisation in prisons. The Justice Programme has financed also the cooperation with the Council of Europe to set up a network of prison monitoring bodies and the SPACE report, an annual report on prison statistics, providing clear insights into the detention situations in the different Member States which have a direct impact on judicial cooperation in criminal matters.

Specific objective 2: Judicial training:

Efforts and funds devoted to European judicial training have moved further this important EU policy. More than 800 000 legal practitioners were trained on EU law between 2011 and 2017³⁸², including a record number of more than 180 000 in 2017 alone, partly with EU funds, thus reaching the goal set by the 2011 European judicial training strategy two years ahead of the deadline. In 2017, more than 16 400 legal practitioners were trained through the Justice Programme's financial support to cross-border training activities and to the European Judicial Training Network (EJTN). The European Judicial Training Network trained a record number of 6 317 judges and prosecutors, judicial trainers and trainees from all EU Member States. The trainings have been organised in an increasingly efficient manner - its 'cost-to-serve' ratio (i.e., the price per person for one training day offered in Europe) decreased every year from 630 EUR in 2007 to 313 EUR in 2017 thanks to improvements in its administrative and financial management.

Specific objective 3: Access to justice:

The Justice Programme has contributed to the effective and coherent application of EU criminal law in the area of the rights of victims of crime, e.g. Council Directive 2004/80/EC relating to compensation to crime victims, Directive 2011/99/EU in the European Protection Order, Directive 2012/29/EU establishing minimum standards on the rights, support and protection of victims of crime, Regulation (EU) 606/2013 on mutual recognition of protection measures in civil matters. Via the 2014-2017 annual work programmes, 7.25 million euro were awarded to 32 projects aiming at, for example, capacity-building for professionals, multi-disciplinary cooperation, exchanges of good practices, dissemination and awareness-raising. Almost all of these projects involve cross-border cooperation. DG Justice and Consumer has also signed Framework Partnership and awarded operating grants to umbrella organisations that contribute to the implementation of the Victims' Rights Directive at European level, e.g. Victim Support Europe, the European Forum for Restorative Justice and more recently the Association of the European Network on Victims' Rights which gathers national experts from Members States.

Similarly, the Justice programme has supported the development and implementation of the measures related to the 2009 Roadmap on strengthening the procedural rights of suspects and accused persons in criminal proceedings (Directives on the right to interpretation and translation in criminal proceedings, on the right to information in criminal proceedings, on the right of access to a lawyer in criminal proceedings, on the strengthening of certain aspects of the presumption of innocence and of the right to be present at the trial in criminal proceedings, on procedural safeguards of children suspected or accused in criminal proceedings and on legal aid for suspects and accused persons in criminal proceedings. Via the 2014-2017 annual work programmes, 9.03 million euro were awarded to 31 projects aiming at capacity-building for professionals, mutual learning, exchanges of good practices, data collection, dissemination and awareness-raising, etc.. Almost all of these projects involve cross-border cooperation.

³⁸⁰ A study feeding into the 2016 Commission Report on the activities of EJN-civil, found that 96% of professionals felt that EJN was successful in facilitating judicial cooperation between judicial authorities. Also, to-date EJN-civil has contributed to the European e-Justice Portal with 10 695 individual pages of practical information on national laws of the Member States relevant to the civil and commercial law acquis through 22 public factsheets, as well as with 16 guides on EU law. During the study, 70% of interviewees indicated that the practitioners' guides correspond to their needs and 60% perceived their needs are met with the factsheets.

³⁸¹ Report from the Commission to the European Parliament, the Council and the European Economic and Social Committee on the Activities of the European Judicial Network in Civil and Commercial Matters <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1458206470776&uri=CELEX%3A52016DC0129>

³⁸² 2018 DG Justice Report on European judicial training: <https://e-justice.europa.eu/fileDownload.do?id=515e1523-3df3-4a23-890e-bb29db3d9a41>

DG Justice and Consumer has also signed Framework Partnership Agreements and awarded operating grants to judicial networks active at European level, e.g. European Network of Councils for the Judiciary, the Network of the Presidents of the Supreme Judicial courts of the European Union, the Association of the Councils of State and Supreme Administrative Jurisdictions. These networks are essential to promote the EU policy on rule of law and on justice reforms and to collect data on structural judicial independence, which is a precondition for effective access to justice. The data collected by the networks have been used in every EU Justice Scoreboard – an annual information tool with comparable data on the independence, quality and efficiency of national justice systems – since 2014.

The Justice programme has also financed the cooperation between the European Commission and the Council of Europe's European Commission for the Efficiency of Justice (CEPEJ). CEPEJ collects data on the functioning of the justice systems of its members according to its well-established and recognised methodology. This data has enabled the European Commission to successfully expand the EU Justice Scoreboard which is an information tool that helps the EU achieve more effective justice.

The Justice programme finances the maintenance and extension of the European e-Justice Portal³⁸³, a joint initiative between the Commission and the Council of the EU, which provides a host of multilingual informational content, as well as a number of electronic services, such as interconnections of national registers. Over time, the e-Justice Portal has evolved to offer increased and wider content, also incorporating results and tools developed under other projects funded via the Justice programme, to become a one-stop shop for citizens, businesses, legal professionals and the judiciary. Since 2016, the Portal has been enhanced with a large-scale search engine for European and national case law (the ECLI Search Engine) and now provides a search functionality allowing decentralised look-ups in Member States' business and commercial registers. In 2018, the number of hits by users – close to 3 million – showed more than a six-fold increase compared to the 2012 baseline.

Specific objective 4: Drugs initiatives:

In 2018, the new legislative package on New Psychoactive Substances (NPS) became fully effective, aiming to reduce the availability of those NPS that pose the most serious risks through swifter, more effective action on Union level compared to the currently applicable system. The package also strengthens the role of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) as regards the applicable procedures.

In parallel to the legislative work, the key focus within the drugs-related objective continues to be on expanding the knowledge base on the phenomenon of NPS, and in particular on identification methods and protocols, enhancing cross-border cooperation within the EU in this area and exploring the area of epidemiology of use of new psychoactive substances. In addition, an emphasis was put on strengthening the capacity of civil society organisations to contribute to the implementation of the EU Drug Strategy 2013-2020 and its current Action Plan.

Evaluations / Studies conducted

The interim evaluation of the implementation of the Justice Programme 2014-2020 started in 2017 and was completed in 2018³⁸⁴. The findings showed that the overall strategy of the programme is sound and that methods of funding are adequate to achieve the objectives of the programme and the needs of the target groups. Overall, the Justice Programme is perceived as an improvement compared to the predecessor programmes and it is particularly effective in the field of European judicial training where it allowed beneficiaries to leverage wider economies of scale. Most resources allocated for grants have been committed (commitment rate of close to 90%) however the commitment rate for procurement activities was much lower (60-70%; measures are being implemented to improve this rate).

Although it has been possible to adapt and modify the Programme's priorities in light of emerging needs, so as to address the most relevant policy vectors in the field of justice policy, there is still scope to further increase the relevance of the Programme by supporting a "bottom-up" definition of Annual Work Programmes and by including additional target groups (this was considered in the preparation of the Programme's next MFF successor).

The Programme presents a good level of coherence and complementarity with other EU instruments, programmes and actions. Some overlaps exist at the project level as a natural consequence of the broad objectives and target groups of the Programme, but these do not produce duplications or incoherence. Synergies have been found and exploited by beneficiaries, both with projects and actions funded by other EU initiatives, and with projects within the Programme. However, participants have sometimes stressed that they would appreciate a better exchange between projects to build upon each other's achievements. The Commission is currently addressing this by publishing a newsletter to a wide range of programme stakeholders and by trying to improve the Funding & Tenders portal section containing information on past projects.

The evaluation fully confirms the high added value of the EU intervention via the Programme while also noting that the resources of the Programme. DG Justice and Consumers is now taking steps to approach Member States who have not been actively applying in the past years.

One of the challenges in terms of perceived burden to beneficiaries and applicants, concerns the proposal drafting and provision of necessary administrative and financial capacity information needed to participate in the calls. For this reason an updated version of the guide for applicants was published in 2018 and the guide for evaluators is being improved. The long lead time from project application to the signature of the grant agreement was also indicated as a critical factor which can result in the loosening of

³⁸³ <https://e-justice.europa.eu/home.do?plang=en&action=home>

³⁸⁴ COM/2018/507 final³⁸⁵ Commission Communication "Building trust in EU-wide justice, a new dimension to European judicial training", COM(2011) 551 final.

consortium, especially in cases where co-applicants lose interest. DG Justice and Consumers has put forward in 2018 an action plan to shorten the time-to-grant period. Finally, the evaluation points to a mismatch between the low levels of funding available in the drug policy SO and number of applications received.

The ex-post evaluation of the programme assessing the long-term impact and the sustainability of the effects of the Programme will be completed in 2021.

Forthcoming implementation (2019-2020)

The evaluation of calls for proposals and award of grants planned under the Justice Annual Work Programme (AWP) 2018 will be finalised in 2019.

The AWP 2019 was adopted on 29 November 2018. It provides for:

- 5 calls for proposals for action grants;
- 1 operating grant to beneficiary identified in the legal base – the European Judicial Training Network;
- 13 operating grants for framework partners in the area of judicial cooperation and access to justice;
- Procurement activities, including managing the European Judicial Network in civil and commercial matters, studies for impact assessment of the Rome I / Rome II Regulations, compliance assessment of Directives on legal aid in criminal proceedings and on procedural safeguards for children in criminal proceedings, training of competition law judges, IT development activities (e.g. e-Justice, ECRIS and e-Evidence) and others.

Outlook for the period 2021-2027

The Commission proposed a continuation of this programme for the next Multiannual Financial Framework.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1382/2013 of the European Parliament and of the Council of 17 December 2013 establishing a Justice Programme for the period 2014 to 2020	2014 - 2020	377,6

	Financial Programming (EUR million)							DB2020	Total Programme
	2014	2015	2016	2017	2018	2019			
Administrative support	1,2	1,2	1,2	1,2	1,2	1,0	1,0	7,9	
Operational appropriations	45,8	47,2	50,2	52,3	45,9	43,7	45,6	330,8	
Total	47,0	48,4	51,4	53,5	47,1	44,6	46,6	338,7	

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	47,149	99,59 %	47,380	95,73 %	44,625	1,32 %	38,137	17,45 %
Authorised appropriations (*)	48,549	98,85 %	49,189	94,43 %	45,167	1,66 %	39,465	18,36 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to contribute to the further development of a European area of justice based on mutual recognition and mutual trust, in particular by promoting judicial cooperation in civil and criminal matters

Indicator 1: cumulative number of legal professionals receiving training (not only through the Programme) on EU law or law of another Member State, including Civil Justice, Criminal Justice and Fundamental Rights

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
239 000 (Source: DG Justice Judicial Training Report)			420 000	490 000			800 000 ³⁸⁵
	Actual results						
	371 000	494 753	638 000	820 199 ³⁸⁶			

³⁸⁵ Commission Communication "Building trust in EU-wide justice, a new dimension to European judicial training", COM(2011) 551 final.

³⁸⁶ 2018 DG Justice Report on European judicial training: <https://e-justice.europa.eu/fileDownload.do?id=515e1523-3df3-4a23-890e-bb29db3d9a41>

Specific objectives

Specific Objective 1: to facilitate and support judicial cooperation in civil and criminal matters

Indicator 1: average time of the surrender procedure (time between the arrest and the decision on the surrender of the person sought) under the European Arrest Warrant in cases where the person consents to the surrender

Baseline 2005-2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
14-20 days (source: DG Justice from national reports to Council)					14 days		10 days
	Actual results						
	19.4 days	14 days	15.8	14.9	Not available yet		

Indicator 2: number of exchanges of information in the European Criminal Records Information System (ECRIS)

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
300 000 (source: DG Justice)				2 400 000	2 750 000	3 125 000	3 500 000
	Actual results						
	1 250 000	1 811 546	1 978 104	2 571 991	2 963 789		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc)	33 03 02	19	2.931
Mutual learning, cooperation, awareness-raising and dissemination	33 03 02	25	4.500
Support to key actors	33 03 02	6	1.430
Total			8.861

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	9	9	8	11	13	13	19
	P	3		8	11	13		
Mutual learning, cooperation, awareness-raising and dissemination	F	40	42	44	47	30	30	25
	P	30	43	24	40	33*		
Support to key actors	F	7	8	8	6	6	6	6
	P	9	6	7	6	6		

* signature of grant agreements following evaluation of calls for proposals is on-going.

Specific Objective 2: to support and promote judicial training, including language training on legal terminology, with a view to fostering a common legal and judicial culture

Indicator 1: the number and percentage of members of the judiciary and judicial staff that participated in training activities, staff exchanges, study visits, workshops and seminars funded by the Programme

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0				14 155			16 000
	Actual results						
	11 724 (0.82%)	16 123 (0.99%)	13 930 (0.86%)	16 439 (1.02%)*			

* The percentage is the ratio between the number of supported participants and the total number of legal practitioners in the EU (Source of data: 2018 CEPEJ Report).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Training activities	33 03 01	18	5.350
Mutual learning, cooperation, awareness-raising and dissemination	33 03 01	4	1.220
Support to key actors	33 03 01	1	11.000
Total			17.570

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Training activities	F	40	42	44	47	23	50	18
	P	38	30	27	23	15 *		
Mutual learning, cooperation, awareness-raising and dissemination	F	9	9	8	7	2	2	4
	P	3	2	5	2	1		
Support to key actors	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		

* signature of grant agreements following of calls for proposals is on-going.

Specific Objective 3: to facilitate effective access to justice for all, including to promote and support the rights of victims of crime, while respecting the rights of the defence

Indicator 1: Number of hits on the e-justice portal

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
441 000* (Source: DG Justice)	992 250	1 488 375	2 232 563	2 679 075	3 214 890	3 857 868	4 629 442 (+20% per year)
	Actual results						
	1 136 849	1 751 180	1 884 600 *	2 690 574	2 962 558		

*As of 2017, the data are obtained from a new tool for website statistics tracking, with a different calculation method. The targets for period 2014-2016 were adjusted to the new calculation method. The table below provides data according to different calculation methods.

Number of hits on the e-justice portal according to different calculation methods

	2012 Baseline	2013	2014	2015	2016	2017	2018	2019	2020	Comment
Targets period 2012-2016	630000	945000	1417500	2126250	3189375					As of 2017 COM changed its statistical tool. The new tool (Piwik) calculates the number of visits (hits) in a way that registers around 30% less hits.
Adjusted targets period 2012-2016 / Targets period 2017-2020	441000	661500	992250	1488375	2232563	2679075	3214890	3857868	4629442	2012-2016 (included) baselines were retroactively adjusted to 70% of their original values
Actuals achieved*			1624070	2501686	2692285	2690574	2962558			
% target achieved			115%	118%	84%	100%	92%			

* according to the measurement tool used in that year

Indicator 2: Number of Victim Support Organisations (VSO) with national coverage (implementation of Directive 2012/29/EU)

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
10 (Source: DG Justice)				27 VSO (at least one per MS). At least 20 of these VSO fulfilling the quality standards/indicators**			27 VSO – at least one VSO in each Member States fulfilling the quality standards/indicators**
	Actual results						
	20 VSO*	22 VSO	22 VSO	27 VSO	27 VSO		

* Source: Fundamental Rights Agency report on Victims of crime in the EU: the extent and nature of support for victims

** The indicators should be developed by the VSO and/or Member States and should include inter alia an appropriate geographical coverage of the country and a necessary training of the staff. The Victims' Rights Directive is not applicable to Denmark.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 03 01	10	7.573
Mutual learning, cooperation, awareness-raising and dissemination	33 03 01	25	5.800
Support to key actors	33 03 01	7	2.800
Total			16.173

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	9	9	5	5	7	10	10
	P	19	11	3	5	7		
Mutual learning, cooperation, awareness-raising and dissemination	F	38	41	44	47	35	25	25
	P	34	37	25	26	18*		
Support to key actors	F	7	3	7	7	7	7	7
	P	9	7	7	7	7		

* signature of grant agreements following of calls for proposals is on-going.

Specific Objective 4: to support initiatives in the field of drugs policy as regards judicial cooperation and crime prevention aspects closely linked to the general objective of the Programme, insofar as they are not covered by the Internal Security Fund or by the Health for Growth Programme

Indicator 1: number of new psychoactive substances assessed (including through testing, if necessary) to enable the EU or the Member States to take appropriate action to protect consumers, depending on the type and level of risk that they may pose when consumed by humans

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
68 (Source: EMCDDA)				85			95
	Actual results						
		100	66	52	55 *		

* The indicator is based on the actual number of New Psychoactive Substances detected and notified to the European Union Early Warning System Network. The data is provided by the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), an EU Agency based in Lisbon. Reduction of this indicator as compared with previous years should be interpreted with caution – ideally we would prefer to see zero NPS substances reported, as ideally, there would be no illicit NPS on the market whatsoever. On the other hand, many of the newly reported substances – while fewer in number – are more dangerous, cause addiction more rapidly, and present more serious environmental harms.

Indicator 2: % of problem opioid users that are in drug treatment

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
50 % (Source: EMCDDA)				55 %			60 %
	Actual results						
	50%*	50%	50%	50%	48% **		

* The estimated % of problem opioid users in substitution treatment (OST) across the EU. With regard to the percentage of problem opioid users in any type of drug treatment (OST and other drug treatment), estimates from 9 countries are available and rates vary from 19% to 88%.

** The indicator reflects the proportion of problematic opioid users that are in drug treatment. The proportion provides only partial information as such, as it is based on the overall figure of problem opioid users. The increase or decrease of this indicator should be interpreted based on a more detailed narrative: there were 1.3 million of high-risk opioid users, of which 628 000 received treatment, according to the latest available information (based on the latest available data provided by the European Drug Report 2018)³⁸⁷. According to EMCDDA reports the number of opioid users who received treatment: 630 000 in 2017, 644 000 in 2016, 700 000 in 2015 and 700 000 in 2014 while the total number of problem/high risk opioid users was around 1.3 million across the reporting period.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc)	18 06 01	1	0.5
Mutual learning, cooperation, awareness-raising and dissemination	18 06 01	11	2.499
Total			2.999

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc)	F	2	2	3	1	2	1	1
	P	5	2	0	1	1		
Mutual learning, cooperation, awareness-raising and dissemination	F	8	8	8	12	7	11	11
	P	5	6	0	14	7		

Specific Objective 4: to support initiatives in the field of drugs policy as regards judicial cooperation and crime prevention aspects closely linked to the general objective of the Programme, insofar as they are not covered by the Internal Security Fund or by the Health for Growth Programme

Indicator 1: number of new psychoactive substances assessed (including through testing, if necessary) to enable the EU or the Member States to take appropriate action to protect consumers, depending on the type and level of risk that they may pose when consumed by humans

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
68 (Source: EMCDDA)				85			95
	Actual results						
	101	100	66	52	55		

Indicator 2: % of problem opioid users that are in drug treatment

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
50 %				55 %			60 %

³⁸⁷ <http://www.emcdda.europa.eu/publications/edr/trends-developments/2018>

(Source: EMCDDA)	Actual results					
	50%*	50%	50%	50%	48%**	

*The estimated percentage of problem opioid users in substitution treatment (OST) across the EU. With regard to the percentage of problem opioid users in any type of drug treatment (OST and other drug treatment), estimates from 9 countries are available and rates vary from 19% to 88%.

**Based on data provided in the European Drug Report 2018.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc)	18 06 01	1	0.5
Mutual learning, cooperation, awareness-raising and dissemination	18 06 01	11	2.499
Total			2.999

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc)	F	2	2	3	1	2	1	1
	P	5	2	0	1	1		
Mutual learning, cooperation, awareness-raising and dissemination	F	8	8	8	12	7	11	11
	P	5	6	0	14	7		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
The share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree
20 million less people should be at risk of poverty

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	5,0	4,5

E-Justice (EUR 4 330 000 under 33 03 01 - Access to Justice, in 2019) and the EU Justice Scoreboard (EUR160 000 under 33 03 01 - Access to Justice, in 2019) contribute to the Smart Growth priority.

In general, the Justice Programme contributes with all its activities to creating a legal framework and legal certainty that favour businesses, economic growth and social inclusion.

Gender mainstreaming

In all calls for proposals under the Justice Programme the projects shall seek to promote equality between women and men. This is required by the Article 5 of the Regulation (EU) 1382/2013 establishing a Justice Programme 2014-2020. When planning the project, the applicants should demonstrate in their proposal how this will be respected at implementation stage (gender mainstreaming aspects are considered while assessing the quality of the proposed action). Beneficiaries are required to detail in their final activity report the steps and achievements they made towards meeting this requirement.

Moreover during proposal evaluation, the pool of evaluators is required to have a reasonable gender balance. Briefing material provided to the evaluators (as of call 2019 evaluation) specifies that:

- *Gender mainstreaming* means integrating a gender perspective in the design, implementation, monitoring and evaluation of a project as appropriate. A project must not silence, stereotype, stigmatise, lay the blame or discriminate against men or women. On the contrary, measures should be pro-active and contribute to the equal empowerment of both genders, and ensure that they achieve their full potential, enjoy the same rights and opportunities. Gender mainstreaming goes beyond counting the number of women and men in a room. Rather, gender mainstreaming addresses the gender inequalities that are at the core of a project, policy or process, leading to more gender-sensitive actions.
- The project shall endeavour to build capacity within the project team and among stakeholders to ensure the continued integration of a gender perspective within the area of intervention after the project ends. In the delivery of project activities gender mainstreaming shall be ensured by:
 - o Collecting sex disaggregated data to track gender equality results and assess gender impacts.
 - o Monitoring access, participation, and benefits among women and men and incorporate remedial action that redresses any gender inequalities in project implementation.
 - o Regularly reporting on how gender is mainstreamed and ensure that evaluations integrate gender-specific evaluation questions.

5. Programme contribution to the Sustainable Development Goals

SDG 5 Achieve gender equality and empower all women and girls and SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

HEADING 3: Security and citizenship**Rights, Equality and Citizenship programme**

Lead DG: JUST

I. Overview***What the programme is about?***

The Rights, Equality and Citizenship (REC) Programme aims to contribute to the further development of an area where equality and the rights of persons, as enshrined in the EU Treaties, the Charter of Fundamental Rights and the international human rights conventions, are promoted and effectively implemented. Its specific objectives include promoting non-discrimination, rights of persons with disabilities, equality between women and men, the rights of the child, as well as the rights deriving from Union citizenship. Furthermore, it aims to combat racism, xenophobia, homophobia and other forms of intolerance, prevent violence against children, young people, women and other groups at risk (Daphne strand), and to ensure the highest level of data protection as well as consumer rights.

With a budget of EUR 62 million in 2018, the REC Programme financed actions developed by public authorities, universities, non-governmental organisations and other organisations that support the Commission's policies in fundamental rights. The actions consist of: mutual learning and exchange of good practises; awareness-raising and media campaigns; training activities; analytical activities, such as studies, researches, surveys and evaluations.

EU added value of the programme

The EU actions funded by the REC Programme have contributed to bring tangible benefits to EU citizens. Hereafter some concrete examples. In many areas, such as consumer law, equality and non-discrimination or citizenship, data protection, individuals are protected by European legislation, but are not sufficiently aware about their rights: awareness-raising actions at EU-level are necessary to fill this national gap.

Due to EU funding, the political debate on gender equality has improved and several countries took measures to implement new legislation to increase the number of women in decision making positions or to reduce the gender pay gap.

The EU level intervention has been particularly relevant also to prevent and combat racism, xenophobia, homophobia and other forms of intolerance as well as to promote the exercise of rights deriving from the EU citizenship in view of the lack of significant investment in those fields at national levels.

According to the majority of beneficiaries, in the absence of the Programme funds, similar activities would not have taken place or not be possible with the same coverage in terms of beneficiaries and target groups, due to lack of available resources at Member State level. This is particularly relevant for the training actions in the field of prevention of all forms of violence and in the field of data protection. Similarly, EU funding for EU level organisations is particularly vital as national funding for a transnational network would be even more difficult to obtain.

Moreover, projects financed by the Programme, according to surveyed stakeholders, seem to have higher quality and to be more innovative than those funded at the national level. In particular, these projects, by allowing innovative approaches to be experimented with, can be used to show national governments the benefits of the activities undertaken. For example, trainings at schools in the field of bullying would not apply innovative methods, such as those involving both perpetrators and victims.

The funding of the European Disability Card, which aims at promoting the enjoyment of equal rights of disable people across all the EU, MS is another example of concrete EU added value.

Finally, the demand for Programme funding has continued to be high throughout the implementation of the Programme. All these findings suggest that there is sustained demand for EU-level action in the fields covered by the Programme.³⁸⁸

Implementation mode

The Directorate-General for Justice and Consumers is the lead DG for the Programme implementation, with Programme and Financial management unit in charge. The Programme is implemented through direct management. Funds are deployed via grants (around 80%) and procurement (around 20%) contracts. Procurement is the acquisition of a service by the Commission from an economic operator³⁸⁹, which is selected following a call for tenders' procedure. Grants are financial contributions by the Commission in order to finance: an action intended to help achieve a Union policy objective (action grants); the functioning of a body which has an objective forming part of, and supporting, a Union policy (operating grants)³⁹⁰. The award of a grant follows, in general, a call for proposals' procedure.

II. Programme Implementation Update

² [Report COM/2018/508](#) on the interim evaluation of the implementation of the Rights, Equality and Citizenship Programme 2014-2020

³⁸⁹ Art. 2(49) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union ('the Financial Regulation')

³⁹⁰ Art. 2(33) and 180(2) of the Financial Regulation.

Implementation Status (2016-2018)

The REC Programme is being implemented as envisaged in the Annual Work Programmes (AWPs). The AWP 2018 was adopted on 20 December 2017³⁹¹. The AWP 2017³⁹² and 2016³⁹³ were adopted on 1 March 2017 and 4 April 2016³⁹⁴ respectively. The adoption of the AWPs in year N-1 sets the ground for a timely implementation of EU policies in the areas of rights, equality and citizenship.

The execution rate improved along years, with all funds of AWP 2017 being committed, compared to 92% of funds of AWP 2016. Concerning the AWP 2018, all operating grants have been signed and the selection procedure for 3 out of 9 calls for proposals was finalised. The end of the selection procedure of the remaining calls, as well as the signature of action grants, are planned for the first half of 2019, aiming to commit all available funding by that time. In the second half of 2019, all operating grants related to the AWP 2019 will be signed and all calls for proposals will be finalised.

Most of the activities under the REC Programme contribute to the Juncker Priorities of Justice and fundamental rights and Democratic change, as well as to a Security Union (notably activities combatting racism and others forms of intolerance). Moreover, the REC Programme also contributes to the Digital single market by supporting activities proposed on data protection and hate speech online. Activities on consumer rights relating to cloud computing and digital contracts also contribute to a connected Digital single market. Furthermore, the activities pertaining to equality will also contribute to the priority on Jobs, growth and investment and a Deeper and fairer economic and monetary union.

Key achievements

Specific Objective 1: *to promote the effective implementation of the principle of non-discrimination on grounds of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation, and to respect the principle of non-discrimination on the grounds, provided for in Article 21 of the Charter*

The REC Programme finances actions to combat discrimination and promote equality. For instance, the project ‘Anti-Discrimination Policies Successfully Implemented’ running in 2016-2017, via trainings, seminars and a ‘toolkit for equality’, successfully promoted the implementation of policies against racism and racial discrimination in more than 40 cities across 15 countries. Nine hundred persons were directly reached including local politicians, civil servants in local administration and civil society actors.

Concerning Roma integration, the Programme contributed to empower Roma youth, equal access of Roma to mainstream services and opportunities, the design of tailor-made national or local policies to fight against discrimination, community building between Roma and non-Roma. It financed the creation of Roma National Platforms in nine EU Member States in 2018 (some Member States set up coordination forums without EU support), the meetings of the network of National Roma Contact Points and of the European Platform for Roma Inclusion. In addition, the continuous capacity building of National Roma Platforms as well as the cooperation of these bodies contributed to EU wide objectives related to fighting discrimination and promoting social inclusion, gender equality and the fight against poverty.

The Programme also finances the EU Platform of Diversity Charters, its annual forum (on ‘Diversity in Diverse Europe’ in 2018) and expert seminars, supporting peer network, share of good practises and tools for benchmarking, measuring and monitoring, in order to promote diversity policies and more inclusive workplaces.

Policy coordination to promote the effective implementation of the principle of non-discrimination is supported via the numerous meetings financed of the high-level group on non-discrimination and the European network of legal experts in gender equality and non-discrimination.

Specific objective 2: *to prevent and combat racism, xenophobia, homophobia and other forms of intolerance*

Projects have been supported in the area of preventing and combatting racism, xenophobia and other forms of intolerance, through a comprehensive approach to the issue as well as focusing on specific forms of intolerance such as Antisemitism, anti-Muslim hatred, Afrophobia and anti-Black racism, homophobia and transphobia and encouraging better understanding between communities through interreligious and cross-community activities. For instance, the project ‘Facing Facts!’ developed a series of online courses on identifying, monitoring and countering hate crime and hate speech, targeted to individual activists, civil society organisations, law enforcement and governmental representatives.

The Programme has been funding the activities of the High Level Group on combating racism, xenophobia and all forms of intolerance, as well as its subgroups on countering hate speech online and hate crime data recording. This fostered a good practice exchange and the development of targeted guidance, which allowed the Commission to assist Member States to ensure effective implementation of existing laws and improve responses to hate crime.

Specific objective 3: *to promote and protect the rights of persons with disabilities*

The Programme has successfully funded a variety of complementary actions to promote the active inclusion and full participation of people with disabilities in society on equal bases with others, and to protect their rights. The Programme contributed to help people with disabilities to travel more easily between EU countries, thanks to the implementation, in eight Member States, of a pilot

³⁹¹ C(2017)8518 final

³⁹² C(2017) 1316 final

³⁹³ C(2016) 1883 final

³⁹⁴ C(2016) 1883 final

project on the European Disability Card. It raises awareness of the everyday challenges faced by persons with disabilities through the organisation of disability events, such as the European Day of People with Disabilities conference.

In the framework of the EU implementation the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD), the Programme funds:

- trainings for legal and policy practitioners to raise their awareness and expertise on EU law related to disability and the UNCRPD;
- the European network of academic experts in the field of disability, gathering data and information;
- the organisation of the Work Forum to share good practices and promote mutual learning.

Specific objective 4: *To promote equality between women and men and to advance gender mainstreaming*

The REC Programme has continuously promoted equality between women and men and the advancement of gender mainstreaming via funding numerous projects on awareness rising, exchange of best practises and trainings. It supports the implementation of the Strategic engagement for gender equality 2016-2019 to increase gender balance in economic decision-making positions at all levels prepare the grounds for the new Directive on work-life balance for parents and carers. The 2018 call for proposals addressed both (i) equal participation of women and men in leadership positions (ii) work-life balance, resulting into 12 projects being awarded.

The REC Programme raised awareness on the difference between the remuneration for men and women who are working by funding a campaign on ‘Closing Gender Pay Gap’ on the European Equal Pay Day. It also promoted the political discussion on women's participation in the labour market and on the future priorities for the work on gender equality by financing the European conference Gender Equality & YOU, organised in October 2018 in Vienna.

Specific Objective 5: *to prevent and combat all forms of violence against children, young people and women, as well as violence against other groups at risk, in particular groups at risk of violence in close relationships, and to protect victims of such violence*

The REC Programme increased the capacity of professionals to support victims i.e. to identify cases of violence and address the needs of target groups, by funding mutual learning and cooperation actions. Evidence from projects show that a critical determinant of such impact was the use of multidisciplinary, gender-sensitive and child-centred methods and tools, which enabled innovative approaches to facilitate learning.³⁹⁵

The funded project “WE GO! Women Economic-independence & Growth Opportunity”, running from 2016 to 2018, strengthened support services for women undergoing intimate partner violence and in particular the activities run by anti-violence centres aiming at empowering women. Providing capacity building to trainers and officers, developing new methods/responses to address the lack of economic alternatives for women, these centres became more responsive to economic needs of victims, who - as a result - will be able to exit situations of violence through empowerment.

The REC Programme started to finance in 2017 the development of an EU-wide survey, with a common methodology and questionnaire, to gather comparable gender-based violence data, on a regular basis, across EU Member States. A pilot testing of the survey on a limited sample was carried out (involving national statistical authorities) in 14 Member States in 2018. The pilot exercise will provide its first outcomes in 2019, to finalise the questionnaire and the guidelines for implementation from 2020-2021 onwards. Such data/information will feed into the policymaking that identifies the needs and priorities to prevent and combat all forms of violence in the EU.

Specific objective 6: *to promote and protect the rights of the child*

The rights of the child and the prevention of and responses to violence against children are strongly promoted through the funding of the REC Programme. For instance, the project ‘Innovating European lawyers to advance the rights of children with disabilities’ implemented in 2016-2017, enhanced the recognition and the protection of the rights of children with disabilities by lawyers, judiciaries and policy-makers. The project developed and disseminated training materials in nine EU languages, training 150 professionals in eight Member States, developing eight national legal strategies, sharing best practises, so that the knowledge and skills of lawyers representing children with mental disabilities in judicial proceedings were strengthened.

Moreover, the rights of unaccompanied and separated children in migration are being fostered via the EU Guardianship Network that is funded by the Programme. In this regard, a database for best practice exchange on child protection in migration and an expert group, monitoring progress and challenges in the Member States, were established. These actions respond to the policies agreed in the Commission Communication and in the Council Conclusions on the protection of children during all phases of migration (identification, reception, implementation of procedural safeguards and durable solutions) in 2017.

Specific objective 7: *to contribute to ensuring the highest level of protection of privacy and personal data*

As the General Data Protection Regulation (GDPR)³⁹⁶ entered into application in May 2018, the REC Programme helped to increase awareness of SMEs, public authorities and individuals on the new data protection rules via the creation of an online guidance toolkit available on the EC website in all EU languages, in the form of Q&As, brochures and factsheets³⁹⁷. These communication materials were disseminated through an information campaign.

³⁹⁵ European Commission (2018), Interim evaluation of the 2014-2020 REC Programme: Final Report, p.394

³⁹⁶ [Regulation \(EU\) 2016/679](#) of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation)

³⁹⁷ https://ec.europa.eu/commission/priorities/justice-and-fundamental-rights/data-protection/2018-reform-eu-data-protection-rules_en

The Programme also co-finances awareness-raising activities on GDPR by Data Protection Authorities, such as regional trainings/seminars, websites and social media campaigns, publications in general and specialist press, or the setting up of hotlines. Nine Data Protection Authorities are beneficiaries of these grants (BE, BG, DK, HU, IS, LT, LV, NL, SI).

Specific objective 8: to promote and enhance the exercise of rights deriving from citizenship of the Union

The REC Programme has been funding projects that contributed to the successful inclusion and political participation of mobile EU citizens in the civic and political life, as an important dimension of EU citizenship. For instance, the project 'Living rights', running from 2015 to 2017, fostered the integration and participation of mobile EU nationals in the UK. The project financed awareness raising events for EU nationals on their rights in the UK and workshops for professionals on EU rights and legislation. As a result, 770 professionals were trained on EU rights, 12 guides on EU Rights were produced and disseminated, and 4,000 EU citizens participated in awareness raising events.

The Programme also supports the design of a number of corporate communication campaigns, aiming to raise awareness about the EU as a whole. In particular, the social media campaign on EU Citizenship Right to consular protection in 2018 and the related information website³⁹⁸ allowed reaching out to thousands of citizens and raising awareness on their rights when living or travelling outside the EU. In addition, the Programme finances the Citizenship reports³⁹⁹ that regularly highlights on the progress towards effective EU citizenship and identifies future priorities in the area of EU citizenship rights.

Specific objective 9: to enable individuals in their capacity as consumers or entrepreneurs in the internal market to enforce their rights deriving from Union law, having regard to the projects funded under the Consumer Programme.

The Programme contributes to raise awareness of EU consumer law, make compliance easier and enhance enforcement, by financing the content update of the Consumer Law database (part of the e-Justice Portal)⁴⁰⁰. The tool concretely helps lawyers, judges as well as businesses and consumers, to quickly check rights and obligations arising from consumer law, as it includes, for instance, past legal rulings from EU countries and the European Court of Justice and relevant national administrative practice.

Evaluation/ Studies conducted

The interim evaluation of the implementation of the Rights, Equality and Citizenship Programme 2014-2020 was published on 29 June 2018⁴⁰¹, covering the first half time of the Programme's implementation, from 2014 to mid-2017. The report confirms the relevance of the Programme in contributing to the promotion of relevant EU values, such as the respect for human dignity, fundamental rights, non-discrimination, tolerance, solidarity and gender equality and in reinforcing and supporting the development of a stronger EU citizenship.

The findings show that the intervention strategy of the Programme is still adequate to achieving the desired objectives and still relevant to the needs of the beneficiaries, as confirmed by the fact that more than 80% of surveyed beneficiaries and stakeholders indicated that funding received is effective to a high or very high extent. The typologies of implementing measures (operating grants, action grants and procurement) are in line with the objectives of the Programme and with the needs of stakeholders eligible for support. The transnational dimension represents a key feature and an important added value of the European funding for the REC Programme, promoting the exchange of information at EU level as well as mutual learning and the dissemination of practices in the area of protection of rights, citizenship and anti-discrimination.

According to the majority of beneficiaries, there is also scope for further simplification of the implementation and management of the Programme, by reducing the administrative burden in terms of proposal drafting, application process and reporting requirements. The evaluation of the partnerships formed has shown an appropriate representation of beneficiaries by type of organisation, but yet an uneven geographical composition of the participating organisations.

Forthcoming implementation (2019-2020)

The Annual Work Programme for 2019 was adopted on 29 November 2018⁴⁰². With a budget of EUR 65 million in 2019, the REC Programme aims to finance actions developed by public authorities, universities, non-governmental organisations and other organisations that support the Commission's policies in fundamental rights. The actions shall consist of: mutual learning and exchange of good practises; awareness-raising and media campaigns; training activities; analytical activities, such as studies, researches, surveys and evaluations.

Public authorities, as well as universities, NGOs and other organisations, are invited to present projects' proposals in order to receive EU financial support. The majority of activities will fall within the calls for proposals opening at the beginning of the year. Considering both action grants and operating grants, the work programme aims to support 140 projects for a total value of EUR 51 million. Additional EUR 14 million are committed for procurement activities. Hereby the list of actions envisaged per area:

- Call for proposals to prevent and combat all forms of violence against children, young people and women
- Award of action grants without a call for proposals to national statistical authorities for the development of a survey on gender-based violence

³⁹⁸ https://ec.europa.eu/consularprotection/index.action_en

³⁹⁹ https://ec.europa.eu/info/policies/justice-and-fundamental-rights/eu-citizenship/eu-citizenship_en/#eu-citizenship-reports

⁴⁰⁰ https://e-justice.europa.eu/content_consumer_law_database-591-en.do

⁴⁰¹ [Report COM/2018/508](#) on the interim evaluation of the implementation of the Rights, Equality and Citizenship Programme 2014-2020

⁴⁰² C(2018) 7916 final

- Restricted call for proposals to national Data Protection Authorities on reaching out to stakeholders on the new data protection legislation
- Call for proposals on capacity-building in the area of rights of the child – child-friendly justice
- Call for proposals on protecting and promoting the rights of persons with disabilities
- Call for proposals to improve the awareness on EU citizenship rights and inclusion of mobile EU citizens and to support coordination among national authorities competent in electoral matters
- Call for proposals to promote the effective implementation of the principle of non-discrimination
- Restricted call for proposals to support National Roma platforms
- Call for proposals to prevent and combat racism, xenophobia, homophobia and other forms of intolerance and to monitor, prevent and counter hate speech online
- Restricted call for proposals to national authorities on closing gender gaps over the life cycle - work-life balance for women and men - a better sharing of care

To guide organisations applying for EU funding, and to simplify the Commission’s administrative procedures, there is only one call for proposals per each specific objective (except for non-discrimination, where there are two calls for proposals). In this way, all projects addressing, for instance, the fight against racism, are to be found in one call for proposals. In the work programme there is also stronger link between funding and EU policy priorities, as there are two new calls for proposals with respect to 2018: for projects reaching out to stakeholders on the new data protection legislation and promoting the rights of persons with disabilities. As of 2019, the Funding & tender opportunities portal is online, the new IT tool for applicants that substitutes the Participant Portals.

For the next Multiannual Financial Framework, the Rights & Values Programme is the Commission’s proposals for the successor of the REC Programme, presented in May 2018. It merges two current funding Programmes, the REC and the Europe for Citizens Programme. The Commission envisages EUR 642 million for the period 2021-2027. The general objective of the Programme is to protect and promote rights and values as enshrined in the EU Treaties, including by supporting civil society organisations, in order to sustain open, democratic and inclusive societies. The specific objectives are: (a) to promote equality and rights (Equality and rights strand); (b) to promote citizens engagement and participation in the democratic life of the Union (Citizens' engagement and participation strand); (c) to fight violence (Daphne strand). The Commission’s proposal is being negotiated with the Council and the Parliament, with trilogies that started in January 2019.

Outlook for the period 2021-2027

The Commission proposed to include this programme within the new Rights & Values Programme for the next Multiannual Financial Framework.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1381/2013 of the European Parliament and of the Council of 17 December 2013 establishing a Rights, Equality and Citizenship Programme for the period 2014-2020	2014 - 2020	439,5

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	1,1	1,1	1,1	1,1	1,1	1,0	1,1	7,6
Operational appropriations	54,2	56,3	58,9	62,5	62,3	64,8	67,4	426,2
Total	55,3	57,4	60,0	63,6	63,4	65,7	68,5	433,8

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	63,382	99,74 %	72,833	98,54 %	65,376	3,77 %	57,691	16,91 %
Authorised appropriations (*)	64,872	98,88 %	74,527	97,97 %	65,807	4,65 %	58,418	17,66 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to contribute, to the further development of an area where equality and the rights of persons as enshrined in the Treaty on European Union, in the Treaty on the Functioning of the European Union, in the Charter of Fundamental Rights of the European Union and in the international human rights conventions to which the Union has acceded, are promoted, protected and effectively implemented.

Indicator 1: progress towards equal participation in the labour market: (a) female employment rate 20-64 age group (b) employment rate of people with disabilities (c) the gender pay gap (d) the percentage of women among non-executive directors on boards of listed companies

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
(a) 62,4 % (2012) (b) 48,5% (2013) EU-SILC (c) 16,8% (2013) (d) 16,2 % (2011) Source: European Commission				(a) 68 % (b) 50 % (c) 15 % (d) 30 %			(a) 75 % (for both women and men): Europe 2020 headline target; 71 % for women (b) 55 % (c) 14 % (d) 40 %
	Actual results						
	(a) 63,5% (b) 48,7% (c) 16,7% (d) 20,2%	(a) 64,3% (b) 47,4% (c) 16,3% (d) 22,7%	(a) 65,3% (b) n.a. (c) 16,2% (d) 26,1%	(a) 66,4% (b) n.a. (c) n.a. yet* (d) 27,9%	(a) 67,6% (2018 Q3) (b) n.a. yet (c) n.a. yet (d) 29,3%		

* Data will be available later in 2019

Indicator 2: percentage of Europeans who consider themselves as well or very well informed of the rights they enjoy as citizens of the Union

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
32 % (Source: Eurobarometers)				45 %			51 %
	Actual results						
		42%	n.a.*	54 %	n.a.		

* Data from Flash Eurobarometers (2015) and are not included in the Standard Eurobarometer

Specific objectives

Specific Objective 1: to promote the effective implementation of the principle of non -discrimination on grounds of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation, and to respect the principle of non-discrimination on the grounds provided for in Article 21 of the Charter

Indicator 1: share of persons aware of their rights if they fall victims of discrimination

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
37 % (Source: Eurobarometers)				55 %			70 %
	Actual results						
	NA	45%	NA *	NA *	Not available		

*These data comes from Flash Eurobarometers (done in 2015) and are not included in the Standard Eurobarometer

Indicator 2: the number of Member States that set up structural co-ordination mechanisms with all stakeholders, including Roma, on the implementation of the National Roma Integration Strategies

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
no Member States (source: national reporting to DG Justice)				22	22		28
	Actual results						
	13 MS	17 MS	21 MS	21 MS	28 MS		

Indicator 3: the number of applications and grants related to this specific objective

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 (01.01.2014)					123 appl. 29 grants	120 appl. 30 grants	130 appl. 30 grants
	Actual results						
	286 appl. 18 grants	210 appl. 32 grants	120 appl. 28 grants	99 appl. 32 grants	112 appl. n.a. yet *		

* Selection procedure of proposals is still ongoing.

Indicator 4: the level of funding requested by applicants and granted in relation to this specific objective (EUR requested/granted)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 (01.01.2014)					30 682 000 / 4 600 000	25 000 000 / 7 000 000	31000 000 EUR requested 5 000 000 EUR granted
	Actual results						
	85 215 025 / 7 163 532	58 136 622 / 7 562 114	29 995 503,57 / 4 492 600,63	27 703 368 / 7 978 000	22 470 239 / n.a. yet *		

* Selection procedure of proposals is still ongoing.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 02	4	2
2. Training activities	33 02 02	1	0.5
3. Mutual learning, cooperation, awareness-raising and dissemination	33 02 02	30	7
4. Support to key actors	33 02 02	7	4.5
Total		42	14

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	3	3	2	1	1	4	4
	P	7	5	1	1	4		
2. Training activities	F	1	1	1	6	3	2	2
	P	0	5	0	5	1		
3. Mutual learning, cooperation, awareness-raising and dissemination	F	28	33	30	30	30	30	30
	P	12	32	28	30	n.a.		
4. Support to key actors	F	10	8	8	7	7	7	7
	P	7	6	6	6	7		

Specific Objective 2: to prevent and combat racism, xenophobia, homophobia and other forms of intolerance

Indicator 1: the number of applications and grants related to this specific objective

Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0					223 appl. 20 grants	240 appl. 25 grants	250 appl. 32 grants
Actual results							
	85 appl. 9 grants	134 appl. 10 grants	70 appl. 14 grants	199 appl. 24 grants	240 appl. n.a.*		

*The selection procedure of proposals is still ongoing

Indicator 2: the level of funding requested by applicants and granted in relation to this specific objective (EUR requested/granted)

Baseline -2014	Milestones foreseen					Target 2020	
	2014	2015	2016	2017	2018		2019
0					89 600 000 / 7 000 000	90 000 000 / 7 000 000	95 000 000 EUR requested 7 700 000 EUR granted
Actual results							
	51 222 230 /5 203 107	70 368 496 / 5 347 131	83 608 330 / 4 898 998	83 597 212 / 6 860 000	88 420 000 / n.a.*		

* The selection procedure of proposals is still ongoing

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 02	1	150 000
2. Training activities	33 02 02	2	500 000
3. Mutual learning, cooperation, awareness-raising and dissemination	33 02 02	20	8 000 000
4. Support to key actors	33 02 02	3	1 350 000
Total		26	10 000 000

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	0	0	0	0	2	2	1
	P	5	5	0	0	2		
Training activities	F	0	0	0	0	0	0	1
	P	0	0	2	0	2		
Mutual learning, cooperation, awareness-raising and dissemination	F	6	8	17	25	23	20	18
	P	4	11	14	21	19		
Support to key actors	F	3	3	0	1	3	3	3
	P	1	0	0	3	3		

Specific Objective 3: to promote and protect the rights of persons with disabilities

Indicator 1: the number of applications and grants related to this specific objective

Baseline 2014	Milestones foreseen	Target 2020
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	2014	2015	2016	2017	2018	2019	
0					7 appl.	12 appl.	
	Actual results						
	16 appl. 16 grants	8 appl. 8 grants	8 appl. 8 grants	10 appl. 7 grants	7 grants		
Indicator 2: the level of funding requested by applicants and granted in relation to this specific objective (EUR requested/granted)							
Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0					2 800 000	4 220 000	
	Actual results						
	4 410 090 / 3 785 080	2 549 023 / 2 549 087	3 000 000 / 2 680 185	3 500 000 / 2 697 878,64	2 801 000 / 2 855 973,23		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 02	5	720 000
2. Training activities	33 02 02	6	350 000
3. Mutual learning, cooperation, awareness-raising and dissemination	33 02 02	3	1 370 000
4. Support to key actors	33 02 02	15	4 580 000
Total		29	7 020 000

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	1	1	2	5	5	5	5
	P	2	2	5	5	7		
Training activities	F	1	1	1	6	6	6	6
	P	0	0	6	6	6		
Mutual learning, cooperation, awareness-raising and dissemination statistics	F	18	5	6	14	3	3	3
	P	13	5	3	3	4		3
Support to key actors	F	6	8	8	8	7	10	15
	P	8	8	8	7	7		

Specific Objective 4: to promote equality between women and men and to advance gender mainstreaming

Indicator 1: the number of applications and grants related to this specific objective

Baseline -2014	Milestones foreseen						Target 2020
	2014*	2015*	2016	2017	2018	2019	
0					17 appl. 12 grants	18 appl. 12 grants	
	Actual results						18 appl. 13 grants
	19 appl. 11 grants	123 appl. 10 grants	NA**	14 appl. 13 grants	49 appl. 12 grants		

* In 2014 and 2017 and 2019 restricted call for proposals for national authorities; in 2015 and 2018 open call for proposals

**There was no call for proposals for action grants in 2016

Indicator 2: the level of funding requested by applicants and granted in relation to this specific objective (EUR requested/granted)

Baseline -2014	Milestones foreseen						Target 2020
	2014*	2015*	2016	2017	2018	2019	
0					7 700 000 / 3 700 000	7 000 000 / 4 000 000	8000 000 EUR requested 4 000 000 EUR granted
	Actual results						
	6 970 769 / 3 885 203	56 674 772 / 4 379 579	NA**	6 423 194,77 / 5 443 000	18 226 000 / n.a. ***		

* In 2014 and 2017 and 2019 restricted call for proposals for national authorities; in 2015 and 2018 open call for proposals

**There was no call for proposals for action grants in 2016

*** The selection procedure of proposals is still ongoing

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
1. Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 02	2	500 000
2. Training activities	33 02 02	2	500 000
3. Mutual learning, cooperation, awareness-raising and dissemination	33 02 02	18	5 500 000
4. Support to key actors	33 02 02	2	1 233 000
Total		24	7 733 000

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	2	2	2	2	2	2	2
	P	9	3	0	2	2		
Training activities	F	1	1	0	0	0	0	2
	P	0	4	0	0	1		
Mutual learning, cooperation, awareness-raising and dissemination statistics, etc.)	F	19	21	23	25	21	12	18
	P	11	4	0	15	12		
Support to key actors	F	2	2	2	2	2	2	3
	P	1	2	2	1	2		

Justification of changes to the financial programming and/or to the performance information

There has been an overestimation of the outputs across years. It was not considered that in 2016 there was no call for proposals and that in 2014, 2017 and 2019 the calls for proposals are restricted to national authorities. Output foreseen in 2019 is adjusted accordingly

Specific Objective 5: to prevent and combat all forms of violence against children, young people and women, as well as violence against other groups at risk, in particular groups at risk of violence in close relationships, and to protect victims of such violence

Indicator 1: percentage of people that consider that domestic violence against women is unacceptable

Baseline 2010	Milestones foreseen					Target 2020	
	2014	2015	2016	2017	2018		2019
84 % (Source: Eurobarometers)			84%	90 %			100 %
	Actual results						
			96%*	Not available	Not available		

* Source: Special Eurobarometer 449 (2016)

Indicator 2: the number of applications and grants related to this specific objective

Baseline -2014	Milestones foreseen					Target 2020	
	2014	2015	2016	2017	2018		2019
0					278 appl. 31 grants	200 appl. 30 grants	300 appl. 33 grants
	Actual results						
	391 appl. 31 grants	379 appl. 52 grants	174 appl. 19 grants	177 appl. 39 grants	213 appl. 36 grants		

Indicator 3: the level of funding requested by applicants and granted in relation to this specific objective (EUR requested/granted)

Baseline -2014	Milestones foreseen					Target 2020	
	2014	2015	2016	2017	2018		2019
0					99 750 000 / 13 300 000	90 000 000 / 16 000 000	120000 000 EUR requested 14 000 000 EUR granted
	Actual results						
	115 828 887 / 11 407 709	141 024 339 / 11 663 047	62 366 927,44 / 8 268 518,81	65 755 864 /16 829 000	87 704 000d / n.a.*		

* The selection procedure is still ongoing

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
1. Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 01	2	2 000 000
2. Training activities	33 02 01	0	0
3. Mutual learning, cooperation, awareness-raising and dissemination	33 02 01	35	15 000 000
4. Support to key actors	33 02 01	4	1 305 000
Total		41	18 305 000

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	0	0	1	2	2	2	2
	P	0	2	0	2	2		
Training activities	F	0	0	0	0	0	0	0
	P	13	21	0	0	0		
Mutual learning, cooperation, awareness-raising and dissemination statistics, etc.)	F	40	44	45	29	32	36	35
	P	11	29	19	39	n.a.		
Support to key actors	F	8	4	4	9	7	4	4
	P	7	4	4	7	4		

Justification of changes to the financial programming and/or to the performance information

Specific Objective 6: to promote and protect the rights of the child

Indicator 1: the number of applications and grants related to this specific objective

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 (01.01.2014)					43 appl. 11 grants	35 appl. 10 grants	45 appl. 12 grants
	Actual results						
	73 appl. 15 grants	41 appl. 11 grants	16 appl. 8 grants	42 appl. 13 grants	31 appl. 6 grants		

Indicator 2: the level of funding requested by applicants and granted in relation to this specific objective (EUR requested/granted)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 (01.01.2014)					15 600 000 / 4 000 000	10 000 000 / 4 000 000	16 000 000 EUR requested 4 200 000 EUR granted
	Actual results						
	27 725 533 / 4 213 515	14 621 487 / 3 461 829	6 833 383,84 / 3 420 985,25	15 029 812 / 4 216 000	9 941 000 / 1 540 000		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
1. Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 01	0	0
2. Training activities	33 02 01	0	0
3. Mutual learning, cooperation, awareness-raising and dissemination	33 02 01	16	4 000 000
4. Support to key actors	33 02 01	3	500 000
Total		19	4 500 000

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	0	0	0	0	0	0	0
	P	0	0	0	0	1		
Training activities	F	4	2	0	0	0	0	0
	P	10	8	0	0	0		
Mutual learning, cooperation, awareness-raising and dissemination statistics, etc.)	F	10	12	15	17	16	16	16
	P	1	1	8	13	8		
Support to key actors	F	2	3	3	3	3	3	3
	P	5	3	3	3	3		

Justification of changes to the financial programming and/or to the performance information

In 2018, a lower number of applications related to this specific objective was submitted under the annual call. The priority for this call was put on having in place integrated mechanisms to support children ageing out of/ leaving alternative care. Since this is very specific area it caused a lower interest in that call. Therefore, the number of grants awarded was also smaller than the previous year.

Specific Objective 7: to contribute to ensuring the highest level of protection of privacy and personal data

Indicator 1: number of complaints received by data protection authorities from individuals relating to data protection

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2012				55 000	NA	NA	60 000
68 569 (Sources: DG Justice)	Actual results						
	NA	NA	NA	NA	60 000*		

* Figures reported from Data Protection Authorities from May to December 2018

Indicator 2: the number of applications and grants related to this specific objective

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016*	2017	2018**	2019	
0 (01.01.2014)						10 appl. 9 grants	
	Actual results						
	0	0	15 appl. 6 grants	12 appl. 9 grants	NA**		

* First call for proposals to support training activities on the data protection reform was launched in 2016.

** There was no call for proposals for action grants in 2018

Indicator 3: the level of funding requested by applicants and granted in relation to this specific objective (EUR requested/granted)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016*	2017	2018**	2019	
0 (01.01.2014)						2 500 000 / 1 500 000	
	Actual results						
	0	0	4 825 181,49 / 1 718 190,78	2 597 737 / 1 949 379	NA**		

* First call for proposals to support training activities on the data protection reform was launched in 2016.

** There was no call for proposals for action grants in 2018.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 01	1	300 000
Mutual learning, cooperation, awareness-raising and dissemination	33 02 01	9	1 500 000
Total		10	1 800 000

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	3	3	3	3	3	3	3
	P	3	0	0	2	1		
Mutual learning, cooperation, awareness-raising and dissemination	F	3	3	3	13	8	8	8
	P	3	2	6	9	3		

Justification of changes to the financial programming and/or to the performance information

The lower number of produced outputs in 2018 is due to the fact that there were no call for proposals in 2018.

Specific Objective 8: to promote and enhance the exercise of rights deriving from citizenship of the Union

Indicator 1: awareness of the Citizenship of the Union and of the rights attached to it: (a) share of the population that knows the meaning of Citizenship of the Union (b) share of the population considering themselves as well or very well informed of the rights they enjoy as citizens of the Union

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
(a) 46 % (b) 36 % (source: Eurobarometers)				50 % 45 %	NA	NA	53 % 51 %
	Actual results						
		(a) 52 % (b) 42 %	NA	(a) NA (b) 54 %	NA	NA*	

* Data will be available via the Standard Eurobarometer 2019

Indicator 2: awareness of the right to vote and to stand as candidate in European election in the Member State of residence, without having the nationality of that Member State

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
72 % (source: Eurobarometers)				76 %	NA	NA	80 %
	Actual results						
		67%	NA	NA	NA		

Indicator 3: the number of applications and grants related to this specific objective

Baseline	Milestones foreseen						Target 2020
	2014	2015*	2016	2017	2018	2019	
0 (01.01.2014)					31 appl. 6 grants	20 appl. 5 grants	30 appl. 5 grants
	Actual results						
	84 appl. 6 grants	0	25 appl. 5 grants	14 appl. 3 grants	18 appl. 4 grants		

* No calls for proposals for action grants and operating grants, only procurement

Indicator 4: the level of funding requested by applicants and granted in relation to this specific objective (EUR requested/granted)

Baseline	Milestones foreseen						Target 2020
	2014	2015*	2016	2017	2018	2019	

0 (01.01.2014)					7 950 000 / 1 500 000	10 000 000 / 1 500 000	7 500 000 EUR requested 1 300 000 EUR granted	
	Actual results							
	20 724 779 / 1 464 069	0	6 391 136,02 /1 214 925,70	3 973 157 / 1 200 000	12 478 000 / 1 534 000			

* No calls for proposals for action grants and operating grants, only procurement

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 01	4	1 500 000
Training activities	33 02 01	0	0
Mutual learning, cooperation, awareness-raising and dissemination	33 02 01	7	1 500 000
Total		11	3 000 000

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	2	2	0	2	3	4	4
	P	3	2	0	2	4		
Training activities	F	0	0	0	0	0	0	0
	P	1	0	0	0	0		
Mutual learning, cooperation, awareness-raising and dissemination	F	7	7	10	5	8	10	7
	P	6	4	5	4	5		

Specific Objective 9: to enable individuals in their capacity as consumers or entrepreneurs in the internal market to enforce their rights deriving from Union law, having regard to the projects funded under the Consumer Programme

Indicator 1: the perception of consumers of being protected

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
64 %* (source: Consumer Conditions Scoreboard)				73 %			75 %
	Actual results						
	70 %*		76%	NA	72%		

* The methodology was slightly revised as of 2016.

Indicator 2: consumer and retailer awareness of rights and obligations: (a): percentage of consumers who are aware of their right to keep the unordered product sent to them together with an invoice (b): percentage of retailers in the EU who know that including invoices with marketing material (for unordered products) is prohibited

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
(a) 36 %* (b) <51 % (source: Consumer Conditions Scoreboard)	(a) 32 % (b) 55 %			37 % 56 %			39 % 60 %
	Actual results						
	(a) 34 %* (b) 54 %*		(a) 34% (b) 56%	NA	(a) 35% (b) 58%		

* The methodology was slightly revised as of 2016

Indicator 3: level of consumer confidence in cross-border online shopping, as measured by the percentage of consumers who feel confident purchasing via internet from retailers/service providers from another country

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
34 %* (source: Consumer Conditions Scoreboard)				45 %			50 %
	Actual results						
	37%		58%	NA	48%		

* The methodology was slightly revised as of 2016.

Indicator 4: the number of applications and grants related to this specific objective

Baseline	Milestones foreseen						Target 2020
	2014*	2015*	2016*	2017*	2018*	2019*	
0 (01.01.2014)							
	Actual results						
	0	0	0	0	0		

* No calls for proposals for action grants or operating grants planned, only procurement activities.

Indicator 5: the level of funding requested by applicants and granted in relation to this specific objective

Baseline	Milestones foreseen						Target 2020
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	2014*	2015*	2016*	2017*	2018*	2019*	
0 (01.01.2014)							
	Actual results						
	0	0	0	0	0		

* No calls for proposals for action grants or operating grants planned, only procurement activities.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	33 02 01	4	500 000					
Mutual learning, cooperation, awareness-raising and dissemination	33 02 01	4	500 000					
Total		8	1 000 000					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Analytical activities (e.g. studies, evaluations, collection of data and statistics, etc.)	F	9	9	6	8	4	4	4
	P	0	2	0	6	4		
Mutual learning, cooperation, awareness-raising and dissemination	F	9	9	0	4	0	4	4
	P	0	6	0	4	4		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
The share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree
20 million less people should be at risk of poverty

Narrative justification Contribution to Europe 2020 headline targets (if needed)

The Programme contributes to the first target, increasing the percentage of population employed, via the activities funded under the specific objective of gender equality, by increasing awareness on the gender pay gap, by organising trainings on the equal participation of women and men in leadership positions, by sharing best practises on work-life balance.

In the period 2014-2018, the Programme's total contribution to the specific objective of gender equality has been of EUR 41 million, including grants and procurement activities (training seminars, studies and evaluations).

The REC Programme will contribute with EUR 7 million to raising awareness on the rights of persons with disabilities in particular in the areas of employment and occupation, and to support the application of the Employment Equality Directive. Roma people are often at the risk of poverty. With EUR 6,8 million the REC Programme will support this Europe's largest ethnic minority, mostly through the National and EU Roma Platforms, and national contact points, and through projects working on Roma people integration.

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	2,8	2,8
Inclusive Growth (employment and skills, fighting poverty)	28,2	31,5
Total	31,0	34,3

Actions financed in the areas of the data protection and of the consumer protection will contribute to smart growth with estimated EUR 2,8 million. Actions financed in the areas of non-discrimination and Roma integration, promoting the rights of persons with disabilities, and gender equality will contribute to inclusive growth with estimated EUR 31,5 million.

Gender mainstreaming

The REC Programme supports in many ways the gender mainstreaming, as the gender dimension is considered in the overall programme design and followed in the implementation of the Programme.

Firstly, REC has a specific objective with dedicated actions 'To promote equality between women and men and to advance gender mainstreaming'.

Every year, the Annual Work Programme envisages calls for action grants with targeted policy priorities as to: equal participation of women and men in leadership positions and work-life balance (2018); address gender gaps over the life-cycle (2017); promote good practices on gender roles and overcome gender stereotypes in education, training and in the workplace (2015); equal economic independence of women and men (2014).

Furthermore, operating grants are provided to the European Network of Equality Bodies and to the European Women's Lobby.

In the period 2014-2018, the Programme's total contribution to the specific objective of gender equality has been of EUR 41 million, including grants and procurement activities (training seminars, studies and evaluations).

The gender dimension is addressed throughout the Programme in other calls for proposals, such as the ones on the democratic participation of mobile EU citizens, targeting underrepresented groups as women (2018), or on non-discrimination, for empowering Roma women (2018).

In addition, gender-based violence is addressed under the specific objective and related yearly calls for proposals 'to prevent and combat all forms of violence against children, young people and women, as well as violence against other groups at risk, in particular groups at risk of violence in close relationships, and to protect victims of such violence'.

In general, all projects funded via the Programme, under all specific objectives, are required to promote gender mainstreaming, which is a sub-criterion in the evaluation of the proposals. When designing a project, applicants should demonstrate in the proposals how this will be respected at the implementation stage. Beneficiaries are required to detail in the narrative report the steps and achievements made in this regards. During the process of evaluating proposals, the gender dimension is also considered to the extent of having an equal representation of women and men as evaluators.

5. Programme contribution to the Sustainable Development Goals

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all: By promoting youth Roma integration in the funded activities of non-discrimination, the Programme contributes to the goal that all girls and boys have access to quality early childhood development, care and education. By tackling gender stereotypes in the gender based violence or gender equality actions, the Programme contributes to the goal to upgrade education facilities that are child, disability and gender sensitive and provide safe, nonviolent, inclusive and effective learning environments for all.

SDG 5 Achieve gender equality and empower all women and girls: Via actions funded under gender violence and gender equality calls for proposals, the Programme contributes to the goals to end all forms of discrimination against all women and girls and to eliminate all forms of violence against all women and girls. In particular, the Programme contributes to the goals to ensure women's equal opportunities for leadership at all levels and to adopt enforceable legislation for the promotion of gender equality.

The Programme also promotes gender diversity through the projects funded within the call for proposals to promote non-discrimination. In this regards, it strengthens equal opportunities financing the EU Platform of Diversity Charters, its annual forum (on 'Diversity in Diverse Europe' in 2018) and expert seminars, supporting peer network, share of good practises and tools for benchmarking, measuring and monitoring.

Decent work and economic growth: The Programme contributes to the goal to achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. It funds activities sharing best practises on work-life balance and supports persons with disability in terms of awareness raising, capacity building, monitoring of their situation in terms of employment and foster education. Learning is provided to legal and policy practitioners on legal instruments to protect and promote employment of persons with disabilities

SDG 10 Reduce inequality within and among countries: The Programme ensures equal access for travellers with disabilities to a number of benefits in the areas of culture, leisure, sport and transport, thus contributing to the inclusion of people with disabilities in society, via funding the European Disability Card project. It also helps in monitoring the poverty situation of persons with disabilities through supporting the Academic Network of European Disability experts and exchange of good practices in the social protection field

SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable : The Programme, funding the yearly Access City Award, recognises and celebrates cities, which proactively support accessibility for persons with disabilities and take exemplary steps to improve accessibility in the urban environment to the benefit of all. Since 2010, the Award honours leading European cities in terms of urban accessibility, promotes accessible cities in all their social, economic and political dimensions.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: Via the project Joint Programme on Access of Roma and Traveller Women to Justice (JUSTROM), the Programme supports the empowerment of Roma women through increasing their awareness about discrimination, complaint mechanisms, the justice system and human rights institutions/equality bodies. It also aims to increase the number of cases of discrimination against Roma women admitted by human rights institutions, equality bodies and courts, as well as to enhance professional resources used at national level by the judiciary, law enforcement and NGOs/human rights advocates regarding the application of anti-discrimination standards Roma access to Justice.

The Programme finances projects focusing on a child-friendly justice, to support children before, during and after judicial proceedings and to provide capacity-building to judicial practitioners on individual assessments specified in EU law.

SDG 17 Strengthen the means of implementation and revitalize the global partnership: Via the European network of academic experts in the field of disability, the Programme ensures the collection of essential data, analysis and monitoring on the situation of people with disabilities related to, among others, employment, education and poverty risk

HEADING 3: Security and citizenship

Europe for Citizens

Lead DG: HOME

Associated DGs: SG

I. Overview

What the programme is about?

The aim of Europe for Citizens is to contribute to citizens' understanding of the EU, its history and diversity, and to foster European citizenship and improve conditions for civic and democratic participation at EU level.

The financed projects will:

- Raise awareness of remembrance, the common history and values of the EU and the EU's aim - namely to promote peace, the values of the EU and the well-being of its peoples.
- Encourage the democratic and civic participation of citizens at EU level, by developing their understanding of the EU policy making-process, and stimulate interest and involvement in EU policy making.

EU added value of the programme

The Union added value of the proposed "Europe for Citizens" Programme can be demonstrated at the level of the individual actions of the new Programme:

In the case of "European remembrance" (strand 1), the programme supports activities that encourage reflection on European cultural diversity and on common values in the broadest sense. Funds may be made available for initiatives to reflect on the causes of totalitarian regimes in Europe's modern history and to commemorate the victims of their crimes. This strand also encompasses activities concerning other defining moments and reference points in recent European history. In particular, it gives preference to actions which encourage tolerance, mutual understanding, intercultural dialogue and reconciliation as a means of moving beyond the past and building the future, in particular with a view to reaching the younger generation.

In the case of "Democratic engagement and civic participation" (strand 2), the programme supports activities that cover civic participation in the broadest sense, and focuses in particular on structuring methods to ensure that funded activities have a lasting effect. It gives preference to initiatives and projects with a link to the Union political agenda. This strand may also cover projects and initiatives that develop opportunities for mutual understanding, intercultural dialogue, solidarity, societal engagement and volunteering at Union level. The aim is to increase the democratic participation of young people and the participation of women in political and economic decision-making.

In the case of "Valorisation", this covers horizontal dimension of the programme as a whole. It focuses on the analysis, dissemination, communication and valorisation of the project results from the above-mentioned two strands. Common tools are needed to collect best practices and ideas about how to strengthen remembrance, European citizenship and civic participation and facilitate the transnational exchange.

The programme demonstrates a clear European added value as all activities funded under Europe for Citizens have either a cross-border dimension, involving citizens and organisations from several participating countries, or are related to the European Union itself. Activities such as remembrance activities, town-twinning or pan-European networks are intended to broaden perspectives and to develop a sense of European belonging and European identity. The programme also provides European added value in the aggregate effect of its impact on participants and its complementarity with other EU initiatives. The positive impacts achieved by the Europe for Citizens programme would not be attained without EU funding as no similar funding schemes are available at national, regional or local level.

The programme also supports the implementation of the European Citizens' Initiative (ECI). The aim of the ECI is to allow EU citizens to take an active part in agenda-setting at the level of the Union, by calling on the European Commission to submit proposals for legal acts of the Union for the purpose of implementing the Treaties. The ECI is the only transnational instrument of its kind; i.e. initiatives are prepared by committees of seven EU citizens residing in seven different Member States; a need has been identified to increase awareness across the Union about the ECI as a tool for participatory democracy at EU level and therefore improve the number and quality of proposed initiatives submitted to the Commission; the support provided also aims to make the ECI more user-friendly, for example via the development of dedicated IT systems to make it easier for citizens to support an initiative through a central online collection system managed by the Commission; etc.

Implementation mode

The programme is implemented through direct management (grants).

II. Programme Implementation Update

Implementation Status (2016-2018)

The Europe for Citizens Programme is implemented through the two strands "European remembrance" and "Democratic engagement and civic participation", which offer co-funding for European remembrance projects, town-twinning activities, networks of towns and civil society projects. The two strands are complemented by horizontal actions for dissemination and use of project results.

The programme is implemented through action grants and operating grants granted to European civil society organisations and think tanks active in the thematic areas targeted by the programme.

In 2018, all actions were implemented in accordance with the Commission implementing decision of 03.08.2017 on the adoption of the 2018 work programme and the financing for the implementation of the Europe for Citizens programme work programme (C(2017)5385). In 2018, out of 1 796 applications received, 417 projects were selected. The Programme was implemented all together in 34 eligible participating countries. Following a transfer of appropriations as of 2017 to the specific budget line dedicated to the European Citizens' Initiative (18 04 01 02) the Programme appropriations have been also used to improve the implementation of the ECI Regulation⁴⁰³ (covering IT developments and studies).

Key achievements

The Europe for Citizens programme plays a positive overall role in encouraging civic participation and democratic engagement, while strengthening the sense of belonging together and supporting mutual understanding and identification with Europe, thereby helping to support the European integration process in the longer term. By working directly with citizens, the programme offers a forum for involving European citizens through a grassroots approach. In the area of European remembrance, the Europe for Citizens programme adds value to the debates by encouraging exchange beyond national boundaries and promoting a European vision of history. Europe for Citizens offers a new approach through the development of activities linking remembrance with civic participation and democracy.

In 2018, the Programme was implemented all together in 34 eligible participating countries: 28 Member States and 6 other participating countries, i.e. Albania, Bosnia-Herzegovina, Montenegro, Serbia, North Macedonia and Kosovo*.

Out of 1 796 applications received, 417 projects were selected, and around 1 200 000 participants were expected to be involved in the activities of the programme.

Project examples

Project Title: "**Se souvenir de l'avenir**" – One example of a network of towns

The project *Se souvenir de l'avenir* was launched and coordinated by the city of Loches, with the support of 5 towns in the Centre-Val de Loire region of France and their respective twin towns throughout Europe. It was built upon a wide network of partners, involving more than 600 invited citizens from the 28 EU Member States as well as 1252 participants from the host towns. The project revolved around 6 meetings with the main objective to ensure that young citizens take ownership of their European identity, get involved and contribute to the future of Europe. By taking part in interactive discussions, workshops and intercultural exchanges young people could widen their knowledge on highly debated topics of the EU including migration and Euroscepticism. They enabled participants to form constructive opinion on the EU, they could share their hopes and fears. On the other hand they were also reminded of the reasons why the EU was constructed, its achievements and why it is worth to invest in it and contribute to its future.

A special interactive session was for example organized between Mrs Angélique Delahaye (MEP) and the youngsters. With the upcoming European Parliamentary elections, the organizers aimed to make young people understand that their views count and they can have a valuable contribution to the development of the European project. Young people were given the floor to speak freely, reflect on the EU and on the possible consequences of Brexit.

The final project event involved the participation of Mrs Sixtine Bouygues (Deputy Director-General for Communication) who attended a Citizens' Dialogue organised in the framework of the project. The debate took the form of a question and answer session where youngsters could ask Mrs Bouygues questions, reflect on how EU policies affect them could and share their vision and expectations for the future. Her participation was greatly appreciated by the younger generation, as they highlighted that her presence made the EU less inaccessible. Such debates are of special importance as they not only promote dialogue between youngsters, their municipalities and the EU but provide the opportunity for the young generation to get involved.

Project Title: "**Information vs manipulation – how to stand up against propaganda?**" – One example of a remembrance project

The project "Information vs manipulation – how to stand up against propaganda?" coordinated by the Polish "Muzeum historii żydów polskich – POLIN" addressed high school students from the Czech Republic, Hungary and Poland with the aim to improve their knowledge and skills to become critically analytical consumers of modern media and responsible citizens in a democratic society. Within the project, the mechanisms of persuasive language and propaganda were examined, based on specific historical events of 1956 in Hungary and 1968 in the former Czechoslovakia and Poland. The students learned how to conduct their own media projects, participating in workshops on exhibition design, conducting debates, collecting and documenting oral history, conducting probes and social research, video filming and editing. In a final gala held at the POLIN Museum, ten creative school projects were presented, discussed and evaluated.

⁴⁰³ Regulation (EU) No 211/2011 of the European Parliament and of the Council of 16 February 2011 on the citizens' initiative (OJ L 65/1, 11.03.2011).

* This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

An Holocaust remembrance event was also organised on 24 January 2018, while two Civil Dialogue meetings with civil society organisations were held on 8 June 2018 and 28 November 2018, involving the MEP Ms Bodil Valero and Commissioner Avramopoulos. Director Marta Cygan also attended the Executive Bureau of the CEMR of 28 September 2018 to discuss the Rights and Values programme, the successor to the Europe for Citizens programme.

Support was provided as of 2017 to boost the implementation of the European Citizens' Initiative. As far as the number of requests for registration of initiatives is concerned, 2018 was the most successful year since 2013. This increase can be partly attributed to the communication campaign funded by this programme: 750 participants involved in dedicated awareness-raising events in 7 Member States; almost 50 stakeholders actively involved as multipliers to promote this unique instrument of participatory democracy at EU level through their own networks (representing a potential reach of 500,000 people); more than 1 million citizens reached through social media promotion.

Evaluation / Studies conducted

The mid-term evaluation of the Europe for Citizens programme 2014-2020 was launched in 2016 and a public consultation in January 2017 in order to gather the general public's opinion mainly on the results and impacts of the Europe for Citizens programme between 2014 and 2016. The report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the mid-term evaluation of the implementation of the Europe for Citizens programme 2014-2020 was adopted on 06.04.2018 (COM(2018)170).

The mid-term evaluation confirms the programme's use in promoting civic participation, strengthening the sense of belonging together and supporting mutual understanding. The programme's structure, with two strands and a cross-cutting measure on valorisation has proved to work efficiently and both operating and action grants have helped deliver the desired outcomes. Europe for Citizens has demonstrated its added value at EU level both in its impact on participants and its role as a complement to other EU funding programmes and policy initiatives in the field of education, culture and EU citizenship.

A challenge for the years to come will be to increase the programme's visibility, the revision of the monitoring indicators and to strengthen synergies with other existing EU programmes. In the context of the European Citizens' Initiative, two studies were carried out to assess the scope for simplifying personal data requirements for signatories and for streamlining the technical specifications for online collection systems.

Forthcoming implementation (2019-2020)

In accordance with the work programme 2019 adopted in November 2018 (C(2018)7384), the indicative budget 2019 for each action will be as follows:

- Strand 1 – European remembrance: EUR 5 251 900 including 44 project grants and 6 framework partnership agreements;
- Strand 2 – Democratic engagement and civic participation: EUR 18 747 020 for 340 project grants and 24 framework partnership agreements;
- Strand 3 – Horizontal Action Valorisation: EUR 1 300 000, including 36 action grants to National contact points.

The European Citizens' Initiative

In 2020, according to the proposal for a Regulation of the European Parliament and of the Council on the European Citizens' Initiative adopted on 13.09.2017 (COM(2017)482), EUR 1 385 000 should be available for the budget line dedicated to the European Citizens' Initiative (18 04 01 02).

The work programmes 2020 for both budget lines (18 04 01 01 and 18 04 01 02) will be elaborated during 2019.

Outlook for the period 2021-2027

In the framework of the discussions regarding the Multiannual Financial Framework for the period 2021-2027, the Commission presented on 30 May 2018 a proposal for a Regulation establishing the Rights and Values programme (2021-2027), which will bring together activities of the Europe for Citizens programme and of the Rights, Equality and citizenship programme in a new framework. Support to the implementation of the European Citizens' Initiative will be ensured via the future Rights and Values programme, too.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application						Reference Amount (EUR million)	
Council Regulation (EU) No 390/2014 of 14 April 2014 establishing the 'Europe for Citizens' programme for the period 2014-2020	2014 - 2020						185,5	
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	0,2	0,4	0,2	0,2	0,2	0,2	0,2	1,5
Operational appropriations	23,3	21,9	23,0	24,1	25,2	26,3	27,3	171,0
Executive Agency	2,1	2,0	2,2	2,2	2,2	2,2	2,3	15,2
Total	25,6	24,2	25,3	26,4	27,6	28,7	29,8	187,7

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	27,555	100,00 %	28,634	98,75 %	27,597	31,47 %	28,408	28,66 %
Authorised appropriations (*)	27,946	99,70 %	29,311	98,14 %	26,609	32,64 %	27,920	29,19 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to contribute to citizens' understanding of the Union, its history and diversity, to foster European citizenship and to improve conditions for civic and democratic participation at Union level

Indicator 1: Percentage of EU citizens feeling European

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
59 % of EU citizens now feel European (EB80 – Autumn 2013)				Stable at 59 %			Stable at 59 %
	Actual results						
	60 % (EB82 Autumn 2014)	64 % (EB84 Autumn 2015)	67 % (EB86 Autumn 2016)	70 % (EB88 Autumn 2017)	71 % (EB90 Autumn 2018)		

Specific objectives

Specific Objective 1: to raise awareness of remembrance, the common history and values of the Union and the Union's aim, namely to promote peace, the values of the Union and the well-being of its peoples, by stimulating debate, reflection and the development of networks

Indicator 1: the number of participants who are directly involved

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Baseline based on 2013 survey: 100 000	100 000			100 000			100 000
	Actual results						
	100 000	100 000	100 000	100 000	100 000	100 000	

Indicator 2: the number of persons indirectly reached by the Programme

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Baseline based on 2013 survey: 150 000	165 000			20 % increase: 180 000			35 % increase: 202 500
	Actual results						
	165 000	185 000	190 000	190 000	194 000		

Indicator 3: the number of projects

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
31	36			35			36
	Actual results						
	36	33	38	39	37		

Indicator 4: the quality of the project applications and the degree to which the results of selected projects can be further used, transferred

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
lowest score obtained by a retained project: 80 Number of events organised: 50				Baseline*1,02:81,6			Baseline*1,02²: 83,2 Baseline*1,9: 95
	Actual results						
	84,5 84	80 90	82,5 95,5	82,5 120	82,5 120		

Indicator 5: Percentage of first time applicants

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
percentage of first-time applicants to the programme: 40 %				-5 %<40 %<+5 %			-5 %<40 %<+5 %
	Actual results						
	43 %	45 %	50 %	50 %	50 %		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Structural support -Framework partnerships (4 years)	18 04 01	0	0					
Structural support – Framework partnerships (3 years)	18 04 01	6	1.292					
Remembrance projects	18 04 01	45	4.140					
Total			5.432					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Structural support – Framework partnerships (4 years)	F	8	6	6	6	0	0	0
	P	6	6	6	6	0		
Structural support – Framework partnerships (3 years)	F	0	0	0	0	6	6	6
	P	0	0	0	0	6		
Remembrance projects	F	65	42	45	44	44	44	45
	P	36	33	38	39	37		

Justification of changes to the financial programming and/or to the performance information

The number of outputs produced in 2018 under budget line 18 04 01 01 are lower than the number of outputs foreseen due to:

- the higher average value of grant per project;
- Projects are better structured with an enlarged partnership, involving a bigger number of participants and hence more citizens involved per project;
- the transfer of an amount of EUR 840 000 to the budget line 18 04 01 02 dedicated to the European Citizens' Initiative under the flexibility clause of the programme.

The same justifications apply to the revision of outputs foreseen in the future. According to the proposal for a Regulation of the European Parliament and of the Council on the European Citizens' Initiative adopted on 13.09.2017 (COM(2017)482), EUR 1 085 000 should be transferred to ECI in 2019 and EUR 1 385 000 in 2020.

Specific Objective 2: to encourage the democratic and civic participation of citizens at Union level, by developing citizens' understanding of the Union policy making-process and promoting opportunities for societal and intercultural engagement and volunteering at Union level

Indicator 1: the number of participants who are directly involved

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Baseline based on 2013 survey: 1 000 000	1 000 000			1 000 000			1 200 000
	Actual results						
	1 000 000	1 000 000	1 000 000	1 000 000	1 100 000		

Indicator 2: the number of persons indirectly reached by the Programme

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Baseline based on 2013 survey: 1 000 000	1 100 000	1 150 000	1 180 000	20 % increase: 1 200 000	1 250 000	1 300 000	35 % increase: 1 350 000
	Actual results						
	1 100 000	1 100 000	1 100 000	1 200 000	1 300 000		

Indicator 3: the number of participating organisations

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1 000	1 100	1 300	1 350	Baseline*1,4: 1 400	1 500	1 600	Baseline*1,7: 1 700
	Actual results						
	1 100	1 300	1 550	2 100	2 300		

Indicator 4: the perception of the Union and its institutions by the beneficiaries

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
77 % feel more European as a result of their participation in the "Europe for Citizens" programme.	77 %			stable at 77 %			stable at 77 %
	Actual results						
	60 % (EB82 Autumn 2014)	64 % (EB84 Autumn 2015)	67 % (EB86 Autumn 2016)	70 % (EB88 Autumn 2017)	71 % (EB90 Autumn 2018)		

Indicator 5: the quality of project applications

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	

lowest score obtained by a retained project: 71	53			Baseline*1,02: 72,4			Baseline*1,02: 73,9
	Actual results						
	53	74	73	71	71		

Indicator 6: the percentage of first time applicants

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
percentage of first-time applicants to the programme 40 %	40 %			-5 %<40 %<+5 %			-5 %<40 %<+5 %
	Actual results						
	40 %	44 %	53 %	53 %	54 %		

Indicator 7: the number of transnational partnerships including different types of stakeholders

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
average number of types stakeholders: 1,3	1,6			At least 2 types of stakeholders			At least 2 types of stakeholders
	Actual results						
	1,6	1,8	1,8	2	2		

Indicator 8: the number of networks of twinned towns

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
41	35			35			36
	Actual results						
	35	32	30	32	35		

Indicator 9: the number and quality of policy initiatives following-up on activities supported by the Programme at the local or European level

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0			2			2
	Actual results						
		0	0	2	2		

Indicator 10: the geographical coverage of the activities

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
number of Member States with appropriate national coverage (NC)*:	16			25			25
	15			13			
- submitting as a lead partner: 13	20			26			25
- selected as a lead partner: 12	17			26			28
- submitting as a lead partner or co-partner: 18	Actual results						28
- selected as a lead partner or co-partner: 15		23	25	25	27		
		28	27	28	28		
		27	27	27	27		
		28	28	28	28		28
		28	28	28	28		28

*Geographical coverage at EU level = number of Member States for which 90 % < NC < 110 %; NC= National coverage = % of projects submitted (or selected) per member State as a lead partner (or co-partner) / % of its population in the total population of the EU.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Citizens' meetings	18 04 01 01	280	4.780
Networks TT	18 04 01 01	36	5.157
Civil society projects	18 04 01 01	29	3.971
Structural support – Framework partnerships (4 years)	18 04 01 01	0	0
Structural support – Framework partnerships (3 years)	18 04 01 01	24	5.519
Peer reviews	18 04 01 01	1	0.200
Studies and communication services	18 04 01 01	0	0
IT development, communication activities and other support activities (for the ECI)	18 04 01 02	3	1.385
Support structures in the Members states	18 04 01 01	36	0.900
Total			21.912

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Citizens' meetings	F	430	312	338	276	295	277	280
	P	252	252	237	248	255		
Networks TT	F	103	43	46	35	38	35	36
	P	35	32	30	32	35		
Civil society projects	F	39	33	36	28	31	28	29
	P	29	27	25	27	31		
Structural support –Framework partnerships (4 years)	F	26	29	29	29	0	0	0
	P	29	31	30	30	0		
Structural support – Framework partnerships (3 years)	F	0	0	0	0	24	24	24
	P	0	0	0	0	24		
Peer reviews	F	2	2	2	0	1	1	1
	P	2	0	0	0	0		
Studies and communication services	F	0	0	0	0	0	0	0
	P	1	0	0	0	0		
IT development, communication activities and other support activities (for the ECI)	F			0	2	1	3	3
	P			0	2	2		
Support structures in the Members States	F	33	33	33	33	33	36	36
	P	25	27	29	30	29		

Justification of changes to the financial programming and/or to the performance information

The same justification details as given under Specific Objective 1 apply. As regards the peer review foreseen in 2018, a procurement contract was committed and signed in December 2018 for the organisation of a high level event “Europe for Citizens - History defines our future”, to be held in Brussels on 2 and 3 April 2019.

HEADING 3: Security and citizenship**Union Civil Protection Mechanism - Heading 3****Lead DG: ECHO**

Associated DGs: EAC

I. Overview***What the programme is about?***

The aim of the Union Civil Protection Mechanism (UCPM)⁴⁰⁴, as stated in Treaty Article 196, is to support, coordinate and supplement the actions of the Member States in the field of civil protection with a view to improving the effectiveness of systems for preventing, preparing for and responding to natural and man-made disasters. The UCPM focuses on reducing loss of human life, environmental, economic and material damage caused by disasters through a comprehensive approach covering disaster prevention, preparedness and response; improving the understanding in Member States of disaster risks through cooperation on risk assessment and planning, and the gradual development of a European culture of disaster prevention; as well as on improving the preparedness for disasters through training, exercises, exchange of best practices and similar activities.

The UCPM Heading 3 funds projects where the primary beneficiaries are the Participating States of the UCPM (the 34 Participating States to the Union Civil Protection Mechanism include the 28 EU Member States, Iceland, Norway, the former Yugoslav Republic of Macedonia, Montenegro and Serbia, and Turkey).

EU added value of the programme

The EU's added value comes in the form of:

- Reduction of loss of human life and of environmental, economic and material damage caused by disasters through a comprehensive approach covering disaster prevention, preparedness and response;
- Improved understanding in Member States of disaster risks through cooperation on risk assessment and planning, and the gradual development of a European culture of disaster prevention;
- Improved preparedness for disasters through training, exercises, exchange of best practices and similar activities;
- Improved coordination of the response to disaster by bringing together and facilitating Member States' offers of assistance;
- Increased cost-effectiveness through the pooling of assistance, the sharing of transport capacities, the identification of complementarities and the avoidance of duplication;
- More coherent, predictable and visible response to disasters through the set-up of a European Response Capacity ready to help everywhere in the EU and in third countries when needed;
- Additional capacities at the disposal of Member States to respond to natural and man-made disasters in overwhelming situations.

Implementation mode

The Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) is the lead DG for the implementation of the UCPM. The Mechanism is implemented through direct management (grants and procurement).

II. Programme Implementation Update***Implementation Status (2016-2018)***

The activities in the area of civil protection were implemented as planned in the UCPM legislation and the Commission Implementing Decision in all areas: disaster prevention, preparedness and response. New activities like the Voluntary Pool) and the European Medical Corps (EMC) progressed with more assets registered in the pool (105 modules registered so far) and in the EMC (several Member States committed some of their medical assets). Certification of modules started in 2016 and is progressing well. Other activities like prevention actions and prevention and preparedness projects, exercises or the training programme for Member States' experts were implemented successfully.

Key achievements

Regarding the prevention component, an important element to highlight concerns the 'Prevention and Preparedness Projects'. Following the recommendations of the Interim Evaluation of the UCPM (2014-2016), this Call for Proposal has become more result-oriented, with more scalable outputs and focusing on addressing needs of the Participating States or the UCPM. Among other the WUIVIEW prevention project financed by the UCPM in 2018 will produce guidelines to assess the vulnerability of wildland-urban interface areas (where the devastating Portuguese, Swedish and Greek fires of the past few years have occurred).

Moving into the preparedness component, preparedness projects such as CULTURE CANNOT WAIT is likely to evolve into the first European methodology for disaster risk management for cultural heritage.

The European Emergency Response Capacity in the form of a voluntary pool continued to play an essential role in the UCPM. The Pool was continued to grow in 2018, reaching the figure of 105 capacities offered by Member States (compared to 92 in 2017).

⁴⁰⁴ Decision No 1313/2013/EU of the European Parliament and of the Council of 17 December 2013 on a Union Civil Protection Mechanism (OJ L 347, 20.12.2013)

In relation to the Pool, the system of Buffer Capacities continued to be used by Member States, notably in relation to aerial firefighting capacities. Concretely, for the 2018 forest fire season, two aerial firefighting capacities under the Buffer system were co-financed (Italy and Spain). The buffer capacity based in Italy was composed of two heavy amphibious planes and the one based in Spain consisted of two medium amphibious planes. In 2018, the EU-BUFFER-IT was deployed once in Sweden for 11 days (from 17 to 27 July). It ensured a total of 162 flight hours and 1180 drops. The EU-BUFFER-ES was not deployed as the aircraft type (Airtractors) offered are of medium firefighting capacity and non-amphibious, which limits their overall usability.

Established in 2016 as a subset of the Voluntary Pool, the European Medical Corps continued to be solicited, mainly for operations outside the Union. At the end of 2018, 8 Member States had committed 10 capacities, including medical teams and mobile laboratories. The European Medical Corps capacities were deployed for Yellow Fever, Marburg and Ebola outbreaks

Another important element to highlight are the Peer reviews, as it shows the clear added value the UCPM has as a facilitator of exchange of best practices and knowledge within the Participating States. The Peer Review programme was relaunched in 2018 with three peer reviews conducted in Cyprus, Tunisia and the Republic of North Macedonia. Three more peer reviews are planned in 2019.

As far as response is concerned, the UCPM was activated in response to 20 emergencies in total, nine of which happened inside the Union. Besides medical emergencies and marine pollution, the UCPM provided essential assistance to help Member States combatting forest fires. Of great importance was the double activation by Sweden (July 2018). This was the biggest UCPM forest fire operation of the last decade in Europe. In terms of personnel deployed, it was the single biggest forest fire operation since the Mechanism was created in 2001. It comprised 7 planes, 6 helicopters, 67 vehicles and over 360 personnel deployed from Italy, France, Germany, Lithuania, Denmark, Portugal and Poland.

Evaluations/Studies conducted

In 2018, the Commission launched a new study on capacity development costs and the final report is expected in August 2019. This report is intended to be as an update of a similar report conducted in 2015⁴⁰⁵, although its scope is much wider.

A study was also commissioned to analyse the objectives of the Union Civil Protection Mechanism (UCPM) and assess the extent to which the UCPM Training Programme is effectively meeting the preparedness needs of the Commission. The study looked at the training programmes from 2015 to 2018. The final report has been issued in January 2019⁴⁰⁶ and will serve to develop the 2020-2024 Training programme.

Forthcoming implementation (2019-2020)

In 2017, the Commission adopted a proposal to strengthen the UCPM, through inter alia the establishment of a European Civil Protection Capacity– rescEU⁴⁰⁷, in order to ensure that the Union can provide better crisis and emergency support to European citizens with maximum efficiency. Building on the strengths of the UCPM, the above-mentioned proposal aims to reinforce the provisions of the current framework to enhance the collective capacity of Member States to respond to disasters.

The changes proposed as amendments of the UCPM have the following objectives:

- a) Reinforce the EU's and Member States' collective ability to respond to disasters, and address recurrent and emerging capacity gaps, by creating additional capacities at European level to be used when national capacities are overwhelmed;
- b) Strengthen the focus on prevention actions;
- c) Enhance the training and exchange of best practices among Member States through the creation of the Union Civil Protection Knowledge Network;
- d) Ensure the Union's Civil Protection Mechanism is agile and effective in its administrative procedures, by streamlining procedures and reducing administrative burden.

After months of negotiations, a political agreement was reached in December 2018 and the new legislation is expected to enter into force at the end of March 2019. In preparation of the adoption of the proposal, several preparatory actions have been undertaken, namely regarding the area of prevention and capacity development. An external consultant following a call for tender procedure conducted a market study on assets development⁴⁰⁸. Additional activities and tasks need to be undertaken: Firstly, the actual establishment of rescEU response capacities, which could be done via, direct grants to Member States or through joint procurement agreements. The Commission alongside the Rotating Presidency is setting up working groups and increasing formal and informal exchanges with Member States and the private sector to set up joint strategies to develop rescEU capacities. Secondly, on the prevention aspect, Member States will be subject to new reporting requirements, which will be processed by the Commission. Thirdly, the establishment of the so-called 'Union Disaster Knowledge Network' would also require additional resources.

In addition to the above, the voluntary pool registration will continue in 2018 in order to have a sufficient capacity on standby that can cover all possible types of disasters (estimated capacity of 115 modules available for deployment to be reached by 2020). An

⁴⁰⁵ “Study on the costs of developing Member States' response capacities”, DG ECHO Framework Contract for the evaluation of humanitarian aid and civil protection activities n° ECHO/A3/FRA/2012/04 – LOT 1, May 2015.

⁴⁰⁶ “Study on the Union Civil Protection Mechanism's Training Programme”, January 2019.

⁴⁰⁷ Proposal for a Decision of the European Parliament and of the Council amending Decision No 1313/2013 on a Union Civil Protection Mechanism (COM(2017)772 final of 23.11.2017)

⁴⁰⁸ VVA, “A Study On Currently Available Aerial Forest Fire Fighting Assets”, Implementing Framework Contract ENTR/396/PP/2014/FC,

increasing number of registrations in the voluntary pool is expected, given the financial incentives proposed in the new legislation. Nevertheless, it is important to note that under the new legislation, the provisions related to the buffer capacity will cease to exist. In exchange, the legislation foresees a transitional period (rescEU transition phase), whereby Member States are invited to offer part of their aerial firefighting fleet in exchange for a financial contribution to cover 75% of the stand-by costs. These provisions will be of application until 1 January 2025.

The work on certification procedures and quality criteria of the modules is progressing along with modules exercises organised in 2017-2018 to test their quality. Work will also continue in other areas, like analyses of gaps in civil protection assets, early warning systems or deployment plans for civil protection modules.

Furthermore, in 2019, work will pursue to improve the knowledge base for disaster prevention, and strengthen Member States' risk management via national risk assessments and assessments of national risk management capabilities. Another priority will be the implementation of the voluntary peer reviews and advisory missions, organised as essential elements to improve the systems of Participating States for managing risks.

An inter-service consultation group has been created with the participation of other General Directorates to start among other tasks the screening of planned investments in disaster risk management in all relevant programmes in order to assess cohesion policy's contribution to disaster risk management in Member States and contribute to define and implement prevention priorities at EU level. Preliminary results were presented in February 2018, and later in October 2018. The screening of cohesion policy programmes revealed that ~ EUR 8 billion have been allocated to support disaster risk management, mainly under (but not limited to) the Thematic Objective 5. 21 Member States are investing in disaster risk prevention management and in general, the coverage of the high risks faced by Member States with ERDF/CF investments is good. Some exceptions however call for further analysis and follow up.

The exercise will be useful and further developed as negotiations with Member States will start ahead of the next programming period (2021-2027)

Outlook for the period 2021-2027

On 7 March 2019, the Commission adopted a proposal to amend the budgetary provisions and related articles of Decision No 1313/2013/EU (COM(2019) 125 final). Given that Article 19 of the Decision sets the financial envelope for the seven-year period of the multiannual financial framework, it is essential to amend it to ensure that the UCPM can continue functioning in the new multiannual financial framework. The proposal is a technical proposal, circumscribed to the financial provisions, and in line with the overall amount for the UCPM for the 2021-2017 period already adopted by the Commission in its Communication of May 2018 (COM(2018) 321 final).

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application		Reference Amount (EUR million)					
Decision No 1313/2013/EU of the European Parliament and of the Council of 17 December 2013 on a Union Civil Protection Mechanism	2014 - 2020		223,8					
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Operational appropriations	28,2	29,3	30,6	29,5	33,2	149,6	156,2	456,5
Total	28,2	29,3	30,6	29,5	33,2	149,6	156,2	456,5
<i>Of which contribution to European Solidarity Corps</i>					2,0	2,0	2,0	6,0

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	33,246	99,90 %	34,270	90,55 %	34,356	15,93 %	28,900	5,32 %
Authorised appropriations (*)	34,896	98,94 %	40,661	83,70 %	-76,945	-7,24 %	-21,296	-14,65 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The Union Civil Protection Mechanism shall aim to strengthen the cooperation between the Union and the Member States and to facilitate coordination in the field of civil protection in order to improve the effectiveness of systems for preventing, preparing for and responding to natural and man-made disasters.

Indicator 1: Economic damage caused by natural disasters (Source: As recorded in the EM-DAT database)							
Baseline Annual average 2010-2012 (USD Billion)	Milestones foreseen						Target 2020 (USD Billion)
	2014	2015	2016	2017	2018	2019	
14.8	Annual average 2014 – 2019* - USD 13 billion						13
	Actual results (USD Billion)						
	6.7	4.7	11.2	4.8	2.3		

* Estimate based on the average of annual economic damage of the past 10 years

The data reflects economic damage caused by natural disasters worldwide excluding the economic damage caused by natural disasters in the Member States of the European Union. The EM-DAT base is frequently updated and historical data revised.⁴⁰⁹

A very important part of the annual results and evolution of this indicator depends on external factors (occurrence, frequency, severity and location of disasters) which are totally beyond the control of the Commission. In addition, the proportion of reported damages varies strongly by region, disaster type, and time. The specific contribution of the Union Civil Protection Mechanism to the evolution of this indicator is difficult to assess.

Specific objectives

Specific Objective 1: To achieve a high level of protection against disasters by preventing or reducing their effects by fostering a culture of prevention and by improving cooperation between the civil protection and other relevant services.

Indicator 1: Number of Member States that have made available to the Commission a summary of their risk assessments. (Source: Annual report for the EP on the implementation of the new union Civil Protection Mechanism Decision)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
14			27	28	28	28	28
	Actual results						
	17	27	28	n/a	23		

Indicator 2: Number of Member States that have made available to the Commission an assessment of their risk management as referred to in Article 6 of the Decision.

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0	0	0	0	28	28	28
	Actual results						
	0	0	0	0	27*		

Obligation to report from 2018 onwards

*Only one Member State did not submit the report in 2018, but its contribution is expected in 2019. In addition, Norway and Serbia also submitted their contribution as non-EU Participating States to the Mechanism.

Indicator 3: Number of projects financed for prevention within the Union

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
7	10	10	12	10	10	8*	11
	Actual results						
	15	10	10	5	4		

The maximum EU contribution to prevention projects increased from 500 000 euro to 800 000 euro in 2015, this explains the decrease in number of prevention projects.

*As part of the plan to revamp the prevention and preparedness grant programme, it is envisaged a new system whereby projects have to be more targeted and produce higher impact. As a result, less projects will be financed, but with a higher financing.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Grant agreements	23 03 01 01	10	6
Number of contracts	23 03 01 01	2	1
Total			7

Outputs	Number of outputs foreseen (F) and produced (P)
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⁴⁰⁹ The data indicated reflects the information extracted from the data base available at the moment of the preparation of the programme statement. With a view of consistency with the financial programming and performance information recorded in previous programme statements, the historical data communicated are therefore not updated with the latest information recorded in the data base.

		2014	2015	2016	2017	2018	*2019	*2020
Grant agreements	F	10	10	11	11	15	15	15
	P	15	10	10	6	4		
Number of contracts	F	2	3	6	6	2	5	5
	P	2	3	2	2	5**		

*2019-2020 figures reflect the amendments to Decision No 1313/2013.

** This includes 2 prevention projects and 3 experts deployed as advisory mission under this budget line in 2018.

Justification of changes to the financial programming and/or to the performance information

In 2016 and 2017, the number of selected projects was slightly lower than planned, taking into account the available budget resources transferred from other activities and respecting the results of the evaluation process.

The revised Decision no 1313/2013 amends the provisions on the prevention component of the Mechanism, as well as on research and development. Consequently, additional funds are foreseen to further support the funding of projects destined to improve the prevention practices and methods of Member States.

Specific Objective 2: To enhance preparedness at Member State and Union level to respond to disasters.							
Indicator 1: Number of response capacities included in the voluntary pool in relation to the capacity goals							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0			≥ 15		≥ 50		≥ 60
	Actual results						
	3	16	56	92	105		

The indicator covers the number of modules, as well as technical assistance and support teams and other response capacities registered or having started the registration process for the European emergency response capacity (EERC – Voluntary pool). This is defined by Commission Decision (2014/762/EU) of 16 October 2014 laying down rules for the implementation of Decision No 1313/2013/EU of the European Parliament and of the Council on a Union Civil Protection Mechanism.

The registration of assets, modules and other response capacities to the voluntary pool in CECIS is dependent on Member States. In particular, the voluntary pool of assets was established by the Civil Protection legislation adopted in 2014. The increase in the registration numbers up to 2018 was explained by incentives that the legislation introduced in 2014: assets registered in the pool were eligible for a higher level of co-financing of transport costs in case of deployment (85 % of eligible costs were covered for registered capacities versus 55 % for non-registered ones), and adaptation grants for an upgrade of a registered capacity could also be provided. Under the new legislation, registration of capacities in the rebranded European Civil Protection Pool are expected to continue growing, given the higher financial incentives. These are: a) coverage of 75% of the operational costs (including transport) for operations inside the Union, b) 75% of transport costs for operations outside the Union, c) 75% of adaption grants to upgrade the capacity for international deployment; and d) 75% of repair costs to bring a capacity from a state of disrepair to a state of deployability under the Mechanism.

Indicator 2: Number of standard response units (modules) registered in the EU's Common Emergency Communication and Information System (CECIS) (Source: Annual report for the EP on the implementation of the new union Civil Protection Mechanism Decision)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
150	160		≥ 160		≥ 175		≥ 180
	Actual results						
	160	170	172	173	174		

Measured by the number of modules, technical assistance and support teams, other response capacities registered in accordance with Article 9(6) of Decision No 1313/2013/EU in the EU's Common Emergency Communication and Information System (CECIS) database.

Indicator 3: Number of projects financed for preparedness							
Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
7	10	10	12	10	10	11	11
	Actual results						
	13	8	10	6	4		

Expenditure related outputs

Outputs	Budget line	*Draft Budget 2020	
		Number	EUR million
Grant agreements and contracts (number of preparedness projects financed)	23 03 01 01	20	51.4
Number of administrative arrangements	23 03 01 01	2	2.5
Number of grant agreements and contracts (Emergency Response Capacity + rescEU)	23 03 01 01	15	75
Total		37	128.9

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	*2018	*2019	*2020
Grant agreements and contracts	F	24	26	28	30	30	50	50
	P	28	36	39	37	20		
Number of administrative arrangements	F	4	4	5	5	5	5	5
	P	4	4	2	2	2		
Emergency response capacity, number of grant agreements (rescEU)	F						13	20
	P							

*2019-2020 figures reflect the amendments of Decision No 1313/2013.

Justification of changes to the financial programming and/or to the performance information

In 2016 and 2017, the actual number of administrative arrangements was lower than planned. Some of the previous arrangements with the JRC were extended in their duration; so necessary actions were still covered by previous arrangements. The new and existing arrangements cover all planned activities.

The revised Decision No 1313/2013 puts a greater emphasis on the preparedness component of the Mechanism, as well as on investment in response capacities. Consequently, additional funds are foreseen to further support the funding of projects destined to improve the preparedness activities and methods of Member States as well as the establishment of rescEU response capacities which could be done via direct grants to Member States or through joint procurement agreements. Further, the legislation foresees a transitional period (rescEU transition phase), whereby Member States are invited to offer part of their aerial firefighting fleet in exchange for a financial contribution to cover 75% of the stand-by costs. These provisions will be of application until 1 January 2025.

Specific Objective 3: To facilitate rapid and efficient response in the event of disasters or imminent disasters.

Indicator 1: Average speed of interventions under the EU Civil Protection Mechanism (from the acceptance of the offer to deployment). (Source: Annual report for the EP on the implementation of the new union Civil Protection Mechanism Decision)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
≤ 36 hours	≤ 24 hours			≤ 18 hours			≤ 12 hours
	Actual results						
		22	20	11	13.7		

Source: EU's Common Emergency Communication and Information System (CECIS) data base.

Measured as the duration between the acceptance of the offer in CECIS and the time when the assistance is ready for transportation from the port of embarkation in the offering EU Member States for movement towards the affected Member State. The indicator covers modules, as well as for technical assistance and support teams and other response capacities corresponding to the categories defined for the European emergency response capacity (EERC – Voluntary pool) as defined by Commission Decision (2014/762/EU) of 16 October 2014 laying down rules for the implementation of Decision No 1313/2013/EU of the European Parliament and of the Council on a Union Civil Protection Mechanism. Results of this indicator are partly influenced by the number, severity, nature and the specific context of the emergencies for which the UCPM is activated in a given year.

Expenditure related outputs

Outputs	Budget line	*Draft Budget 2020	
		Number	EUR million
Number of contracts	23 03 02 01	1	0.8
Grant agreement / service contract (operations inside the EU)	23 03 02 01	20	15.4
Number of contracts (deployment of experts)	23 03 02 01	4	0.2
Total		25	16.4

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	*2019	*2020
Number of contracts	F	1	1	1	1	1	1	1
	P	1	1	1	1	0		
Grant agreement / service contract	F	2	2	2	2	10	20	20
	P	5	6	6	8	12		
Number of contracts (deployment of experts, new output))	F				4	4	4	4
	P				4	0		

*2019-2020 figures reflect amendments to the Decision No 131:2013. Outputs for the 2019-2020 period are lower than those foreseen in the Legislative Financial Statement (keeping the same budgetary allocation foreseen in the LFS) because under the new legislation, the amount per grant is likely to be significantly higher, given that, in addition to the transport costs, operational costs are also eligible.

Justification of changes to the financial programming and/or to the performance information

The increase in outputs (i.e. grant agreement/service contracts) for the 2018-2020 period is based on the fact that under the new proposed legislation, the financial incentives to commit assets to the European Civil Protection Pool are significantly higher

namely, in addition to transport costs the UCPM budget can also cover the cost of operations up to 75%. Given the new incentives, Member States are expected to use the Mechanism more frequently.

Specific Objective 4: To increase public awareness and preparedness for disasters.

Indicator 1: The level of awareness of Union citizens of the risks in their region.

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
							75%
	Actual results						
		55%*	N/A	N/A**	N/A***		

* based on Eurobarometer survey 2015 conducted in 28 MS. Figure in response to the following question "To what extent are you aware or not of the risk of disaster in your region?" No Eurobarometer survey on the level of awareness of Union citizens of the risks in their region was carried out in 2016.

**A Special Eurobarometer survey was conducted in 2017 throughout the EU28 Member States. Comparability of data between the 2015 and the 2017 Eurobarometer surveys on this indicator is not possible since the Eurobarometer questions were not exactly the same. It is to be noted that the EU average response to the question "Are you aware or not that the EU helps to coordinate the response to disasters in the EU" was 55 %.

*** No Eurobarometer survey conducted in 2018. However, an awareness-raising communication campaign "EU Saves Lives" was launched in 2018. With two components (online and a virtual reality exhibition), the campaign aims to raise awareness among European citizens about EU emergency response to natural or man-made disasters. In 2018, the virtual reality exhibition visited six European cities: Vilnius, Bucharest, Berlin, Rome, Marseille and Madrid. It is estimated that the **the campaign reached about 24 million impressions** via Facebook, Instagram, YouTube and out-of-home advertising. More than 50% of viewers in EU member-states played the YouTube promotional video until the final second. The roadshow itself received around **450,000 visitors**, with the top city with most visitors being Rome (113,000) and a close second place belonging to Madrid (112,500), within average 8,000 visitors per day.

Expenditure related outputs

Outputs	Budget line	*Draft Budget 2020	
		Number	EUR million
Number of civil protection projects contributing to increased public awareness and preparedness for disasters	23 03 01 01	2	0.6
Contracts contributing to increased public awareness (including possible organisation of Eurobarometer survey)	23 03 01 01	2*	1.3
Total			1.9

* Tentative estimates, including a continuation of the rescEU awareness campaigning (to be launched in 2019) and a Special Eurobarometer survey on civil protection and the public knowledge about rescEU.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of civil protection projects contributing to increased public awareness and preparedness for disasters	F			18	15	15	15	15
	P			20	12	1		
Contracts contributing to increased public awareness	F			1	2	2	2	2
	P			1	2	1		

Justification of changes to the financial programming and/or to the performance information

The projects in the area of civil protection (either prevention or preparedness projects) contribute to a better awareness of citizens and preparedness for disasters. Projects coordinators are requested to disseminate project results to the general public as much as possible.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Projects and other activities related to climate change adaptation	19,8	27,6
Total	19,8	27,6

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
6,9	6,1	6,9	5,9	6,0	19,8	27,6	79,2

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

HEADING 3: Security and citizenship

Food and Feed

Lead DG: SANTE

I. Overview

What the programme is about?

Regulation (EU) No 652/2014 established the Programme for the Union's action in the field of food chain, animal health and animal welfare, and relating to plant health and plant reproductive material. The aim is to contribute to a high level of health for humans, animals and plants along the food chain and in related areas, by preventing and eradicating diseases and pests and by ensuring a high level of protection for consumers and the environment, while enhancing the competitiveness of the Union food and feed industry and favouring the creation of jobs;. The Programme has four specific objectives:

- 1) to contribute to a high level of safety of food and food production systems and of other products which may affect the safety of food, while improving the sustainability of food production;
- 2) to contribute to achieving a higher animal health status for the Union and to support the improvement of the welfare of animals;
- 3) to contribute to the timely detection of pests and their eradication where those pests have entered the Union; and
- 4) to contribute to improving the effectiveness, efficiency and reliability of official controls and other activities carried out with a view to the effective implementation of and compliance with the Union rules.

The Food and Feed Programme is implemented through annual and multiannual work programmes.

Moreover, financial support to emergency measures is provided in order to eradicate or contain animal diseases and pest outbreaks. The emergency measures act as a fire-extinguisher to put down or contain the outbreak and avoid further spread of the disease.

EU added value of the programme

Diseases can rapidly spread between Member States and involve the entire EU market. The EU intervention is needed in order to minimise the impact on human, animal and plant health, as well as on the industry and the markets with a view to reducing risks and bringing improvements all along the food chain through preventive actions and management of crises.

With a relatively limited budget of around EUR 250 million per year (representing EUR 0.5 per citizen of the EU per year), this EU budget ensures a high level of protection of humans, animals, and plants while protecting also the whole EU agri-food industry, representing the largest manufacturing sector in Europe, with some 44 million jobs in the EU and a value estimated at more than EUR 410 billion. The competitiveness of the European food productions depends on their reputation, with the EU food safety budget playing a crucial role in contributing to the safety and quality of European food products.

Experience shows that EU added value in the food chain area goes beyond what individual Member States could achieve by implementing national measures without EU support. The achievement of a higher animal and plant health status in the EU was possible thanks to both the technical and financial support provided by the EU to the Member States. Especially Members States struggling with economic crisis or other constraints, have difficulties to secure appropriate financial resources to respond to the combination of present and potential challenges. The EU co-financing mechanism also provides an incentive for Member States seemingly not having a direct interest in combatting a particular disease or pest because the pest or disease is not present on its territory but having the obligation to collaborate in the overall EU interest. The success of this solidary approach is reinforced by the centralised monitoring and follow-up system put in place by the Commission thus creating the necessary oversight and supporting the strategic and priority choices to be made.

The EU added value provided by the European Reference Laboratories' activities and the Better Training for Safer Food programmes is linked to the nature of their activities: the network of reference laboratories ensures high-quality and uniform testing in the EU and supports Commission activities on risk management and risk assessment in the area of laboratory analysis, while the EU training programme promotes a common approach towards the implementation and enforcement of EU legislation. This contribution towards the harmonisation of rules at Union level and the sharing of knowledge and expertise in the food chain and related areas is a concrete example of positive interaction within the EU, which could not be achieved through isolated efforts at national level and without the EU financial support.

Implementation mode

The Food and Feed budget is implemented under direct management and mainly (85 %) through direct grants to designated beneficiaries being in principal the Member States or Member States' affiliated entities but also through calls for tender (e.g. Better Training for Safer Food programme and IT expenditure).

II. Programme Implementation Update

Implementation Status (2016-2018)

Since 2016, annual work programmes have been implemented as foreseen. These work programmes include national programmes for the eradication, control, and surveillance of animal diseases and zoonoses; national survey programmes for pests; training in the

field of food and feed safety, animal health, animal welfare and plant health; IT tools in the field of food safety, animal health, animal welfare, and plant health; the European Union Reference Laboratories. Co-funding for emergency measures related to outbreaks of animal diseases and pests was covered through the adoption of one common financing decision. The severe outbreaks of Avian Influenza (2016-2018) and African swine fever (2018-) necessitated the use of the flexibility clause to raise the maximum EU- contribution.

The **national veterinary programmes** target transmissible, often epidemic animal diseases. They have a direct impact on public health because of food safety issues and because some animal borne diseases are transmissible to humans. Furthermore, animal disease outbreaks can trigger significant economic costs through loss of internal EU and export markets and the direct cost of disease control on the EU and Member States' budgets. In 2018, 134 national veterinary programmes covering the monitoring and eradication of 13 diseases and implemented by 28 Member States, have been approved and implemented in accordance with pre-defined priorities; their final report is due at the end of April 2019. Around EUR 138 million was allocated to co-fund them which accounts for the largest proportion of spending under the Food and Feed budget.

The **national survey programs for organisms harmful to plants** ensure early detection and eradication of pest outbreaks. The programme covered 47 different plant pests of which *Xylella fastidiosa*, *Bursaphelenchus xylophilus*, *Ralstonia solanacearum* and *Clavibacter michiganensis* consume the major budget share (50% of the total budget of EUR 12 million). In 2018, 24 programmes were implemented for which the final report is due at the end of April 2019. Whereas the programme started in 2015 with 17 MS participating, the number of MS implementing these programmes is since 2017 stabilised at 24. Over the full period of implementation (2015-2018) the increase is indicative of the growing importance of this relatively new activity.

As far as **emergency measures** are concerned, a system was put in action in 2016 to contain the outbreaks of Lumpy skin disease in the Balkan countries through coordinated vaccination campaigns shielding the Union from further disease spread. These EU co-funded emergency measures have been continued in 2018. The implementation of the measures led to the containment of the disease in Bulgaria, Greece, Croatia, and a number of third countries which also benefitted from EU financial aid (Serbia, Kosovo, Montenegro, North Macedonia and Albania).

The large scale Avian Influenza outbreak which started in 2016 requested extensive efforts through 2017 and 2018 to limit its spread across the European territory. As a consequence of the measures implemented (such as the slaughter of the affected animals and the disinfection of holdings) the disease did not spread across vast territories and serious damages to the farming community and the export capacity of the Union were though avoided. The Avian Influenza virus is propagated by movement of wild birds; its spread, therefore, needs quick reaction. In 2018, the Union has signed grant decisions, on top of the EUR 100 million already agreed in 2017, to co-fund the further immediate implementation of emergency measures against Avian Influenza for an additional amount of EUR 29 million. Consequently, the crisis continues to have a serious impact on the Food and Feed budget.

African swine fever (ASF) is a devastating viral disease which in Europe affects both domestic pigs and European wild boar. The disease is a serious economic threat and presents also challenges for animal welfare. Since its introduction into four Member States in the Eastern part of the EU in 2014, ASF has spread and is currently present in ten Member States (in Italy the disease has been present since 1978 but this is not related to other Member States). The disease can be transmitted in various ways: directly through contact between sick and healthy animals (most prominently through the wild boar population and subsequent transmission of the disease to domestic pigs), and indirectly. The latter occurs through infected material (vehicles, clothes, boots etc.), contaminated food (e.g. feeding with garbage/swill containing infected meat) and biologic vectors (soft ticks). The virus is very resistant to inactivation even under harsh environmental conditions, and currently there is no vaccine available. The "human factor" is closely related to long distance "jumps" of the disease. These issues contribute to difficulties in ASF control and eradication.

Since 2013, the EU has allocated a total of EUR 95 million for the prevention and eradication of the disease, which includes EUR 48 million for eradication programmes and EUR 47 million for emergency measures. In 2018, eight Member States had EU-approved national programmes in place for control and eradication of ASF with a total allocation of EUR 13.7 million while for co-funding of emergency measures EUR 36.1 million were allocated in total. In addition, agreements for EU co-financing of measures against ASF were signed with two neighbouring non-EU countries (Ukraine and Moldova). Payments for ASF emergency dossiers will continue in 2019 and 2020 and have an important impact on the budget.

In 2018, the programme also co-funded emergency measures to fight against plant pest outbreaks. The combat against the Asian long horn beetles (*Anoplophora glabripennis*), pinewood nematode and *Xylella fastidiosa* took up the largest portion.

All activities carried out with the objective to improve the effectiveness, efficiency, and reliability of **official controls** were also implemented as planned. In 2017 all trainings were delivered as foreseen, and the Better Training for Safer Food programme (BTSF) trained approximately 13 200 public officials in Member States and third countries in charge of the controls in the Food and Feed area. The overall satisfaction rate of the participants attending the trainings is continuously rising from 88,7% in 2014 to 89,8% in 2015, 90,4% in 2016, and 90% in 2017. By the end of 2018 new contracts have been signed with service providers assisting the Commission in organisation these training activities, hence assuring their continuation in 2019.

There were 45 EU funded European Reference Laboratories (EURLs) in 2018; the laboratories helped ensuring the proper functioning of the internal market, the protection of human health, and the maintenance of consumers' confidence. Furthermore, 2 European Reference Centres were funded, one for animal welfare and another one for zootechnics. The Centres provide technical support and coordinated assistance to the EU countries in carrying out official controls in their respective fields.

The EURLs ensure high-quality and uniform testing in the EU, and provide trainings to hundreds of National Reference Laboratories (NRL) in a number of food safety priority areas. This ensures a consistent and uniform work of all Member States. The activities performed by the EURLs have contributed, inter-alia, to the continuous update of diagnostic tools for the timely identification of pathogens.

There were 202 audits carried out by the Health and Food Audits and Analysis Directorate of DG SANTE in the food and feed area in 2017 with 120 participations by national experts. All audits were performed according to planning while still accommodating assignments in case of emergencies. All audit reports are public and available on the dedicated Commission website:

(http://ec.europa.eu/food/audits-analysis/audit_reports/index.cfm)

Key achievements

Rabies Rabies national programmes co-financed by the Union have produced excellent results and registered considerable success in the last years. Rabies has almost been eradicated in the EU in wildlife (complete eradication is expected by 2020) **and the number of cases has fallen from 1602 in 2009 to only 8 in 2018** (bats not included), hugely reducing a significant risk to health and enabling free movement of cats and dogs within the EU.

This result has been achieved through Union targeted technical and financial support for the implementation of vaccination against rabies in the Member States and certain neighbouring non-EU countries. The success of the EU co-financed rabies programmes is also illustrated by the fact that no indigenous cases of rabies in humans have been reported in the EU since 2016 (reported cases are imported cases).

Bovine tuberculosis and brucellosis Diseases such as bovine tuberculosis and brucellosis require medium-to-long term eradication actions so that Member States and regions are granted an officially free status. Thanks to MSs efforts implementing EU co-financed programmes, in the last few years, the progression of eradication of these diseases shows a positive trend: in 2013 16 MS were officially free from bovine brucellosis, 18 in 2015, 19 in 2016 and 20 in 2017. For bovine tuberculosis, 15 MS were officially free in 2013, 17 in 2015, and 18 in 2016 and 2017. In addition, the implementation of EU co-financed bovine brucellosis eradication programmes has protected human health as this disease is a zoonosis.

African swine fever (ASF) Over the last years EU co-financing of emergency measures such as the slaughter of pigs, the compensation of owners and the disinfection of holdings has made it possible to successfully contain African swine fever (ASF) which was introduced in the east part of the EU by wild boar movement from Belarus and Ukraine in the four Member States initially affected. In 2017, there have been new incursions of the disease in new areas of Poland and in new Member States (Czech Republic and Romania) linked to human activities and not to the natural way of disease spread (mainly by wild boar movement). In 2018 there was a dramatic increase in ASF outbreaks in domestic pigs, mostly in Romania and mainly linked to human activities. Three Member States became newly infected in 2018 (Hungary, Bulgaria and Belgium); the occurrence of ASF in wild boar in Belgium demonstrated the possibility for long-distance transmission of the disease (from the East of the EU) related to human activity. Bulgaria has submitted a request for co-financing mostly related to preventive measures which has been assessed by the Commission and which will be formalised in a grant decision. For the other Member States the situation is closely monitored.

The EU well-targeted and multifaceted response to the ASF and LSD outbreaks continued to keep the negative effects limited while the epidemics could have had devastating effects on animal health and on the sustainability of the sector (e.g. EUR34.3 million were allocated to Romania in 2018 for co-financing of emergency measures). The extension of the geographic area affected by ASF in the EU has been relatively contained.

Evaluations/studies conducted

To further complement the evaluation of Regulation (EU) No 652/2014 (CFF), and to follow up on a Court's recommendation, a targeted study to establish and implement a cost-effectiveness methodology in the food chain area has been carried out by the JRC. The objective is to develop and implement a comprehensive set of cost-effectiveness indicators for the main spending areas covered by the Food Chain programme in view of the ex-post evaluation of the CFF by June 2022 and the definition of the post 2020 food chain monitoring framework. The final report was delivered by the contractor in June 2018.

This report provides a methodological guidance on cost-effectiveness analysis in the view of future evaluations of the EU interventions currently funded under the Common Financial Framework of the food chain area (CFF, Regulation (EU) No 652/2014). In addition it presents a methodology on how to address relevant policy questions such as: "Should more funding be awarded to prevention measures or to control measures to reduce the risk of outbreaks of classical swine fever in pigs?" or "is the introduction of new e-learning tools for official staff more effective in increasing the quality of the official controls compared to workshops?" This report provides evaluation methods to answer this type of questions and illustrates the methodology introduced for specific CFF related policy questions. These methods are based on disaggregated data and regression techniques.

In addition, a methodology to develop a set of indicators to evaluate the different levels of intervention in the spending areas covered by the CFF is suggested. The collection of these indicators for monitoring or evaluation purposes requires also the collection of data on contextual indicators that frame the environment in which interventions are implemented. Possible ways of defining control groups are suggested in the context of the interventions funded in the food chain area. To perform a cost effectiveness analysis regression methods are suggested to evaluate the impact of EU funding. A list of selected cost-effectiveness indicators (CEI) is proposed for each intervention in the three spending areas i.e. Plant Health, Animal Health, and Official

Controls. The feature of these selected CEIs is that they can be computed at different level of aggregation (local areas, regions, MS, by disease or types of disease, for a whole programme, etc.).

The methodology described in the report is an in-depth-data-driven technique. This technique is grounded on real data and provides robust ex-post evidence on the impact and the efficiency of interventions. This method then requires careful planning of the monitoring and evaluation of the interventions, in particular on data requirements.

The implementation of this method requires the collection of disaggregated data (e.g. at the level of regions, farmers, laboratories etc.) to compute the effectiveness indicators, the costs, and the contextual indicators.

Valuable sources of data are already available and these are related to the costs, diseases status, implementation of the interventions, farmers and trade and other economic outputs that need to be consolidated to perform a cost-effectiveness analysis.

Furthermore, the Commission is working together with the World Organisation for Animal Health (OIE) on the merging of different notification systems; Animal Disease Notification System (ADNS) and the World Animal Health Information System (WAHIS) into the Animal Disease Information System (ADIS) but due to the technical (IT) complexity of the operation, the deadline has been postponed postponed. This recommendation (a) will be implemented in accordance with the action plan.

Forthcoming implementation (2019-2020)

African swine fever also continues to pose a serious threat in the east part of the EU triggered by wild boar movements from bordering third countries such as Belarus and Ukraine. In addition, the threat has expanded also into the central part of the EU with a number of AFS cases in wild boar detected since September 2018 in Belgium. This will continue to require emergency measures including massive vaccination in both Member States and Balkan third countries to ensure the Union is protected from further disease spread. If not quickly detected and effectively treated, these diseases can expand uncontrollably and cause substantial damages. In 2019 and 2020 there will be the constant need to address animal disease outbreaks continuously and with utmost urgency as the consequences can be dramatic with huge losses for the sector.

In order to maintain the efficiency of the network, to capitalize on the knowledge already built, and to keep the same high level of food safety in the Union, continued funding for 47 EU Reference Laboratories and EU Reference Centres is planned for 2019 and for 2020. Tasks previously carried out by UK European Reference Laboratories have been reallocated to other laboratories through a specific designation procedure (due to Brexit) and EU Reference Centres for animal welfare will have their first year of implementation in 2019. Furthermore, a European Reference Centre for plant health will be designated in 2019.

The audits and related control activities of DG SANTE, in both Member States and non-EU countries exporting to the EU, will target again in 2019 verification that national controls are carried out in accordance with EU legislation and that they are effective.

The Better Training for Safer Food programme will continue to play a key role in improving the efficiency and reliability of official controls by delivering high-value training courses on EU legislation to Member State staff responsible for official controls in the sanitary and phytosanitary fields (175 trainings planned annually for 2018 and 2019). It will continue to also focus on updating existing and developing new e-learning modules for the training courses, which will significantly expand the number of trainees.

Outlook for the period 2021-2027

The Food and Feed Programme has been integrated into the Commission proposal for the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics (SMP) through a dedicated food strand.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 652/2014 of the European Parliament and of the Council of 15 May 2014 laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material, amending Council Directives 98/56/EC, 2000/29/EC and 2008/90/EC, Regulations (EC) No 178/2002, (EC) No 882/2004 and (EC) No 396/2005 of the European Parliament and of the Council, Directive 2009/128/EC of the European Parliament and of the Council and Regulation (EC) No 1107/2009 of the European Parliament and of the Council and repealing Council Decisions 66/399/EEC, 76/894/EEC and 2009/470/EC	2014 - 2020	1 891,9

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	1,5	1,5	1,5	1,5	1,5	1,5	1,5	10,5
Operational appropriations	250,7	243,0	250,3	256,3	276,7	287,0	277,3	1 841,3
Executive Agency	1,2	1,2	1,2	1,2	1,2	1,2	1,2	8,3
Total	253,4	245,6	253,0	258,9	279,4	289,7	280,0	1 860,1

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	279,428	100,00 %	243,777	99,64 %	289,691	58,17 %	239,202	11,03 %
Authorised appropriations (*)	284,035	99,05 %	250,863	98,31 %	293,398	58,33 %	244,346	12,64 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: contributing to a high level of health for humans, animals and plants along the food chain and in related areas, by preventing and eradicating diseases and pests and by ensuring a high level of protection for consumers and the environment, while enhancing the competitiveness of the Union food and feed industry and favouring the creation of jobs

Indicator 1: Incidence of main food-borne disease in the EU (BSE and Salmonella)

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
BSE: 18 BSE cases (including 11 classical BSE cases)					less than 5 classical BSE cases		0 classical BSE cases 60 000 cases; continuous reduction of 3 to 5 % per year - no eradication possible
Salmonella: 90 000 confirmed cases of human salmonellosis					67 000 confirmed cases of human salmonellosis		
	Actual results						
	11 BSE cases	2 BSE cases	5 BSE cases	91 662 confirmed cases of human salmonellosis			
	88 715 confirmed cases of human salmonellosis	84 625 confirmed cases of human salmonellosis	94 530 confirmed cases of human salmonellosis				

*the final reports of the Member States for 2018 programmes will be submitted by 30/04/2019

See Specific Objective 1 – Indicator 1 for explanation on the trend.

Specific objectives

Specific Objective 1: to contribute to a high level of safety of food and food production systems and of other products which may affect the safety of food, while improving the sustainability of food production

Indicator 1: the reduction in the number of cases of diseases in humans in the Union which are linked to food safety or zoonoses

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
90 883* confirmed cases of human salmonellosis					67 000		60 000 cases; continuous reduction of 3 to 5% per year /no eradication possible
	Actual results						
	92 012 confirmed cases	94 597 confirmed cases	94 530 confirmed cases	91 662 confirmed cases			

Source: EFSA and ECDC zoonoses report.

*the baseline is data from the year 2012, source 2013 report.

The reduction of the number of human cases is not as good as expected mainly because of the multi country outbreak caused by Polish eggs. In order to improve the current set of legal measures related to *Salmonella* in certain poultry populations, the Commission also requested EFSA to provide a scientific opinion on *Salmonella* control in poultry flocks and its public health impact. The report was published on 19 February 2019 (<https://efsa.onlinelibrary.wiley.com/doi/10.2903/j.efsa.2019.5596>).

Expenditure related outputs

Please see the Expenditure related outputs table under Specific Objective 2.

Specific Objective 2: to contribute to achieving a higher animal health status for the Union and to support the improvement of the welfare of animals

Indicator 1: the increase in the number of Member States or their regions which are free from animal diseases in respect of which a financial contribution is granted

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Bovine brucellosis: 16				19 MS and 30 regions			25 MSs officially

MS and 23 regions officially free Bovine tuberculosis: 15 MS and 14 regions officially free Melitensis: 19 MS and 18 regions officially free Source: annual report submitted by MS to the Commission/ADNS notification DG SANTE				officially free 16 MS and 20 regions officially free 22 MS and 28 regions officially free		free and Eradication in 27 MSs 23 MSs officially free and Eradication in 26 MSs 25 MSs officially free and Eradication in 27 MSs
	Actual results					
	18 MS and 26 regions officially free	18 MS and 4 regions officially free	19 MS and 4 regions officially free	20 MS and 4 regions officially free	20 MS officially-free and 4 MS partially officially free	
	16 MS and 14 regions officially free	17 MS and 3 regions officially free	18 MS and 3 regions officially free	18 MS and 4 regions officially free	17 MS officially-free and 4 MSs partially officially free	
	19 MS and 25 regions officially free	20 MS and 4 regions officially free	20 MS and 4 regions officially free	20 MS officially-free and 4 Member States partially officially free		

The apparent stability of the number of officially or partially officially free Member States as reflected in this table does not mean that the situation is not improving.

Indeed, there is currently no obligation for a Member State to request an officially free status, which means that even if the situation has improved, it may not be reflected through an increase of the number of free Member States or regions. In addition, several Member States have actually increased their number of officially-free regions in the last years even if this level of details is not reflected in the current global indicator (because the EU legal definition/size/numbers of the regions is very different between Member States, making it complex to reflect one simple indicator at EU level). It must be noted that there is currently no ideal single indicator that could give a detailed view on the evolution of these 3 diseases at EU level. It can also be reminded that only 6 Member States out of 28 receive currently financial support from the EU for these diseases and that the evolution of the epidemiological situation in each of these 6 co-financed Member States is followed precisely year by year country by country with several indicators, and that penalties are applied in case the individual targets are not reached.

Indicator 2: an overall reduction of disease parameters such as incidence, prevalence and number of outbreaks

Baseline* 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Bluetongue: 6196 outbreaks				Eradication subject to vector, climate change, and vaccination			Eradication subject to vector, climate change, and vaccination
	Actual results						
	9435	653	2919	4539	864		
Classical swine fever: 0 outbreaks in domestic pigs (42 in wild boar)				0 outbreaks in domestic pigs			0 outbreaks in domestic pigs
	Actual results						
	1 (and 27)	0 (and 5)	0 (and 0)	0 (and 0)	0 and (0)		
African swine fever: 109 outbreaks in domestic pigs and 67 in wild boar				10 outbreaks in domestic pigs and 2 in wild boar			0 outbreaks in domestic pigs
	Actual results						
	80 and 334	58 and 1713	71 and 2463	141 and 3951	1360 and 5386		
Swine vesicular disease: 25 outbreaks in domestic pigs				0 outbreaks in domestic pigs			0 outbreaks in domestic pigs
	Actual results						
	5	1	0	0			
BSE: 7 positive animals				Less than 5 positive animals			Less than 5 positive animals (long incubation period)
	Actual results						
	11 positive animals	2 positive animals	5 positive animals	Data not available yet			
Scrapie (sheep and goats) 17% prevalence				14% of prevalence			8 % of prevalence
	Actual results						
	Data not available	Data not available	Data not available	Data not available			
Rabies: 679 outbreak in wild animals				80 ⁴¹⁰ outbreaks in wild animals			0 ⁴¹⁰ outbreaks in wild animals
	Actual results						
	216	100	18	2	8		
Avian influenza: no				0 outbreaks of HPAI in domestic animals			0 outbreaks of HPAI in domestic animals

⁴¹⁰ Given the positive results in 2014 and 2015, the milestone for 2016 has been reduced from 200 to 80 outbreaks, and the target for 2020 from 100 to 0 outbreaks.

outbreak in poultry and wild birds of HPAI	Actual results					
	10 and 0	75 and 6	391 and 312	820 and 1144	34 and 81	

*For all the data above, source of information is the annual report submitted by MS to Commission/ ADNS notification DG SANTE by 30 April of each year

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Bovine brucellosis	17 04 01	3	10
Bovine tuberculosis	17 04 01	2	40
Ovine/caprine brucellosis	17 04 01	1	2
Bluetongue	17 04 01	15	8
Salmonella	17 04 01	24	19
Swine diseases	17 04 01	16	18
Avian influenza	17 04 01	26	4
TSE,BSE and scrapie	17 04 01	26	9.5
Rabies	17 04 01	12	25
Other veterinary measures, animal welfare and vaccines/antigens		1	15
Total			150.5

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
number of bovine brucellosis eradication programmes	F	5	5	3	3	3	3	3
	P	5	5	3	3			
number of bovine tuberculosis eradication programmes	F	6	7	6	6	5	6	2
	P	6	7	6	6			
number of ovine/caprine brucellosis eradication programmes	F	6	5	5	5	5	5	1
	P	6	5	5	5			
number of bluetongue eradication/monitoring programmes	F	18	15	14	15	15	15	15
	P	18	15	14	15			
number of salmonella control programmes	F	25	24	24	24	24	24	24
	P	25	24	24	24			
number of swine disease (CSF, ASF and SVD) control programmes	F	10	14	13	14	16	16	16
	P	10	15	13	14			
number of avian influenza survey programmes	F	28	26	25	26	25	26	26
	P	28	25	25	25			
number of TSE monitoring and BSE/scrapie eradication programmes	F	28	28	27	26	26	26	26
	P	28	27	27	26			
number of rabies eradication programmes	F	13	13	13	12	12	12	12
	P	13	13	13	12			

Justification of changes to the financial programming and/or to the performance information

All changes to the number of planned veterinary programmes follow the development of the epidemiological situation.

Specific Objective 3: to contribute to the timely detection of pests and their eradication where those pests have entered the Union

Indicator 1: the coverage of the Union territory by surveys for pests, in particular for pests not known to occur in the Union territory and pests considered to be most dangerous for the Union territory

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Percentage of EU territory covered by surveys for pests, in particular for pests not known to occur in the Union territory :	10 %	50 %	60 %	70 %	80 %	90 %	100 %
	100 %	100 %	100 %	100 %	100 %	100 %	
Actual results							
Percentage of EU territory covered by surveys for pests considered to be most dangerous :		60.71%	78.50%	85.70%			100 %
100% coverage	100 %	100 %	100 %	100%			

*For all the data above, source of information is the annual report submitted by MS to Commission by 30 April.

Indicator 2: the time and success rate for the eradication of those pests

Baseline 2015	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Time to eradicate pests not known to occur in the Union, number of days between finding and notification: 42 days Success rate in eradicating pests not known to occur in the Union: at this stage it is not measurable Source: DG SANTE		42 days		20			8 days 95 %
	Actual results						
	42 days	Data not available yet	Data not available yet				

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Survey programmes (Art.20)	17 04 02							
Outermost regions (Art.25)	17 04 02							
Total								
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Survey programmes (Art.20)	F	5	17	20	24	24	28	28
	P	0	17	22	24			
Outermost regions (Art.25)	F	3	3	0	0	0	0	0
	P	1	1	0	0			

Justification of changes to the financial programming and/or to the performance information

Data not yet available for the indicator 1 and 2, final reports due by end of April.

Specific Objective 4: to contribute to improving the effectiveness, efficiency and reliability of official controls and other activities carried out with a view to the effective implementation of and compliance with the Union rules

Indicator 1: a favourable trend in the results of controls in particular areas of concern carried out and reported on by Commission experts in the Member States

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Percentage of DG SANTE recommendations following audits that MS have satisfactorily addressed with corrective action: 60% of recommendations from reporting cycles 2010-2012			70% of all recommendations from these reporting years (N-2, N-3 and N-4) addressed by the Member States				95 % of all recommendations addressed
	Actual results						
	74 %	79%	79%	74 %	71 %		

*For all the data above, source of information is DG SANTE .

This indicator is a rolling indicator based on a three year rolling cycle. Therefore, indicator for year N = Average Year N-2+N-3+N-4. Indicator for year 2017 is based on the verification of follow up actions by Member States in response to audit recommendations issues following audits carried out in years 2013-2015. Indicator for year 2018 is based on the verification of follow up actions by Member States in response to audit recommendations issues following audits carried out in years 2014-2016.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Laboratories	17 04 03	47	22
BTSF	17 04 03	175	18
national experts FVO	17 04 03	125	0.4
Computerised systems + IT	17 04 03	7	15
Communication	17 04 03	10	1.5
Data collection	17 04 03	9	1.7
Studies and evaluations	17 04 03	8	3.5
Grants to international organisations	17 04 03	10	7.5
Purchase of vaccines against animal diseases	17 04 01	1	2.5
Total			72.1

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Laboratories and centres	F	45	43	43	45	48	47	50
	P	44	43	43	46	47		
BTSF	F	95	170	170	175	175	175	180
	P	180	170	200	170	175		
National experts FVO	F	125	125	125	125	125	125	125
	P	94	132	168	120	125		
Computerised systems (EU alert systems, large scale)	F	6	7	7	7	7	7	8
	P	6	7	7	7	7		
Communication	F	8	8	8	10	10	10	10
	P	8	8	8	10	10		
Data collection and Coordinated control plans	F	4	5	6	7	9	9	9
	P	4	5	6	7	9		
Studies and evaluations	F	7	10	10	10	12	12	13
	P	15	15	10	10	12		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
20 million less people should be at risk of poverty

5. Programme contribution to the Sustainable Development Goals

SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture and SDG 12 Ensure sustainable consumption and production patterns

6. Information about financial instrument(s) and trust fund(s) financed by the Programme – not applicable

7. Programme related additional information-

Since the end of October 2016, highly pathogenic avian influenza virus has been detected in poultry, captive, and wild birds in several EU Member States. All affected Member States immediately took measures within the affected areas (regionalisation) in accordance with the EU legislation on the control of avian influenza, including stamping out and establishment of zones.

Following a technical and financial evaluation of the requests for co-funding, and in accordance with Commission Implementing Decision C(2016) 4840 of 29 July 2016 on the adoption of a financing decision regarding a financial contribution by the Union to emergency measures to combat certain animal diseases and plant pests in 2016 and 2017 and the adoption of Commission Implementing Decisions C(2017)4987 of 18 July 2017 amending Implementing Decision C(2016) 4840 on the adoption of a financing decision regarding a financial contribution by the Union to emergency measures to combat certain animal diseases and plant pests in 2016, 2017 and 2018 (increasing the budget available for emergency measures in view of the crisis), the Commission awarded grants providing co-financing to the affected Member States for the period from the start of the epidemics until 30th April 2017. The total expected amount of EU contribution comes up to approximately 105 million euro for the period in question.

In October 2017, through re-deployment of funds, the Commission managed to pay an advance payment to the affected Member States of 35% of the estimated budget amount covered by the respective grant decisions. After the 2017 Global Transfer exercise DG BUDG made available about 3 million euro in commitment and payment appropriations for the Food and Feed Emergency measures budget targeted at paying out further the outstanding debt related to the Avian Influenza crisis. DG SANTE managed again through re-deployment of funds to make about 7 million euro in both commitment and payment appropriations available, so that the total amount to be directed as a second advance payment to Member States affected by Avian Influenza currently comes up to 9,825,000 euro. With this second advance being paid in December 2017, the current outstanding debt for the period until 30th April 2017 stays at approximately 60 million euro.

However, the Avian influenza outbreak continued to unroll. At the moment, the expected EU contribution towards the Member States affected for the period starting as of 1st May 2017 comes up to approximately 18 million euro.

Payment towards the Member States affected by Avian Influenza will be done in the course of 2018 and 2019 following evaluation of the cost claims to be sent by the Member States as well as the progress of the audit missions as due to the large amounts involved a great number of the files will be subject to on-the-spot audits. However, budget requested for emergency measures in 2019 needs to be increased so that the Union is in a position to honour its commitments towards the affected Member States. The budget available on budget line 17.0404 should therefore be increased to 50 million euro for 2019.

It should be noted that the Union should also be in a position to continue to fund emergency measures against other threats such as African swine fever and Lumpy Skin disease as well as plant pest outbreaks such as Xylella, pine wood nematode or for new emerging risk pests. The situation with ASF in the EU indicates that the fight against this disease continues to be a priority task for veterinary services and will in the coming years continue to weigh heavily on the Food and Feed budget. This is demonstrated by the recent surge in outbreaks in domestic pigs in Romania which is translated particularly in compensations to owners for the value of their animals being slaughtered or culled.

HEADING 3: Security and citizenship

Union action in the field of health (Health Programme)

Lead DG: SANTE

I. Overview

What the programme is about?

Good health is a major concern of European citizens. The European Union (EU) works for better health protection through its policies and activities, in accordance with Article 168 of the Treaty on the Functioning of the European Union. The EU does not define health policies, nor the organisation and provision of health services and medical care. Instead, its action serves to complement national policies and to support cooperation between member countries in the field of public health.

Regulation (EU) No 282/2014 established the third Programme for the Union's action in the field of health (2014-2020) as a financial instrument for policy coordination at EU level. The aim is to complement, support and add value to the policies of member States in improving the health of EU citizens and reducing health inequalities, encouraging innovation in health and increasing the sustainability of health systems. The Programme has four specific objectives:

- 1) promote health and healthy living and prevent diseases;
- 2) protect Europeans from serious cross-border health threats;
- 3) contribute to innovative, efficient and sustainable health systems; and
- 4) facilitate access to better and safer healthcare for Europeans.

EU added value of the programme

As stated in Article 168 of the Treaty on the Functioning of the European Union, EU action must complement national policies and encourage cooperation between Member States. The programme contributes only where Member States cannot act individually or where coordination is the best way to move forward.

The programme focuses on fostering best practice exchange between Member States and supporting networks for knowledge sharing or mutual learning. Moreover actions are undertaken addressing cross-border health threats to reduce risks and mitigate consequences. The Health programme addresses issues relating to the internal market where the EU has substantial legitimacy to ensure high-quality solutions across Member States and targets actions unlocking the potential of innovation in health. Lastly it promotes actions that could lead to a system of benchmarking or improving economies of scale by avoiding waste due to duplication and optimising the use of financial resources.

Implementation mode

The Health Programme is implemented under direct management and is mainly executed through grants and procurement procedures focusing on Commission priorities. A major part of the Health Programme is implemented by the Consumers Health Agriculture and Food Executive Agency (CHAFEA).

II. Programme Implementation Update

Implementation Status (2016-2018)

Under Annual Work Programme (AWP) 2017, 6 joint Actions⁴¹¹ were signed with Member states authorities by July 2018. They concern a) health Inequalities, (b) the Innovative Partnership on Action against Cancer, (c) vaccination, (d) preparedness and action at points of entry (air, maritime and ground crossing), (e) actions supporting the eHealth Network, and (f) Health Information towards a sustainable EU health information system that supports country knowledge, health research and policy-making.

The Commission has adopted the work programme for 2018 in the framework of the third Programme of the Union's action in the field of health (2014-2020) 2018 on 13 December 2017⁴¹². This has focused on the continuation of the functioning of the European Reference Networks (ERNs)⁴¹³ with 3-year grants covering the period until 2021, on implementation of best practices for health promotion and diseases prevention, and on a Joint Action bringing together previously separate streams of work, laboratories and general preparedness. The aforementioned work programme for 2018 included two calls for projects on specific best practices having gone through the prioritization process of the Steering Group on health promotion and diseases prevention. **The selected best practices concern the [Swedish Prescription of Physical Activity \(PPA\) initiative](#) which was identified as a particularly**

⁴¹¹ Joint Actions are cooperative actions with a life span of three years co-financed with Member States authorities to develop, share, refine and test tools, methods and approaches to specific issues and engage in capacity building in key areas of interest.

⁴¹² https://ec.europa.eu/health/content/adoption-of-the-work-plan-2018_en

⁴¹³ The first ERNs were launched in March 2017, involving more than 900 highly-specialised healthcare units from over 300 hospitals in 26 EU countries. Following a call for a Framework Partnership Agreement 23 European Reference Networks previously approved by the Commission, received an annual grant for year 2017 for the coordination, management and non-clinical activities. These European Reference Networks are working on a range of thematic issues including bone disorders, childhood cancer and immunodeficiency.

valuable one and has been replicated in [Iceland](#) already as well as the [Italian cardiovascular screening programme "CARDIO 50"](#).

One proposal per call and best practice has been selected for a total EU contribution of approx. EUR 2 400 000. A third call to transfer a best practice from one country to others, namely the [Whole Grain Public Private Partnership from Denmark](#), has been launched at the very end of 2018. Most of these actions will start in the first half of 2019, for a duration of three years and will start delivering at least one and a half year after the signing of the grant agreement.

On the basis of a call for Operating Grants launched under the 2017 annual work programme, Framework Partnership Agreements signed with 17 Non-Governmental Bodies in 2018, and specific grant agreements have been awarded on a competitive basis for the financial year 2018 and 2019. It is expected that the supported non-governmental bodies will assist the Commission with the information and advice necessary for the development of health policies and the implementation of the Health Programme objectives and priorities. It is also expected that non-governmental bodies will work on increased health literacy and promotion of healthy life styles, the organisation of science policy conferences and contribute to the optimisation of healthcare activities and practices by providing feedback from and facilitating communication with patients thus empowering them. The Commission also encourages these non-governmental bodies to work together with the European Solidarity Corps, where appropriate.

The Single Framework Contract CHAFEA/201/Health/36 entered into force in early 2018 to support the assessment of characterising flavours in tobacco products. Its objective is to support the specification of the methodology for sensory analyses and to set up the [Technical Group of sensory and chemical assessors](#)⁴¹⁴ assisting the [Independent Advisory Panel](#)⁴¹⁵ and, ultimately, the European Commission and Member States in the implementation of EU legislation regarding the prohibition of products with characterising flavours foreseen in Article 7 of the Tobacco Products Directive. A total of 7 requests for service were launched and signed in 2018, providing (i) the establishment of a baseline/reference group for product testing, (ii) the identification, selection, recruitment and initial training of potential sensory assessors, and (iii) the maintenance of the group of sensory assessors, including their performance and monitoring, will start early 2019.

In late 2018, international cooperation is supported through the signature of three direct grants signed with (a) the Council of Europe (European Directorate for the Quality of Medicines and Healthcare) on the Substances of Human Origin (b) with the Organisation for Economic Cooperation and Development (OECD) on "Patients' Reported Measures" and (c) with the OECD on Antimicrobial Resistance (AMR).

Two other direct grants are still in negotiation, one with the OECD on digitally enabled integrated care and one with the World Health Organisation (WHO) Secretariat of the Framework Convention on Tobacco Control (FCTC). They are expected to be signed in the 1st quarter 2019.

Key achievements

The below are examples of actions corresponding to main Commission priorities for (i) implementation of best practices for health promotion and diseases prevention, (ii) the establishment of 24 European Networks, (iii) actions for migrants and refugees, (iv) crisis preparedness and risk management, (v) relevant information in the framework of the EU semester, (vi) mental health and (vii) health and innovation.

(i) Implementation of best practices for health promotion and diseases prevention

The online "best practice portal"⁴¹⁶ was launched in April 2018. Since June 2018, it counted more than 6 650 visitors from all EU Member States as well as neighbouring countries. Portal visitors can access good practices collected by previous Health Programme actions, for example in the field of nutrition and physical activity, prevention of alcohol abuse, mental health and integrated health care. Stakeholders can also submit a practice for evaluation. The portal is always open for submissions, but it is also open for specific calls. For example, DG SANTE and the Austrian Presidency called for best practices in the field of healthy and sustainably food systems in summer 2018. **The practices selected as "best" are presented to Member States in so-called marketplace workshops.** Afterwards, Member States prioritize among the presented practices for scale-up and country-to-country transfer. Those scoring highest can receive financial support for such transfer, as it is the case for the Danish "Whole Grain Public Private Partnership" (see under implementation).

(ii) The establishment of 24 European Reference Networks (ERNs)⁴¹⁷:

ERNs are virtual networks involving healthcare providers across Europe. They aim to tackle complex or rare medical diseases or conditions that require highly specialised treatment and a concentration of knowledge and resources. To review a patient's diagnosis and treatment, ERN coordinators are convening a "virtual" advisory board of medical specialists across different disciplines, using a dedicated IT platform and telemedicine tools. This way, the medical knowledge and expertise travel rather than the patients.

Since its formal creation, ERNs are delivering a number of benefits: they are providing greater access to high quality health care and information, **accurate diagnosis and appropriate treatment to patients affected by rare or low prevalence diseases.** In this

⁴¹⁴ https://ec.europa.eu/health/tobacco/products/characterising_flavours/technical_group_en

⁴¹⁵ https://ec.europa.eu/health/tobacco/products/characterising_flavours/panel_en

⁴¹⁶ <https://webgate.ec.europa.eu/dyna/bp-portal/>

⁴¹⁷ For more information please refer to https://ec.europa.eu/health/sites/health/files/ern/docs/2017_brochure_en.pdf

For the establishment of the European Reference Networks, DG SANTE won the first EU Ombudsman Award for Good Administration. See at: <https://www.ombudsman.europa.eu/en/activities/eventdocument.faces/en/77458/html.bookmark>

first phase (2017-2018), ERNs include 24 networks and more than 900 highly specialised healthcare providers in 300 hospitals across the EU.

ERNs are not directly accessible to individual patients. However, with the patients' consent and in accordance with the rules of their national health system, patient case can be referred to the relevant ERN member in their country by their healthcare provider. Using the clinical patient management system (CPMS), the members of the ERNs have already been able to consult, explore, diagnose and decide on cases of particular complexity. **In February 2019, the ERNs had used 458 panels to discuss 444 patient cases**, and the number of cases opened in the CPMS regularly evolves (see for example <https://ec.europa.eu/avservices/video/player.cfm?sitelang=en&ref=1164244>)

Beyond cases discussed in the CPMS, the Networks are also ideal environments for research and innovations (clinical trials, development of medicines etc.). Within ERNs, health professionals can learn from each other's, for example with specialised trainings, through dedicated webinars and meetings during which different professionals can exchange views and good practices and create the basis for eTraining and eLearning programmes.

Since 2018, with a help of a dedicated contract financed through the EU Health Programme, ERNs are cooperating in the development of a complete taxonomy of different technical and informative documents that ERNs might produce. The results of this cooperation will feed, for example, some of the necessary elements for the creation of the ERNs methodology for the development of clinical practice guidelines⁴¹⁸ for rare diseases, expected for May/June 2020.

Furthermore, a first group of 5 among the 24 ERNs, supported by grants under the EU Health Programme, **has started in 2018 to develop and improve rare disease registries** relevant for the diseases and conditions covered by their respective ERNs. In 2019, the EU will increase the funding opportunities to allow the other ERNs to do the same, taking into tools and standards developed and put at their disposal by the Joint Research Centre (JRC) of the Commission, in particular the EU Rare Diseases Registration Platform.

The first ERNs are up and running since March 2017. Over the next five years, as the ERNs reach full capacity, thousands of EU patients suffering from a rare or complex condition can expect to benefit. In addition, several networks received co-funding to set up disease and patient registries, building on the clinical patient management system provided through the [DG SANTE IT platform](#).

(iii) Actions for migrants and refugees:

Actions co-funded under the AWP 2016 have delivered in 2018: (a) a training package (eLearning module) for first line staff; (b) a set of five technical guidance documents, developed with the WHO, consisting of case studies and evidence to inform practice and policy to improve migrants' health (e.g. on mental health; children's health); (c) a best practice guide for perinatal care, including peer support mechanisms and, multidisciplinary teams, implemented in Greece, the Netherlands and the United Kingdom. All the above are available to stakeholders through the EU health policy platform and agora.

(iv) Crisis preparedness and management:

In 2018, the Joint Action EMERGE⁴¹⁹ – *Efficient response to highly dangerous and emerging pathogens at EU level* has delivered on its work for the improvement of capabilities for rapid laboratory diagnosis of new or emerging pathogens (e.g. sample sharing). It completed three rounds of external quality assurance exercises (EQAEs), improving detection methodologies and response capabilities of the participating laboratories on high risk (re)emerging pathogens such as Bacillus anthracis, Yersinia pestis, Crimean-Congo haemorrhagic fever (CCHF) and Lassa virus. **The Joint Action also contributed to combating the outbreaks of ZIKA and Ebola.**

The Health Programme is also playing a crucial role in addressing Antimicrobial Resistance (AMR), by defining common approaches to fight AMR and to control healthcare-associated infections in line with ongoing EU and international policies.

(v) State of Health in the EU and Country Profiles (European semester):

November 2018 saw the publication of the second iteration of the [Health at a Glance: Europe 2018 State of Health in the EU Cycle report](#)⁴²⁰. In its thematic focus, the report flagged the very significant burden of mental health: besides the impact on people's well-being, the report estimates the total costs of mental ill-health at over EUR 600 billion – or more than 4% of GDP – across the 28 EU countries.

vi) Mental health

The EU-Compass for Action on Mental Health and Well-being funded by the European Union in the frame of the 3rd EU Health Programme⁴²¹ has monitored the mental health and wellbeing policies and activities of EU countries and non-governmental stakeholders through an assessment report titled "Progress in Mental Health in the EU Member States and the NGO's". It has identified and disseminated European good practices in mental health.

vii) Health and innovation

⁴¹⁸ The call is launched and the expected delivery date is five months after the signature of the contract (estimated delivery date May/June 2020 if contract is signed by end of 2019)

⁴¹⁹ https://www.emerge.rki.eu/Emerge/EN/Home/Homepage_node.html

⁴²⁰ <http://www.oecd.org/health/health-at-a-glance-europe-23056088.htm>

⁴²¹ See at https://ec.europa.eu/health/non_communicable_diseases/mental_health/eu_compass_en

Following-up on the [mid-term review of the digital single market \(DSM\)](#)⁴²², which highlighted a strong willingness to facilitate the accessing and sharing of health data for research or treatment purposes, in 2018 the EU Commission published a [communication on enabling the digital transformation of health and care in the Digital Single Market](#)⁴²³. In support to the above, the Programme delivered a study on the telemedicine market in Europe and the factors that determine its development. The analysis mapped telemedicine applications and solutions, and applicable technical standards and guidelines; it also described market dynamics and potential barriers limiting wider deployment and uptake of telemedicine solutions. Finally, the study assessed the cost-effectiveness of larger-scale deployment of telemedicine under current and future market conditions and provided relevant recommendations for policy makers.

The piloting of the EU cooperation on Health Technology Assessment has proven successful and led to the drafting of a legislative proposal to strengthen the EU cooperation on Health Technology Assessment, which was adopted by the European Commission on 31 January 2018⁴²⁴.

Evaluations/studies conducted

An external study⁴²⁵ collected data on the expected impact of objectives and health actions, and proposed improved indicators for the monitoring and evaluation of a next Health Programme/Strand. The study analysed the current Health Programme and prospectively suggested the establishment of a monitoring framework for the next Health Programme. Hence, it supported, in addition to the input provided by previous Programme evaluations, the development of the Impact Assessment for the Health in the next Multiannual Financial Framework.

A Commission Report to the European Parliament and to the Council has communicated the conclusions of the mid-term evaluation of the 3rd Health Programme on 11 October 2017, together with a Staff Working Document and the deliverables of the supporting study. See at https://ec.europa.eu/health/programme/policy/2014-2020/midterm_evaluation_en.

The outcome and follow-up actions of this mid-term review were presented in last year's programme statement.

The results of the ex-post evaluation of the 2nd Health Programme 2008-2013 have been communicated to the European Parliament and to the Council on 10 May 2016. See at http://ec.europa.eu/health/programme/policy/2008-2013/evaluation_en. An Action Plan on the basis of the recommendations of this evaluation has been adopted and is being implemented taking into account also the new recommendations of the mid-term evaluation (see above).

An external study "Evaluation of the EC Action Plan (2011-2015) on Antimicrobial Resistance" was conducted and delivered its results in 2016.⁴²⁶ The findings and recommendations are assessed and summarised in SWD(2016) 347 final of 24 October 2016 http://ec.europa.eu/dgs/health_food-safety/amr/docs/amr_evaluation_2011-16_evaluation-action-plan.pdf

Forthcoming implementation (2019-2020)

The implementation is guided by a multi-annual planning, which has been updated in 2016 and is being validated in order to ensure a significant contribution of all actions co-funded under the Health Programme to at least one of the 10 priorities of the European Commission, in particular in contributing to creating jobs, growth and investment, to a deeper and fairer internal market and the priority on migration. The future implementation 2019, takes into account both the recommendations stemming from the ex-post evaluation of the 2nd Health Programme 2008-2013, as well as those resulting from the mid-term evaluation of the 3rd Health Programme, namely: improving the monitoring of the programme and ensuring a more pro-active dissemination of the results, as well as promoting better cross-Commission collaboration.

The AWP 2019 will be adopted in the 1st quarter 2019. It is expected to include different kind of actions (grants for projects and joint actions, service contracts, etc) to help the Member States be better prepared against biological or chemical attacks, implement prevention best practices (in the area of reformulation, reduction of aggressive food marketing to children, and public procurement of food) and integration of care, support the network of European Reference Networks, fight antimicrobial resistance AMR, reduce alcohol-related harm and tobacco consumption, and support the digital transformation in health.

For the preparation of the work programme for 2020 in the framework of the third Programme of the Union's action in the field of health (2014-2020), initial discussions with other European Commission services, namely DG Research, have started, and more contacts will ensue. The 2020 work program is likely to focus on supporting initiatives that will help the Member States monitor their progress towards the Sustainable Development Goals, on networking reference laboratories on pathogens, on coordinating action on vaccine supply and countering vaccine hesitancy, on AMR, on implementing best practices to prevent avoidable harm and avoidable cost (including tobacco control), on support the reform of health systems and integrating digital technologies, and on improving pharmaceutical legislation and health technology assessment.

II.5. Outlook for the 2021-2027 period

The Health Programme has been integrated into the Commission proposal for the European Social Fund Plus (ESF+) through a dedicated health strand. Its objective is to ensure a high level of health protection in the Union by preventing health risks and

⁴²² <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2017:228:FIN>

⁴²³ https://ec.europa.eu/health/sites/health/files/chealth/docs/com2018_233_en.pdf

⁴²⁴ https://ec.europa.eu/health/technology_assessment/eu_cooperation_en

⁴²⁵ <https://publications.europa.eu/en/publication-detail/-/publication/8b2b6661-510e-11e9-a8ed-01aa75ed71a1>

⁴²⁶ See at <https://publications.europa.eu/en/publication-detail/-/publication/dfa73899-9f35-11e6-868c-01aa75ed71a1/language-en/format-PDF/source-86521733>

promoting public health and access to medical products. The main operational objectives of the ESF+ health strand are (a) strengthening crisis preparedness and response against cross border-health threats; (b) empowering health systems; (c) supporting EU health legislation and (d) supporting integrated cross-national work. Actions eligible under the ESF+ health strand include policy analysis and implementation; capacity building of networks and partners; communication and dissemination.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 282/2014 of the European Parliament and of the Council of 11 March 2014 on the establishment of a third Programme for the Union's action in the field of health (2014-2020) and repealing Decision No 1350/2007/EC	2014 - 2020	449,4

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	1,5	1,5	1,5	1,5	1,5	1,5	1,5	10,5
Operational appropriations	52,9	54,0	56,5	58,8	60,5	62,3	63,6	408,5
Executive Agency	4,2	4,2	4,2	4,2	4,4	4,6	4,6	30,3
Total	58,6	59,8	62,2	64,5	66,4	68,3	69,7	449,4

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	66,374	100,00 %	56,109	98,48 %	68,308	8,99 %	60,050	25,35 %
Authorised appropriations (*)	68,429	99,34 %	58,926	97,58 %	70,473	9,54 %	62,840	25,92 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to complement, support and add value to the policies of the Member States to improve the health of Union citizens and reduce health inequalities by promoting health, encouraging innovation in health, increasing the sustainability of health systems and protecting Union citizens from serious cross-border health threats

Indicator 1: Number of Healthy Life Years at birth

Baseline 2010 (data 2012)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Men: 61,9 (61,5) Women: 62,7 (62,1)	Actual results						
	Men: 61,4 Women: 61,8	Men: 62,6 Women: 63,3	Men: 63,5 Women: 64,2	n.a. yet			

Source: Eurostat. Data for 2017 will be made available by Eurostat in May 2019, and for year 2018 in May 2020, and so on.

Specific objectives

Specific Objective 1: identify, disseminate and promote the uptake of evidence-based and good practices for cost-effective health promotion and disease prevention measures by addressing in particular the key lifestyle related risk factors with a focus on the Union added value

Indicator 1: number of Member States involved in health promotion and disease prevention, using evidence-based and good practices through measures and actions taken at the appropriate level in Member States

Note: the above indicator is taken directly from the 3rd Health Programme Regulation. The 2 indicators below are an operationalization.

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Member States (MS) having a national initiative on reduction of saturated fat: 12. MS in which the European	16 MS	18 MS	20 MS	22 MS	24 MS	25 MS	28 MS
	Actual results						28 MS

accreditation scheme for breast cancer services is implemented – establishment of the scheme: 0	21 MS 0 (cancer)	21 MS (fat) 0 (cancer)	21 (fat) 0 (cancer)	22* (fat) 10 (cancer)	24 (fat) 10 (cancer)		
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Note: the guidelines on breast cancer services were published in July 2017.

* plus 3 announced in 2017 but not approved by the end of the year.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of actions granted that plan to deliver validated best practices for cost effective prevention measures	17 03 01	5	15
Number of grants and contracts provided contributing to promoting health and fostering supportive environments	17 03 01	10	3
Total		15	18

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of actions granted that plan to deliver validated best practices for cost effective prevention measures	F	4	5	3	12	11	5	5
	P	4	5	9	9 (all the actions below contribute with evidence-based interventions)	9		
Number of grants and contracts provided contributing to promoting health and fostering supportive environments	F	35	25	14	19	30	20	10
	P	35	23	20	9 (4 SC + 2 x JA on Health inequalities and on Cancer + 3 Direct grant to IGOs)	10		

Justification of changes to the financial programming and/or to the performance information

The intention for years after 2018 is to have a limited number of grants, e.g. Joint Action for implementation of best practices on chronic diseases in large scale by Member States needing a bigger budget.

Specific Objective 2: identify and develop coherent approaches and promote their implementation for better preparedness and coordination in health emergencies

Indicator 1: number of Member States integrating coherent approaches in the design of their preparedness plans

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 MS	0 MS	4 MS	18 MS	20 MS	22 MS	24 MS	28 MS
	Actual results						
	0	16 MS	16 MS	16 MS	22 MS		

Actual results on the indicators will be available after the next reporting exercise by Member States on preparedness and response planning under Article 4 of Decision 1082/2013/EU. The next reporting exercise takes place in 2020.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of grants and contracts provided to protect citizens from serious cross-border health treats	17 03 01	5	12
Total			

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of grants and contracts provided to protect citizens from serious cross-border health treats	F	4	7	4	6	5	5	5
	P	4	7	5	6	1		

Justification of changes to the financial programming and/or to the performance information

As from the work programme for 2017 in the framework of the third Programme of the Union's action in the field of health (2014-2020), adopted on 26 Jan 2017.

Specific Objective 3: identify and develop tools and mechanisms at Union level to address shortages of resources, both human and financial, and to facilitate the voluntary uptake of innovations in public health intervention and prevention strategies

Indicator 1: advice produced and the number of Member States using the tools and mechanisms identified in order to contribute to effective results in their health systems

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Advice produced, in particular the number of Health Technology Assessments (HTA) produced per year: 2 Number of Member States (MS) using the tools and mechanisms identified in order to contribute to effective results in their health systems: patient summaries data/ ePrescription in line with the EU guidelines.	11	6 5 MS	12* 9 MS	18 8 MS	22 10 MS	29 12 MS	50 annually 18 MS**
	Actual results						
	6 HTA 0 MS	9 HTA 5 MS	0 HTA 10 MS	4 HTA 9* MS	22 HTA *** 22 MS ****		

* The way this indicator is calculated changed in 2017. Whereas till 2016, it reflected the “reported capacity to join” as from 2017 this indicator reflects the “reported capacity and intention to join as soon as possible”.

** For info, target was updated from 28 to 18 in the 2019 Draft Budget to reflect reality.

*** Of the 22 HTA, 15 are on pharmaceutical products (2 Assessments and 13 Early Dialogues) and 7 on other technologies (6 Assessments and 1 Early Dialogue).

**** NB: figures for 2018 represent the number of Member States either deploying or using the tool for exchanging e-Prescriptions and patient summaries

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of grants and contracts to address shortages of resources, both human and financial, and to facilitate the voluntary uptake of innovations in public health intervention and prevention strategies	17 03 01	15	8
Others of horizontal nature	17 03 01	5	3
Total		20	11

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of grants and contracts provided concerning obj. 3	F	19	16	11	26	19	40	20
	P	19	11	13	32	17		

Specific Objective 4: increase access to medical expertise and information for specific conditions beyond national borders, facilitate the application of the results of research and develop tools for the improvement of healthcare quality and patient safety

Indicator 1: number of European reference networks established in accordance with Directive 2011/24/EU

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0	0	10	24	24	24	30*
	Actual results						
	0	0	23	24	24		

Networks can only be formally established as provided in Commission Implementing Decision 2014/287/EU setting out criteria for establishing and evaluating European Reference Networks and their Members. The implementing decision was adopted later than forecasted in 2013 (when the goals were defined in the Health programme) and therefore the milestones and goals should be adapted to reality. The establishment of ERNs is a complex procedure, which involves several steps and tools. The first call for ERN has been launched in the second half of 2016, the result was the establishment of 24 ERNs.

* Target reduced from 33 to 30 based on the SANTE strategic plan 2016-2020.

Indicator 2: number of healthcare providers and centres of expertise joining European reference networks

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0	0	0	120	936	1136	1342	1450
	Actual results						
	0	0	936	956	956		

Indicator 3: number of Member States using the tools developed

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	

0	0	0	0	18	20	24	28
	Actual results						
	0	0	0	25	25		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of functioning European Reference Networks	17 03 01	24	0
Number of grants and contracts to facilitate access to better and safer healthcare for Union citizens	17 03 01	40	14
Total		66	14

* this is the number of actions to facilitate access to better and safer healthcare for Union citizens financed for the Draft Budget 2019. The number of functioning ERNs is independent from this total.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of functioning European Reference Networks	F	0	0	15	15	24	24	24
	P	0	0	0	24			
Number of grants and contracts to facilitate access to better and safer healthcare for Union citizens	F	9	10	22	30	30	40	40
	P	9	10	32	25 *	39		

*(23 ERNs + JA on AMR + assessment of ERN HCP)

Justification of changes to the financial programming and/or to the performance information

The unexpected success of ERNs in 2016 results in the revision output indicators concerning the number of functioning ERNs and the corresponding number of Grants and Contracts under Objective 4.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
20 million less people should be at risk of poverty

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	36,4	29,2
Inclusive Growth (employment and skills, fighting poverty)	15,8	21,1
Total	52,2	50,3

Gender mainstreaming: DG SANTE has developed a questionnaire for all beneficiaries to be completed at the time of the interim and final report, operating grant recipients will only provide a final report and complete the questionnaire then. One question targets gender mainstreaming and how it was performed in the actions. DG SANTE can already report on the first data from the beneficiaries/reports for the operating grants (budget of EUR 4.6 million), whereas information from project grants and Joint Actions will only be available later.

As regards the operating grants, the first replies from recipients indicate that on average an amount of about 2% of their budget, i.e. EUR 86.000, is spent to finance activities targeting the gender issue related to health.

5. Programme contribution to the Sustainable Development Goals

SDG 3 Ensure healthy lives and promote well-being for all at all ages

HEADING 3: Security and citizenship

Consumer Programme

Lead DG: JUST

I. Overview

What the programme is about?

The Consumer Programme supports the EU consumer policy. It aims to help citizens fully enjoy their consumer rights and actively participate in the Single Market, thus supporting growth, innovation and meeting the objectives of Europe 2020. The Consumer Programme 2014-2020 focuses on four key areas:

- a single market of safe products for the benefit of citizens and as a component of competitive businesses and traders;
- a single market where citizens are well represented by professional consumer organisations whose capacity is built to meet the challenges of today's economic environment;
- a market where citizens are aware and exercise their rights as consumers so that they contribute to the growth of competitive markets; citizens must enjoy access to redress mechanisms in case of problems without needing to resort to court procedures which are lengthy and costly for them and the governments;
- a concrete and effective collaboration between national bodies to support the enforcement of consumer rights, and support the consumers with advice.

EU added value of the programme

The main actions implemented through the Consumer Programme are aimed to supporting the objectives of the EU Consumer protection policy where they cannot be sufficiently achieved by the Member States, in particular due to the cross-border nature of the issues involved. This is achieved by actions in 4 specific objectives:

I. Safety: to consolidate and enhance product safety

Ensuring that products circulating on the internal market, including online, are safe for consumers is a basic objective for EU consumer policy and contributes to the Juncker Commission's priority for a Deeper and Fairer Internal Market with a Strengthened Industrial Base. This objective is supported by EU legislation with general requirements for safe products and for market surveillance by the Member States. Consumers need to be confident that unsafe products have no place on the EU market and that the relevant rules are effectively and efficiently enforced, both domestically and cross-border. This is why EU supports a coordinated and coherent approach to the enforcement of safety and market surveillance rules across the EU.

II. Consumer information and education and support to consumer organisations

Developing modern evidence on how markets work for consumers and businesses – notably through the Consumer Scoreboards – helps Member States to identify areas where the EU is not delivering fully for the internal market, and contributes to better policy making. Collecting such evidence at EU level ensures methodological consistency and comparability across time and countries, allowing Member States to benchmark the consumer outcomes of their policies.

Enhancing knowledge also entails making sure that consumers are informed of their rights, supporting consumer education, and building the capacity of consumer organisations, especially in Member States with weaker consumer cultures (NB. local courses organised in Member States are given the national language). Both the capacity building and the consumer education actions target EU-wide audiences with a view of sharing best EU wide practice.

III. Rights and redress: to develop and reinforce consumer rights

Enforcement efforts seek to ensure that citizens feel adequately protected from unsafe products and unfair commercial practices, and that businesses and industry can operate in open and fair markets. EU consumer policy also aims to boost consumers and traders trust by giving them access to more efficient and cost-effective means of out of court redress, notably through alternative dispute resolution (ADR) and online dispute resolution (ODR) mechanisms.

IV. Enforcement: to support enforcement of consumer rights

Stepping up enforcement of the EU consumer acquis through the revision of the Consumer Protection Cooperation (CPC) Regulation is one of the objectives of the Digital Single Market strategy. The CPC network has an important role in this respect as it allows Member State authorities to cooperate and tackle infringements with a cross-border dimension. For widespread infringements such as concerning internet platforms or big market players, it is more efficient and effective to pool resources and coordinate enforcement action at EU level. The Consumer Programme supports these coordinated actions as well as the pre-requisite building of capacity and joint expertise in investigation and enforcement, for instance to raise digital investigations knowledge and standards in Member State authorities to ensure an equal level of enforcement through the Single Market.

The role of the European Consumer Centres (ECCs) is also relevant in this respect; it contributes towards the governance and performance of the Single Market and helps the European consumers to get the redress they deserve when purchasing abroad or while travelling. ECCs act as a consumer rights information service for the citizens and are an important component of the

Consumer Programme. They also play the role of consumers' advocates in trying to get a settlement in cross-border trade issues and contribute to the promotion the use of the Alternative Dispute Resolution. Many ECCs also serve as the Online Dispute Resolution (ODR) contact points.

Implementation mode

Direct management via grants and procurement. Grants are mostly implemented by the Consumer, Health and Food Executive Agency (CHAFEA), implementation of procurement actions is shared between DG Justice and Consumers and CHAFEA, with some limited sub-delegations to DG SANTE, GROW and DIGIT.

II. Programme Implementation Update

Implementation Status (2016-2018)

The implementation of the Consumer Programme 2014 – 2020 is well on track to meet its multiannual objectives. Most of the related performance indicators expected for the 2014-2018 period have been achieved.

The annual work programmes (commitments):

- 2016 (EUR 23.7 million) executed at 99 %
- 2017 (EUR 24.7 million) executed at 94,5%
- 2018 (EUR 25.7 million) executed at 61 % (status of January 2019). Global commitments for the remaining already defined actions (legal commitments to be concluded during the first half of 2019) were done at the end of 2018.

Compared with its predecessor, the 2014-2020 programme brought important improvements, in particular the simplification of grants for the European Consumer Centres (based on multiannual strategic partnerships), and of the system for exchange of enforcement officials (indemnities instead of grants).

Key achievements

I. Safety: to consolidate and enhance product safety

Rapid Alert System (RAPEX)

The Rapid Alert System for dangerous non-food products (RAPEX), set up in 2003, has continued during the last years to facilitate the exchange of information between Member States and the Commission on measures taken against dangerous products. Cooperation between national authorities has significantly increased over time, as mirrored by an increase of the feedback ratio of reports of other authorities to "serious risk" notifications from 0,90 in 2013 to 1,97 in 2018. The number of notifications has now stabilized at a regular rate with just over 2.000 per year. In 2018 alone, a total of 2.257 alerts were circulated. Taking into account global trade, further developing online shopping, as well as more and more direct sales to EU consumers from traders of third countries, the European Commission and national authorities collaborating through the Rapid Alert System are also working closely with large international markets to exchange information and to increase cooperation, including at the level of online platforms.

II. Consumer information and education and support to consumer organisations

The programme contributes to improving the awareness of consumers and retailers of their rights and obligations. As an example, in 2018 a pilot awareness-raising campaign was rolled out in four Member States (Czech Republic, Greece, Portugal, and Romania) focusing on increasing energy-poor consumers' awareness of their rights under existing energy legislation, and provided consumers with energy-saving tips and information on low-cost energy efficiency improvements.

In 2018 the Commission supported the New Deal for Consumers initiative through a dedicated awareness raising campaigns in Member States (Consumer dialogues), including events and media activities at national level. In 2018, following an open call for applications for 3-year framework partnerships, the European Consumer Organisation BEUC was again selected to receive an annual operating grant during 2019-2021.

The local training courses of the capacity building programmes "Consumer Champion" and "Consumer Classroom", in close collaboration with national stakeholders, continued in 2018. Their websites count over 40.000 visitors and 1500 registered users for the Consumer Champion, and 277.000 visitors and over 25.000 registered users (teachers, experts, basic users) for the Consumer Classroom. In 2018 users accessed almost 1000 online courses and created over 500 lessons.

III. Rights and redress: to develop and reinforce consumer rights

Online Dispute Resolution platform

The programme supports the EU-wide Online Dispute Resolution platform (ODR platform: ec.europa.eu/consumers/odr), a tool that enables consumers and traders to settle their online disputes about domestic and cross-border online purchases without going to court, thus contributing to the EU's Digital Single Market Strategy. 400 Alternative Dispute Resolution (ADR) entities from 30 EU and EFTA countries and 30 ODR contact points were available on the ODR platform in December 2018. Since the launch of the platform, over 97 000 consumers decided to lodge a complaint and, according to a survey, 37% of complaints submitted to the platform result in the direct settlement between the consumer and the trader. Since 2016, the programme supported four awareness-raising campaigns on the ODR platform, including a campaign targeting traders in 2018. The results achieved exceed by far the

expected results: 7 million people visited the ODR platform since 2016 and spent on average more than one minute on it. In addition, a call for proposals to boost the capacity of ADR bodies was published in August 2018.

In 2016-2018, the Consumer programme contributed to the design of the legislative proposals in the context of the New Deal for Consumers package adopted in April 2018, through meetings of Stakeholder Consultation group for the Fitness check of EU consumer and marketing law (REFIT).

IV. Enforcement: to support enforcement of consumer rights

Support for the Consumer Protection Cooperation Regulation

Actions aimed at strengthening the knowledge base and revision of the Consumer Protection Cooperation Regulation (the CPC Regulation). With the reformed CPC Regulation (Regulation 2017/2397) adopted on 27 December 2017 and entering into force on 17 January 2020, consumer authorities will have new powers to act faster against bad online practices containing scams. In this respect, the Programme has contributed to set-up interactive knowledge-exchange platforms for national CPC and product safety authorities to foster rapid exchange of information, support collective working on joint enforcement actions and disseminate training and best-practice materials.

The E-enforcement Academy platform, set up in early 2017 thanks to the programme, gathered 655 users, 301 identified as part/related to the Consumer Protection Cooperation (CPC) network and 339 to the product safety networks by the end of 2018. A total of 64 participants attended various master classes in 2017 and 2018.

The programme has also supported the exchanges of product safety enforcement officials (19 in 2014, 31 in 2015, 20 in 2016, 56 in 2017 and 14 in 2018) and for CPC officials (40 in 2014 to 55 in 2015, 72 in 2016, 34 in 2017 and 57 in 2018).

The CPC network's 2017 sweep focused on telecommunication and other digital services providers and was launched in November 2017. The CPC authorities of 23 countries (21 EU Member States, Norway and Iceland) checked a total of 207 websites from operators offering services such as access to fix and mobile telephony, internet, audio and video streaming. The screening revealed a series of irregularities and two thirds of the websites (i.e. 163) were flagged for further investigation and authorities asked the websites concerned to bring their practices in line with EU consumer legislation.

Financial support to bodies constituting the European Consumer Centres Network (ECC-Net)

The ECC-Net helps consumers with cross-border purchases, explaining their rights when shopping internationally and, where necessary, helping them seek redress against a trader in another EU country, Iceland or Norway. In 2014 ECC-Net developed a "Travel App" to help consumers exercise their rights while on holiday abroad. The ECC-Net IT Tool registered over 120 000 contacts with consumers in 2018, a 20% increase from the numbers in the last two years.

The initial 2020 target for the implementation of the 2010 Commission Recommendation on harmonising the registration of consumer complaints – in terms of the number of complaints handling bodies/countries submitting harmonised complaints data – was achieved early, in 2015, and the targets were revised upwards at that time. The number of participating countries continued to grow and by end 2016, 77 consumer organisations from 23 EU Member States and 1 EEA country (Norway) had sent harmonised complaints data to the Commission (around half of them on regular basis), bringing the total number of records in the harmonised database to 6.15 million by end 2017. However, in 2017 the situation of the project – in particular the development and maintenance of the harmonised database – was re-assessed in view of competing priorities and resource limitations, in a context where its continuation in the medium and longer term was conditional of major upgrades in the underlying IT system. The development of the project was therefore put on hold and, after a consultation with the Member States' representatives, a decision to discontinue its maintenance was taken in 2018.

In practice, evidence for policymaking is gathered more efficiently through dedicated and focused market studies, consumer and retailer surveys, which can target emerging issues and gather data with higher value. Complaint data are in any case already gathered through various tools owned by the Consumer enforcement and redress unit (newly launched ECC-Net compliant platform, ODR and the legally binding IT tool of the Committee on Consumer Protection Cooperation (CPCS), covering all relevant data except national off-line complaints). For instance, the ODR platform connects 422 dispute resolution bodies from 30 countries. In the ODR platform, both parties have to agree on transfer of complaints to the ADR body. However, the consumers can use the ODR platform to find an ADR body who may be able to receive complaints directly. 30 national European Consumer Centres (ECCs) (EU, NO, IS) are not, per se, complaint handling bodies, but they work closely with the enforcement authorities.

Evaluations/Studies conducted

In October 2017 the Commission launched an external study on Ex-post evaluation of the Consumer Programme 2007-13 and mid-term evaluation of the Consumer Programme 2014-2020. The study showed that the Consumer Programme 2014 - 2020 achieved progress towards meeting the programme's specific objectives in the areas of safety, consumer information and education, rights and redress and enforcement. The costs are assessed as being proportional to the benefits achieved and the EU added value is considered high. The results of this study show a general satisfaction of the stakeholders in terms of relevance and effectiveness of the activities. Highest scores in terms of effectiveness were provided regarding Exchange of enforcement officials, E-enforcement academy (training programme for enforcement agencies), support to EU-level consumer organisation, the European Consumer Centres, the RAPEX system, and networking and stakeholders events in general. Where lower levels of achievements were reported, the reasons and influencing factors seem to relate mostly to new market challenges driven by fast and often unpredictable

societal and technological changes. In addition, there are specific limitations in the Member States that affect an optimal uptake (e.g. limited staff/financial resources/skills of NGOs or authorities). Finally, the production of evidence (studies, scoreboard etc) is widely accepted as an effective instrument. However, the uptake in the decision making of the evidence base (studies) produced under the programme could be improved and in particular regarding the timeline of studies compared to the needs of the policy process and the policy uptake of results.

The study showed a general satisfaction of the stakeholders in terms of relevance of the programme. Overall, the objectives and priorities of the Consumer Programme were so far assessed as being still very relevant. The evaluation concludes that in the future, the programme's ability to react to new challenges related to market developments, digitalisation and new policy demands should be strengthened. Additional priorities could be given to sustainable consumption, to activities that contribute to a uniform and high level of consumer protection throughout the EU, and to support to consumer organisations at the Member State level (e.g. jointly with the Member States in their role as consumer watchdogs).

In terms of coherence, there seems to be little overlaps with other programmes, but quite a significant potential for increasing synergies with activities in other areas, for example, it was suggested to involve national consumer organisations into consumer information and education campaigns, to increase synergies between the actions, and at the same time strengthen the capacity of these organisations. Representatives of ECCs suggested increasing the synergy with the CPC Network by increasing the number and scope of joint activities.

In terms of efficiency, there seems to be significant room for improvement regarding administrative burdens related to the programme delivery and scope for simplification as regards grants for joint actions and exchange of officials.

Forthcoming implementation (2019-2020)

Measures to help enforce consumer legislation and consumer rights and measures to enforce product safety will remain the priority, accounting for around 75 % of the operational budget of the Programme.

A high level of consumer product safety will continue to be supported through actions intended to step up enforcement by Member States, with an emphasis on market surveillance concerning products sold on-line, using as a service contract for market surveillance activities related to General Product Safety Directive and exchanges of enforcement officials aimed at capacity building and best practice sharing.

The proper functioning of the Rapid Alert System for dangerous non-food products will also receive continued support. In 2019 the Commission will launch a new initiative: European Prize for Product Safety Excellence.

In order to build upon consumer education/information achievements to date, an EU-wide umbrella communication campaign on EU Consumer Rights "Use your rights" and an awareness raising campaign on sustainable consumption, green lifestyles and supporting consumers for the transition towards a low-carbon, green and circular economy will be carried out. In 2020, the Commission plans to launch a new Consumer Education and awareness programme, which will include educational tools for schools, addressing teachers, raising the awareness of consumer policy/law and the importance of consumer education.

The financial support to EU-level consumer organisations will continue to be instrumental to ensure a strong enough consumer voice at EU level. Capacity-building activities for national consumer organisations will continue focusing for instance on the promotion of sustainable consumption, the prevention of vulnerabilities and the preparation to new tasks of consumer organisations in relation to the enforcement of consumer rights.

Several studies in relation to the implementation of EU legislation (such as the new CPC Regulation (EU) 2017/2394) will be carried out such as surveys on consumer attitudes, market studies, studies on consumer behaviours regarding credit information, conformity study for the Package Travel Directive, report on implementation of the GPSD Directive, legal suitability study of national and EU legal frameworks for the circular economy and a geoblocking study.

In 2019, the enforcement of consumer rights will be further strengthened through the support of activities of the Consumer Protection Cooperation network. Activities aiming at building the capacity of national enforcement authorities to conduct online investigations will also take place, in particular through e-learning modules (second phase of the E-enforcement academy project).

The programme will continue the funding of European Consumer Centres and support to the operation of the Online Dispute Resolution platform.

Outlook for the 2021-2027 period

For the upcoming financial perspectives, it has been proposed to integrate the Consumer Programme to a new Single Market Programme, in the spirit of continuity, flexibility and EU value added. The proposed budget is the same as before (EUR 188 M). The Single Market Programme is adopting a new and innovative approach towards delivering the Single Market on the ground by improving synergies, achieving better value for money and providing greater visibility for the Single Market.

Under the new Consumer Programme, the same priorities and actions in the area of product safety, awareness-raising, EU-level enforcement actions, cooperation of the CPC network and support to ADR bodies will continue to be funded with additional new priorities.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 254/2014 of the European Parliament and of the Council of 26 February 2014 on a multiannual consumer programme for the years 2014-20 and repealing Decision No 1926/2006/EC	2014 - 2020	188,8

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	1,1	1,1	1,1	1,1	1,0	0,8	0,8	7,2
Operational appropriations	21,3	21,9	23,1	24,1	25,2	26,6	27,0	169,2
Executive Agency	1,7	1,7	1,7	1,7	1,7	1,8	1,8	12,1
Total	24,1	24,7	25,9	26,9	28,0	29,3	29,7	188,4

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	27,966	100,00 %	29,217	93,43 %	29,255	46,77 %	23,564	12,87 %
Authorised appropriations (*)	28,633	99,98 %	30,489	92,43 %	29,959	47,93 %	24,926	15,76 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to ensure a high level of consumer protection, to empower consumers and to place the consumer at the heart of the internal market, within the framework of an overall strategy for smart, sustainable and inclusive growth

Indicator 1: Consumer conditions index

Baseline 2014 ⁴²⁷	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Knowledge and Trust:55,06 (out of 100)			56		58		60 75 63
Compliance and Enforcement:71,91 (out of 100)			73		74		
Complaints and Dispute Resolution:58,97 (out of 100)			60		61		
	Actual results						
Knowledge and Trust	55,06 (out of 100)		59,30		55.87		
Compliance and Enforcement	71,91 (out of 100)		74,99		73.81		
Complaints and Dispute Resolution	58,97 (out of 100)		60,34		59.45		

Result indicator: “pillars” of the consumer conditions index (data available every two years)⁴²⁸

Source of data: Consumer and retailer surveys for the Consumer Conditions Scoreboard (biennial frequency)⁴²⁹

A possible explanation for a decrease in figures in 2018 is linked to a combination of factors and different hypotheses are quoted. The decline in the UK has been particularly marked, but even the EU27 aggregate (without the UK) shows a sizeable decrease. The decline is mostly due to decreases in some large Western EU Member States (our EU aggregates are weighted by population).

Specific objectives

Specific Objective 1: Safety: to consolidate and enhance product safety through effective market surveillance throughout the Union

Indicator 1: % of RAPEX (rapid alert system for dangerous consumers products) notifications entailing at least one reaction (by other Member States)

Baseline	Milestones foreseen	Target 2020
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⁴²⁷ The Consumer Condition Index provides an overview of the key indicators describing the consumer environment at national level, as measured through surveys of perceptions, attitudes and experiences of consumers and of retailers.

⁴²⁸ This indicator is related to the Specific objective 4.1 “Consolidate and improve the rights of consumers when purchasing in the Single Market”, within the General objective “A Deeper and Fairer Internal Market with a Strengthened Industrial Base” as adopted in the Strategic Plan 2016-2020 of DG Justice and Consumers

⁴²⁹ As the methodology for the computation of the indicators related to the CCI and its components has been revised in 2016, the 2014 values for the indicators are not directly computable (data between 2014 and 2016 are not directly comparable). Therefore, the values for 2014 have been back-estimated by applying to the 2016 values the changes in percentage points observed between 2016 and 2014 (computed on indicators based on the same methodology). By doing that, the values for 2014 have been slightly revised with respect to the initial baseline.

2010	2014	2015	2016	2017	2018	2019	
43 % (843 notifications) Source: RAPEX				45 %			Increase of 10 % (to 47,5 %), compared to the 2010 value
	Actual results						
	42 %	40 %	46 %	46 %	56%		
Indicator 2: Ratio number of reactions / number of notifications (serious risks)							
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1,07 ⁴³⁰ Source: RAPEX				Increase to 1,15			Increase of 15 %, compared to 2010 (to 1,23)
	Actual results						
	1,28	1,56	1,80	1,66	1,97		

This indicator indicates the ratio number of reactions divided by the number of RAPEX notifications received under Art. 12 of the General Product Safety Directive 2001/95/EC, serious risks. So it should be 1% to be good, if it is >1%, it means that Member States carry out market surveillance also when they do not have the legal obligation.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
scientific advice	33 04 01	1	0,4
market surveillance and enforcement actions	33 04 01	6	3,6
cosmetics portal and database	33 04 01	2	0,5
Total		9	4,5

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
scientific advice	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		
market surveillance and enforcement actions	F	7	6	6	6	6	6	6
	P	6	6	5	5	6		
cosmetics portal and database	F	2	2	2	2	2	2	2
	P	2	2	2	2	2		

Justification of changes to the financial programming and/or to the performance information

Both indicators for this specific objective reflect a stable cooperation of Member States authorities' follow-up activities to notifications through the Rapid Alert System.

In 2017, the Commission decided to change the financing modus for support to national product safety enforcement authorities with co-ordinated market surveillance activities from grants to procurement. No grants were therefore awarded in 2017 and the corresponding budget shall be used under a new framework contract.

Specific Objective 2: Consumer information and education, and support to consumer organisations: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations, including taking into account the specific needs of vulnerable consumers

Indicator 1: Number of complaint bodies and number of countries submitting complaints to the European Consumer Complaints Registration system (ECCRS).

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
33 complaint bodies from 7 countries. Source: ECCRS				90 complaint bodies from 22 countries			100 complaint bodies from 25 countries by 2020 ⁴³¹
	Actual results						
	37 complaint bodies from 13 countries	73 complaint bodies from 20 countries	77 complaint bodies from 24 countries	77 complaint bodies from 24 countries	N/A: ECCRS system discontinued*		

*After a consultation with the Member States' representatives, a decision to discontinue its maintenance was taken in 2018, due to competing priorities and resource limitations. Complaint data are in any case already gathered through various tools owned by the Consumer enforcement and redress unit (newly launched ECC-Net compliant platform, ODR and the legally binding IT tool of the Committee on Consumer Protection Cooperation (CPCS), covering all relevant data except national off-line complaints).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million

⁴³⁰ A notification can trigger several reactions from authorities of other Member States.

⁴³¹ The 2020 target was already reached in 2015. We revise the 2020 target and milestones to make them more ambitious.

evidence base	33 04 01	3	3,3
support to consumer organisations	33 04 01	3	4
consumer information	33 04 01	7	2
consumer education	33 04 01	2	1
Total		15	10,3

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
evidence base	F	3	3	3	3	3	3	3
	P	3	3	3				
support to consumer organisations	F	3	3	3	3	3	3	3
	P	3	3	3				
consumer information	F	7	7	7	7	7	7	7
	P	7	7	5				
consumer education	F	2	2	2	2	2	2	2
	P	2	2	2				

Specific Objective 3: Rights and redress: to develop and reinforce consumer rights in particular through smart regulatory action and improving access to simple, efficient, expedient and low-cost redress including alternative dispute resolution

Indicator 1: % of those cases dealt with by European Consumer Centres (ECCs) and not resolved directly with traders which were subsequently referred to Alternative Dispute Resolution (ADR).

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
9 %				40 %			75 %
Source: Annual ECC report	Actual results						
	16,2 %	16 %	18 %	11,15%	14%		

This indicator is not suited for assessing the performance of ECCs. The proportion of referrals of unresolved cases to ADR depends on the performance of ADR/ODR and the traders' engagement in the alternative dispute resolution system.

The choice to refer the cases to ADR by consumer centres depends on their experience with traders being ready to submit to ADR and the efficiency of the ADR bodies in any particular jurisdiction. Consequently, ECCs will decrease the number of cases referred to ADR if they perceive that other means of redress (courts, EPO, ESCP, enforcement bodies or the police) are more likely to help the consumer. Moreover, with the launch of ODR the consumers can attempt alternative dispute resolution entirely online: 13,363 cross-border complaints were submitted directly to ODR compared to 5,323 cases submitted to ECCs in 2017 that were closed as unresolved during the year.

It is therefore necessary to re-evaluate the target setting methodology to adapt it for monitoring the performance of ADR/ODR. Also, the ECCs are funded under specific objective four (enforcement) and not under specific objective three, which concerns ADR/ODR (rights and redress).

Indicator 2: Number of cases dealt with by a Union-wide online dispute resolution system

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
17 500 complaints received by ECCs related to e-commerce transactions				50 000			100 000
Source: ODR platform ⁴³²	Actual results						
	25 384	⁴³³	20 176	52 735	97 762		

Indicator 3: % of consumers who took action in response to a problem encountered in the past 12 months.

Baseline 2012 ⁴³⁴	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
83 %			80 %		85 %		90 %
Source: Consumer Conditions Scoreboard	Actual results						
	75%	N.A.*	69 %	N.A. *	77,49%		

*Data collected every second year

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million

⁴³² ODR platform became operational in February 2016.

⁴³³ No figure available in 2015 since the platform was launched in 2016.

⁴³⁴ As the methodology for the computation of the indicator has been revised in 2016, the values for 2014 and 2012 are not directly computable with those of 2016. Therefore, the values for 2014 and 2012 have been back-estimated by applying to the 2016 values the changes in percentage points observed between 2016 and 2014 and between 2016 and 2012 (computed on indicators based on the same methodology). By doing that, the values for 2014 have been slightly revised with respect to that reported in the previous edition of this document.

preparation of legislation	33 04 01	5	2
coordination and monitoring of ADR and operation of the ODR platform	33 04 01	2	1
Total		7	3

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
preparation of legislation	F	5	5	5	5	5	5	5
	P	5	4	3	5	5		
coordination and monitoring of ADR and operation of the ODR platform	F	2	2	2	2	2	2	2
	P	1	2	2	2	2		

Justification of changes to the financial programming and/or to the performance information

Two outputs foreseen for 2016 have not been produced: the study on the application of the Directive on Distance Marketing of Financial Services given the delay in the adoption of the Action Plan on retail financial services; the mid-term evaluation of the Consumer Programme 2014-2020 has been postponed to 2017.

The justification for the result in 2018 being lower than the milestone will come in the forthcoming Scoreboard, as there is a need to analyse underlying consumers' behavioural patterns.

Specific Objective 4: Enforcement: to support enforcement of consumer rights by strengthening cooperation between national enforcement bodies and by supporting consumers with advice

Indicator 1: Level of information flow and cooperation within the Consumer Protection Cooperation (CPC) Network

Baseline (2007-2010)*	Milestones foreseen						Target 2020
	2014	2015**	2016	2017	2018***	2019	
number of requests to exchange information between CPC authorities = 129				Increase to 156 Increase to 172 Increase to 76			Increase of 30 % (to 167) Increase of 30 % (to 185) Increase of 30 % (to 82)
number of requests for enforcement measures between CPC authorities = 142	Actual results						
number of alerts within the CPC network = 63	132 130 35	122 138 45	68 194 57	80 198 78	44 109 53		

* Current situation: annualised averages 2007-10

** Cases opened in 2015. 2015 is a year with many new cases, but as the case load can vary substantially, the progress will have to be monitored over a couple of year before updating the targets. These numbers are to be confirmed once the technical problem with our reporting tool is solved.

*** The numbers for 2018 are below the 2017 values. However, this issue has been addressed through the adoption of the new CPC Regulation (Regulation 2017/2394) based on which the Commission has a stronger monitoring role on all CPC activities, and especially in order to ensure the respect of deadlines by CPC authorities (Article 14(5)). Moreover, under the new CPC Regulation, the Commission is currently developing a new electronic database replacing the current CPCS IT tool, which will serve the cooperation needs better.

Indicator 2: % of enforcement requests handled within 12 months within the CPC Network

Baseline 2007-2010	Milestones foreseen						Target 2020
	2014	2015*	2016	2017	2018	2019	
50 %				55 %			60 %
Source: CPC Network Database (CPCS)	Actual results						
	51 %	46 %	26,3 %	24,23%	23,3%		

* This % is to be confirmed once the technical problem with QV reporting is solved for CPCS.

The number of enforcement request which have been dealt with within 12 months is below the 2017 value. However, this issue has been addressed through the adoption of the new CPC Regulation (Regulation 2017/2394) based on which the Commission has a stronger monitoring role on all CPC activities, and especially in order to ensure the respect of deadlines by CPC authorities (Article 14(5)). The new CPC regulation requires CPC authorities to deal with request for enforcement measures with no delay and at the latest within 6 months, unless justified in exceptional circumstances. Regulation 2017/2394 will be applicable from 17 January 2020. This indicator is, therefore, no longer relevant as a clear new timeframe has been introduced by the new CPC Regulation. Until the entry into application of the new CPC Regulation, the Commission will regularly report on open cases within the CPC Network, and continue to discuss delays with the Member States concerned to ensure that enforcement request are carried out efficiently and timely.

Indicator 3: % of information requests handled within 3 months within the CPC Network

Baseline 2007-2010	Milestones foreseen						Target 2020
	2014	2015*	2016	2017	2018	2019	
33 %				37 %			50 %
Source: CPC Network Database (CPCS)	Actual results						
	34 %	38 %	25,37 %	22,78%	28,89 %		

* Cases opened in 2013, 2014 and 2015 Q1-Q3; This % is to be confirmed once the technical problem with QV reporting is solved for CPCS.

The number of requests to exchange information which have been dealt with within 3 months is below the 2017 milestone. However, this issue has been addressed through the adoption of the new CPC Regulation (Regulation 2017/2394) based on which the Commission has a stronger monitoring role on all CPC activities, and especially in order to ensure the respect of deadlines by CPC authorities (Article 14(5)). The new CPC regulation requires CPC authorities to deal with information requests with no delay and at the latest within 30 days, unless agreed otherwise in exceptional circumstances. Regulation 2017/2394 will be applicable from 17 January 2020. This indicator is, therefore, no longer relevant as a clear new timeframe has been introduced by the new CPC Regulation. Until the entry into application of the new CPC Regulation, the Commission will regularly report on open cases within the CPC Network, and continue to discuss delays with the Member States concerned to ensure that information exchanges are carried out efficiently and timely.

Even if indicators 2 and 3 fall below the 2017 milestone, the issue was addressed by the recently adopted reformed CPC Regulation – Regulation 2017/2394) as explained under Indicators 2 and 3.

Indicators 2 and 3 for year 2020 will not be relevant anymore given that the reformed CPC Regulation introduced new timeframes.

Moreover, under the new CPC Regulation, the Commission is currently developing a new electronic database replacing the current CPCS IT tool, which will serve the cooperation needs better.

Indicator 4: Number of contacts with consumers handled by the European Consumer Centres (ECC).							
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
71 000 Source: ECC report				Increase to 88 750			Increase of 50% (to 106 500), compared to 2010
	Actual results						
	83 425	93 964	111 563	99 201	124 054 (preliminary data)		

Indicator 5: Number of visits to the website of the ECCs.							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015 ⁴³⁵	2016 ⁴³⁶	2017	2018	2019	
3 000 000 Source: ECC-Net Evaluation Report				3 900 000			Increase of 70 % (to 5 100 000), compared to 2013
	Actual results						
	3 868 976	4 694 205	4 286 984	4 528 585	5 450 421		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
CPC coordination of enforcement actions	33 04 01	4	3
support to the European Consumer Centres	33 04 01	2	6,7
Total		6	9,7

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
CPC coordination of enforcement actions**	F	4	4	4	4	4	4	4
	P	4	3*	3*	4	4		
support to the European Consumer Centres	F	2	2	2	2	2	2	2
	P	2	2	2	2	2		

Justification of changes to the financial programming and/or to the performance information

* The foreseen Grants for joint actions to improve cooperation between national authorities responsible for the enforcement of consumer protection laws (CPC) were not awarded. The call for proposals will be launched again in the new context of revised CPC Regulation.

** CPC coordinated actions include sweep, joint enforcement actions and common activities of enforcement authorities. The timing of the actions varies and they do not match the annual budget years. The number of on-going coordinated actions is taken as indicator in a given year.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

The Consumer Programme, via its dedicated energy efficiency awareness raising actions, contributes to the Europe 2020 target Energy efficiency which should increase by 20%.

⁴³⁵ Data only available after ECC's final reports arrived in February 2016

⁴³⁶ The 2016 visits will be provided with the final report by end of February 2017.

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	9,1	11,0
Sustainable Growth (competitiveness, climate, energy and mobility)	6,2	5,7
Total	15,3	16,7

Narrative justification Contribution to Europe 2020 priorities (if needed)

Smart growth (developing an economy based on knowledge and innovation). The amount corresponds to outputs on:

“coordination and monitoring of ADR and implementation of ODR (EUR 2 million) under specific objective III (line 33 04 01);

“evidence base” (EUR 2 million for consumer market studies and behavioural studies, mostly linked to digital society in the DSM context) under specific objective II (line 33 04 01);

“market surveillance and enforcement actions” (EUR 0,6 million for digital society) under specific objective I (line 33 04 01);

“CPC coordination of enforcement actions” (EUR 0,4 million for digital society) under specific objective IV (line 33 04 01);

“support to the European Consumer Centres” (EUR 6 million for digital society) under specific objective IV (line 33 04 01).

Sustainable growth (promoting a more resource efficient, greener and more competitive economy). The amount corresponds to outputs on:

“market surveillance and enforcement actions” (EUR 2.5 million) under specific objective I (line 33 04 01);

“evidence base” (EUR 2,5 million for the market monitoring survey that feed into the Consumer Market Scoreboard) under specific objective II (line 33 04 01);

“awareness raising” (EUR 0,7 for the campaign on on sustainable consumption, green lifestyles and supporting consumers for the transition towards a low-carbon, green and circular economy” under specific objective II (line 33 04 01).

Gender mainstreaming

All the consumer evidence collected through surveys, market studies and behavioural studies is gender disaggregated and analysed for any significant gender-based differences on a regular basis. However we cannot estimate a specific budget allocated to gender mainstreaming.

5. Programme contribution to the Sustainable Development Goals

SDG 7 Ensure access to affordable, reliable, sustainable and modern energy for all and SDG 12 Ensure sustainable consumption and production patterns

HEADING 3: Security and citizenship

Creative Europe Programme

Lead DG: EAC

Associated DGs: CNECT

I. Overview

What the programme is about?

With a budget of EUR 1.46 billion, Creative Europe is the European Commission's framework programme for support to the Europe's culture and audiovisual sectors. The programme is divided into two sub-programmes, Culture and MEDIA, and is supported by a cross-sectoral strand. Its objectives are to promote cultural and linguistic diversity and enhance the competitiveness of these sectors, by supporting small independent production and distribution companies in the audiovisual field as well as a wide range of operators in the cultural field.

The Creative Europe programme contributes to the political priorities of the Commission, in particular relating to jobs, growth and investment and the European Digital Single Market. By allowing participation of non-EU cultural and creative operators, the programme also contributes to making the EU a stronger global actor. At the same time, the programme helps address current political and societal challenges through the power of culture to reach the hearts and minds of citizens and boost confidence in our shared European values.

The **MEDIA sub-programme** provides added value through supporting independent producers and distributors and their audiovisual works (mainly films and TV programmes including live action, animation, fiction and documentaries as well as some video games) in order to ensure that they operate and circulate across Europe and globally, through financial support to the development and creation of audiovisual works, their cross-border distribution, including online, financing of promotional activities and building the skills and talents in the sector.

The **Culture sub-programme** addresses the cultural and creative sectors (heritage, museums, performing arts, visual arts, design, literature, architecture) and provides European added value through support to cross-border cooperation, mobility of cultural operators and circulation of works, capacity building and internationalization of careers and cultural and linguistic diversity. In addition, a number of symbolic actions showcase European talent and excellence and the tangible returns of investing in culture (European Capital of Culture).

The **cross-sectoral strand** helps diversify the EU support through the Financial Guarantee Facility, a market-led financial instrument providing guarantees to financial institutions extending loans to cultural and creative enterprises, which have difficulties accessing private financing. In addition, a limited number of projects of experimental nature open to all cultural and creative players are carried out, promoting innovation and helping to develop policies and alternative support schemes.

EU added value of the programme

Recognising the intrinsic, economic and social value of culture, the Creative Europe Programme supports actions and activities with a European added value in the cultural and creative sectors. It contributes to the achievement of the objectives of the Europe 2020 Strategy and its flagship initiatives.

The Creative Europe programme is characterised by:

- the transnational character of actions and activities which complement regional, national, international and other Union programmes and policies, and the impact of such actions and activities on the cultural and creative sectors as well as on citizens and on their knowledge of cultures other than their own;
- the development and promotion of transnational cooperation between cultural and creative players, including artists, audiovisual professionals, cultural and creative organisations and audiovisual operators, focused on stimulating more comprehensive, rapid, effective and long-term responses to global challenges;
- the economies of scale and critical mass which Union support fosters, creating a leverage effect for additional funds;
- ensuring more level playing field in the European cultural and creative sectors by taking account of low production capacity countries and/or countries or regions with a restricted geographical and/or linguistic area;
- the combined focus of the programme on the promotion of cultural diversity and the support to the competitiveness of the cultural and creative sectors - has led to positive societal benefits for European citizens and economic benefits for the European cultural and creative sectors. The programme has supported innovative projects of artistic quality, but also of economic value.

Implementation mode

The Directorate-General for Education and Culture (DG EAC) and the Directorate-General for Communications Networks, Content and Technology are the lead services for the Creative Europe programme.

Since 2014, the implementation of parts of the programme has been delegated to Education Audiovisual and Culture Executive Agency (EACEA). Direct management through EACEA is ensured mainly for those parts of programmes where projects are allocated across Europe based on excellence.

The implementation of the Cultural and Creative Sectors Guarantee Facility has been delegated to the European Investment Fund.

The remaining actions are implemented by DG EAC and DG CNECT under direct management. These actions consist mainly of administrative expenditure (studies, external communication and dissemination of Programmes, IT systems, etc.), policy coordination and support actions, politically sensitive and new actions.

II. Programme Implementation Update

Implementation Status (2016-2018)

In the period 2016-2018, the programme was implemented as foreseen and no significant variations are signaled compared to the initial planning in terms of results achieved and use of resources. The level of appropriations implemented reached nearly 100 %, on the final budget, both in commitments and payments. In 2018, the programme saw the number of participating countries expand. After Tunisia joined the programme in 2017, Armenia and Kosovo signed their agreements in the first half of 2018 which underlines the relevance of the Creative Europe programme as a **useful tool for cultural diplomacy** and the recent EU strategy on the role of culture in EU external relations.

In 2018, a total of 5 290 applications were submitted (748 under Culture and 4 542 under MEDIA), of which 2 429 were selected for funding (234 for Culture and 2 195 for MEDIA). For MEDIA, the success rate for competitive schemes such as Development support, which was under 24%, indicates a continuous high demand for EU support and a high number of excluded quality projects due to limited funds. This hampers the capacity to fund projects with a European dimension which could challenge the dominance of global players in the market.

In 2018 the MEDIA contribution of EUR 110 million leveraged projects with a total value of about EUR 461 million, a multiple of over 4.2. MEDIA also shared stories across channels by reaching 122 million people through cinema (55 mio), TV (57 mio), festivals and events (8.5 mio) and video-on-demand (VOD) (1.82 mio). Equality between women and men is a fundamental EU value and a driver of more diverse content and connecting with wider audiences. Therefore the Commission is carefully monitoring gender balance in MEDIA. In 2018, 29,7% of applicants and 32,2% of beneficiaries were women.

MEDIA helped the audiovisual industry to grow by addressing four specific objectives:

- **Fostering talent and skills at international level** (EUR 7.5 mio) – In 2018, MEDIA supported 49 training projects from providers from 17 EU countries. MEDIA helps more than 1 800 professionals to be trained annually through transnational and international projects.
- **Fostering high quality, innovative content creation** (EUR 35.6 mio) – MEDIA supports the creation of films and TV series which have the potential to travel, by helping them to achieve the quality needed to attract international audiences.
- **Increasing circulation and cross-border access** (EUR 52.3 mio) – MEDIA makes an essential contribution to making European films available beyond their domestic markets. Overall, MEDIA supported the theatrical release of 563 films across borders in 2018. Targeted support was given to 19 individual films for distribution across an average of 25 territories, through consortia of distributors, in order to promote cross-border access. Support was also given to distributors and sales agents to invest in the distribution of films of their choice, with an average reach of 2.15 territories per film in 2018. MEDIA also co-finances the Europa Cinemas network of cinema theatres. With over 1 000 cinemas in 33 countries, Europa Cinemas has helped audiences for European films to grow. In 2018, there were 73 million admission to Europa Cinemas network theatres, of which 53% for European films, a stable figure compared to previous years. Support was also given to the distribution and promotion of European works online.
- **Increased promotion of European works** (EUR 16.4 mio) – MEDIA supported promotion activities in four main ways: support to business to business promotional activities; facilitating access to and strengthening the visibility of European professionals in audiovisual markets and exhibitions, in Europe and beyond; building up on the 2017 experimental promotion of a slate of European films at exhibitor conventions, namely CineEurope and CineAsia; actions targeting audiences, through support to festivals and audience development. In 2018, MEDIA co-financed a total of 72 festivals, of which 15 were in low production capacity countries. Overall, a total of over 3.45 million was provided to European festivals, which reached more than 3.971 million people.

Also, the implementation of MEDIA was significantly simplified and streamlined as regards the support to the theatrical distribution of films, which represents over 30% of the MEDIA budget. The modalities of the Automatic Distribution support were streamlined in the revision of the WP 2018. Small grants given to the same distributor have been grouped together in order to streamline implementation and reduce administrative costs. This is estimated to significantly reduce the number of transactions although the volume of support and the number of distributors and films supported will remain stable. The number of grants is expected to fall from over 1 000 to about 300.

As regards the **Culture sub-programme**, 278 co-operation projects were selected for co-financing in the period 2016-2018. Even if in 2018 it rose to 21,91%, the average success rate of 15,49% for the whole period indicates a continuous high demand for EU support and a high number of excluded quality projects due to limited funds. The two final calls for network and platform support allowed in 2017 for the selection of activities carried out by organizations representing a broader range of sectors covering areas so far not reached such as digital arts and photography. In 2018, the Culture sub-programme support resulted in:

- 132 European **cooperation projects**, out of them 29 in the frame of a special call to select initiatives in the field of cultural heritage as a contribution to the **European Year of Cultural Heritage**. These projects stress Europe's cultural diversity, and bring about economic benefits to SMEs and microbusinesses active in cultural sectors like music, publishing and design. The emphasis on audience development, capacity building and support for start-ups has allowed the implementation of several innovative projects of high artistic quality and economic value. Since 2016, 57% of the budget supports the performing arts sector (music, theatre, dance) which proves the relevance of EU support to contemporary creation and has a positive impact on professionals' careers. Cultural diversity is safeguarded with 15% of funding benefitting heritage, a support of 13% to visual arts including digital arts and therefore with a strong link to the priorities of the programme and a percentage of 5% to books and reading. For music alone, in 2018, 24 projects have been selected for funding. Representing the biggest budget share, cooperation projects give organisations the possibility to co-produce and contribute to capacity building (in 2018: 37%), by investing in skills & training (25%), new business models (5%) and tackling digitization challenges (7%). They allow artists and culture professionals to operate across borders (in 2018: 31% of projects). In 2016, 520 supported organisations expected to create 1 952 jobs generating a total combined EU and other funding of EUR 93.5 million for cultural cooperation activities.
- Continuous support was provided in 2018 to the 15 **European platforms** and 28 **European Networks** following previous selection in 2017. The platform scheme has provided for new and more flexible ways of European programming and of targeting emerging artists. The 28 selected European Networks, supported in 2018, constitute a concrete contribution to internationalization of careers, peer learning, collecting and promoting good practices. More than half of these networks focus on the development of skills and know-how and the digital shift, enabling its members to test innovative approaches to audience development and thus contributing to the overriding priority of the programme. Over half of them are active in the performing arts area.

An **amendment to the Work Programme adopted in April 2018** allowed to fund more small cooperation projects, reinforcing the European Union Prizes for Cultural Heritage and for Literature, increasing capacity-building action for future European Capitals of Culture, awarding three grants to UNESCO, International Council on Monuments and Sites (ICOMOS) and the Council of Europe to implement specific objectives of the European Year of Cultural Heritage, and launching a new experimental mobility scheme for artists and creative people.

Under the cross-sectoral strand, the **Cultural and Creative Sectors' Guarantee Facility (CCS GF)** is an innovative market led instrument that addresses the financing gap for SMEs in these sectors, aiming to generate over EUR 2 billion in loans for cultural and creative sectors by end 2024. The new instrument has been well received by the market and by the end of 2018 the Cultural and Creative Sectors' Guarantee Facility had signed 11 guarantee agreements with 10 financial intermediaries from Spain, France, Romania, Czech Republic, Belgium, Italy, Portugal, Denmark and Poland. Two additional agreements are already approved and will be signed in 2019. Expected debt financing for SMEs from agreements already signed amounts to EUR 902 million. Loans have so far been distributed to 636 SMEs, supporting EUR 127 million in debt financing (data for Q3/2018), of which 60% from the audiovisual sector and 40% from other cultural sectors. These results are very encouraging as they indicate that the traditional gap between the financial sector and the cultural and creative sectors can be addressed in a concrete way. Given the strong market demand, the European Fund for Strategic Investment has been mobilised to top-up the CCS GF by EUR 60 million, equivalent to 50% of the first budget. The second top-up of additional EUR 70 million is being prepared. In addition, the Capacity Building Scheme which offers a technical assistance to financial intermediaries, is operational as from mid-2018.

Key achievements

The **participation of third countries** in Creative Europe has been enlarged. Two new agreements have been signed in 2018 for the participation of Armenia and Kosovo in Creative Europe, bringing the number of third countries joining the programme to thirteen.

MEDIA sub-programme

In 2018, **MEDIA** supported two interlinked general objectives, to **safeguard cultural diversity and strengthen the competitiveness of the industry**. In 2018, MEDIA supported films won 18 major international prizes (3 in Berlin, 6 in Cannes, 2 in Venice, 3 in San Sebastian and 4 in Annecy) and 13 awards of international film academies (including 1 Oscar, 1 Golden Globe and 11 European Film Academy (EFA)).

In 2018, **MEDIA** helped European films be visible and find audiences despite the dominance of Hollywood studios and the fast growth of US online platforms such as Netflix and Amazon. MEDIA supported the distribution of over 400 films across European borders so that they could be watched by about 70 million people. MEDIA also supported a network of over 1 000 cinemas in 34 countries which give prominence to European films.

A key achievement in 2018 was the **presentation of a prototype Directory of European Films at the Lyon Film Festival in October**. The Directory of European Films (DEF) is one of the flagship actions of the Digital4Culture Strategy and has been supported by MEDIA, under the impulse of Commissioner Gabriel. It will be an online transparency tool providing constantly updated data on European films and their availability online in video-on-demand (VOD) services in Member States. The DEF will contribute to the visibility of European films on the VOD market and thus help the circulation of films as well as facilitate compliance with the revised AVMS Directive. The Commission has entrusted the European Audiovisual Observatory (EAO) with the development of the DEF, based on its unique experience and wealth of data on the audiovisual market in Europe.

MEDIA success stories include the **European Audiovisual Entrepreneurs (EAVE)**, one of the leading producers' training programme in Europe with a unique network of over 2 000 producers. EAVE's key marketing workshop provides a 360° approach which covers all the necessary stages and latest trends of film marketing and audience design. Based on the successful EAVE 'group work' method, working on real projects in any stage of development (from early development to post-production). Stakeholders greatly appreciate the opportunity to meet potential new collaborators from other European countries.

Development funding helps producers invest in preparing their works so that they have a greater chance of being successful in a highly competitive industry. Co-productions are prioritised because they are an excellent way to foster cross-border collaboration. In 2018, 67.5% of the 311 completed Development projects were co-productions.

MEDIA also supports the production of TV series and has contributed to the growth of high-quality TV productions broadcast in the original language across several territories. For example, the supported **TV series My Brilliant Friend reached international audiences on the world stage**. The 8 episode mini-series based on the best-selling novels by Elena Ferrante follows a difficult friendship between two strong female characters. Co-produced by HBO and Rai, this high-budget historical production is both critically acclaimed and popular. It premiered at the Venice Film Festival, an exceptional distinction for a TV show. When it was first aired by Italian Rai in November 2018, it attracted almost 7 million viewers (30% market share). The series was subsequently broadcast in the US.

One of the most recognised European films of 2018 was Pawel Pawlikowski's "Cold War". This Polish-French-UK coproduction received the award for **Best Director at the Cannes Film Festival in 2018 and was the great winner of the European Film Awards 2018 with 5 prizes. It has also been nominated for three Oscar Awards**. It is a good example of Creative Europe MEDIA supported success story as it received EUR 60 000 from MEDIA Slate funding development in 2014 and was later supported in distribution with 37 projects for a total amount of EUR 1 088 699 and the release of the film in 26 territories.

CULTURE sub-programme

As a contribution to the **2018 European Year of Cultural Heritage** substantial funding was made available for cultural heritage projects through a specific call under Creative Europe but also across different EU funding programmes, encouraging people-centred, inclusive, and sustainable approaches. The supported projects cover a wide range of topics, for example contemporary theatre and performing arts creation but also textile, culinary or crafting traditions or archeology, tangible and intangible topics such as storytelling and journeys to our European roots, with an high awareness and identity building aspect.

Among the actions showcasing the richness and diversity of cultures in Europe as well as the common features they share, the **European Capitals of Culture (ECOCs)** have a significant leverage effect on long-term cultural, social and economic benefits to the cities which have held the title. This cost-efficient leverage action (EUR 1.5 million in the form of the Melina Mercouri Prize) stimulates huge culture-led investments by national, regional and local public authorities: as an example, in 2017, the two ECOCs invested approximately EUR 61.9 million in Aarhus and EUR 8.5 million in Pafos. One euro of public money invested in an ECOC project can generate up to 6 euros in return for the local economy (as was for example the case in Mons, ECOC 2015) and overnight visitors increase on average by 12%. In Aarhus, the number of hotel bed-nights increased by 10.9% in 2017 compared to 2016.

The **"European Creative Hubs Network"** (<http://creativehubs.eu/>) project, funded as a grant under Creative Europe's cross sectoral strand, has been implemented by DG EAC between Feb. 2016 - Feb. 2018). The aim of the project was to reinforce networks of creative hubs at EU level and enhance exchanges of experience and capacity-building to creative hub managers and cultural and creative professionals and entrepreneurs. A platform and a peer-to-peer mobility scheme have been developed, as well as publications and policy papers. Through empowering players to work across sectors and tackle digitisation, these have a direct local impact at the city-level and contribute to addressing wider societal challenges, in particular youth unemployment. The project organised different peer-to-peer exchange schemes also far beyond the project's objectives and tasks (for example, back-to-back peer exchanges with EuroMed and Eastern Partnership countries have been carried out with additional separate budget contributions) and thus supported the development and networking of 129 creative hubs across Europe and beyond as innovative models to support the creative economy. A major achievement of the project was the sustainable creation of a community – the European Creative Hubs Network has succeeded to become an independent network and continues with different activities even beyond the closing date of the project.

Evaluations/studies conducted

The European Audiovisual Observatory, co-financed by Creative Europe, conducted several studies:

- "European works on VOD" to provide the figures on the share of European works on VOD;
- "Circulation of TV channels ancillary services" to analyse the cross-border availability of simulcast and catch-up TV services;
- "TV fiction production" to assess TV production produced in Europe;
- "Development of MAVISE database" to widen its remit to include information from regulators about licences they issue;
- "Export of films outside EU" to produce a detailed view of the main non-European markets;
- "Public funding schemes performance indicators" to map the incentives and performance criteria given by national film funds
- "Directory of European Films" to track the availability of films on online services in Member States.

Also, studies were produced on: “Mapping of collaboration models of Film Festivals” to provide options for the strengthening support to collaboration, with a view to the MEDIA Programme under the next MFF; “New financial instruments for SMEs, mid-caps and organisations from the Cultural and Creative Sectors (ex-ante evaluation)”; “Towards a definition of level playing field for Creative Europe MEDIA (ex-ante evaluation)”.

Each year, **ex-post evaluations of the Capitals of Culture** of the previous year are conducted. The external ex post evaluation conducted in 2018 has shown that the two title-holders in 2017 - Aarhus (Denmark) and Pafos (Cyprus) - derived substantial economic, social and cultural benefits from the title⁴³⁷.

Forthcoming implementation (2019-2020)

The MEDIA 2019 Work Programme further simplifies and streamlines implementation in order to further improve cost-effectiveness. Under the Selective Distribution support, pan-European distribution of about 20 selected films will be coordinated through a grant per film, covering multiple territories. This replaces the previous modalities where separate grants used to be given for each territory of distribution of a selected film. This will significantly reduce the number of transactions although the volume of support and the number of films supported will remain stable. The number of grants is expected to fall from over 400 to about 25.

Also, the Work Programme 2019 will support the full launch of the Directory on European Films, following the establishment of the prototype in 2018.

As regard to the 2019 Work Programme for the Culture sub-programme, the balance of 40-60% between small and large cooperation projects will continue to be implemented allowing more small cooperation projects to be supported without losing the structuring effect of the large scale projects. Both the selected and the **strengthened European Networks and Platforms** will be reinforced in terms of visibility, synergies and sustainability and their input into the policy discussion around the new generation of programmes particularly valuable. The literary translation scheme was refined in 2018 aiming to be more effective by encouraging even more the circulation of the books in order to reach more readers and more audience.

The valorization of Culture's special actions such as the **European Heritage Label**, the **Heritage Days**, and the new concept for the four **European prizes** (architecture, music, heritage and literature), the support to the **European Union Youth Orchestra** or the **European Capitals of Culture** (2019 Matera, in Italy and Plovdiv, in Bulgaria) (2020 Galway, in Ireland and Rijeka, in Croatia) will render those activities into real European public goods with visible return for European citizens. In 2019, an amount of EUR 3 million will fund the two Malina Mercouri prizes (Galway and Novi Sad, in Serbia). In 2020, an amount of EUR 4.5 million will be committed for the three planned Melina Mercouri prizes: Timisoara, in Romania, Elefsina, in Greece, and one additional European Capital of Culture in 2024 to be nominated in one EFTA/EEA country, candidate country or potential candidate. Equally, the legacy of the **2018 European Year of Cultural Heritage** will be ensured by the 29 cooperation projects selected in 2018 under a special call launched in 2017 and, in broader policy terms, the **by the European Framework for Cultural Heritage adopted in December 2018**.

The **individual mobility scheme for artists and creative people** which was launched as an experimental action in 2018 will see its first results and be further developed in 2019.

As regards the cross-sectoral strand, under the **Guarantee Facility** two new agreements with banks are ready for implementation in 2019. Several other financial intermediaries are discussing multi-country or national transactions with the EIF. . Given the strong market demand, the European Fund for Strategic Investment has been mobilized for the second top-up of the CCS GF budget by further EUR70million.

In 2019, support will also be provided under the cross-sectoral strand to a new initiative **bridging cultural and audiovisual content through digital**. This will contribute to taking forward the #Digital4Culture strategy for harnessing digital to empower the positive economic and societal effects of culture.

Outlook for the period 2021-2027

On 30 May 2018, the Commission adopted its proposal for the **new Creative Europe programme 2021-2027**. The proposal includes a CULTURE strand (covering all cultural and creative sectors with the exception of the audio-visual), a MEDIA strand (for the audio-visual sector) as well as a cross-sectoral strand. The overall budget proposed by the Commission is EUR 1.85 billion for the period 2021-2027, with EUR 0.61 billion dedicated to CULTURE, EUR 1,08 billion to MEDIA and EUR 0.16 billion to the cross-sectoral strand.

In line with the mid-term evaluation of Creative Europe, but also the feedback from various stakeholders, the future programme will keep the same overarching objectives as the current one – namely the promotion of cultural and linguistic diversity/cultural heritage, and the reinforcement of the competitiveness of the cultural and creative sectors – as they remain broadly relevant. The programme will also help the cultural and creative sectors face today's challenges, i.e. fragmentation of the EU markets along national and linguistic lines, digitization coupled with globalisation, lack of access to funding and lack of data.

III. Programme key facts and performance framework

1. Financial programming

⁴³⁷ https://ec.europa.eu/programmes/creative-europe/sites/creative-europe/files/files/ecoc-2016-evaluation-en_0.pdf

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 1295/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Creative Europe Programme (2014 to 2020) and repealing Decisions No 1718/2006/EC, No 1855/2006/EC and No 1041/2009/EC	2014 - 2020	1 462,7

	Financial Programming (EUR million)							DB2020	Total Programme
	2014	2015	2016	2017	2018	2019			
Administrative support	2,1	2,2	2,2	2,3	2,4	2,6	2,7	16,6	
Operational appropriations	167,6	163,8	177,4	194,4	215,8	230,2	229,4	1 378,5	
Executive Agency	12,2	11,7	12,2	12,2	12,2	12,1	12,3	84,9	
Total	181,9	177,7	191,8	208,9	230,4	244,8	244,4	1 480,0	

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	230,386	100,00 %	194,525	99,25 %	244,843	16,32 %	194,780	16,01 %
Authorised appropriations (*)	241,832	98,93 %	209,751	96,86 %	253,593	16,85 %	206,185	17,58 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: to safeguard, develop and promote European cultural and linguistic diversity and to promote Europe's cultural heritage

Indicator 1: the number of people accessing European cultural and creative works, including, where possible, works from countries other than their own

Baseline 2013 ⁴³⁸	Milestones						Target 2020
	2014	2015	2016	2017	2018	2019	
Europeans declaring that they benefited from the following items from another European country: 1. 160 million read a book (31%); 2. 140 million watched or listened to a cultural programme on TV/radio (27%); 3. 98 million visited a historical monument or site (19%); 4. 67 million went to a musical performance (13%); 5. 52 million attended a performance, festival, etc (10%); 6. 31 million saw a ballet, dance performance, or opera (6%); 7. 21 million went to a theatre performance (4%)					To be assessed during mid-term evaluation on data until 2017 ⁴³⁹		Increase of 2% in comparison to 2017 results

General Objective 2: to strengthen the competitiveness of the European cultural and creative sectors, in particular of the audiovisual sector, with a view to promoting smart, sustainable and inclusive growth

Indicator 1: the cultural and creative sectors' level, change in and share of employment and share of gross domestic product

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
In 2010 between 3% and 3,8% of the total European workforce ⁴⁴⁰					to safeguard 2010 figures		4 % of the total European workforce;
In 2010 between 3,3 % and 4,5 % of total European GDP ⁴⁴¹	Actual results						
	2,9% of total number of people in employment ⁴⁴²			3,8% ⁴⁴³			4,8 % of total European GDP;

⁴³⁸ Source: Special Eurobarometer 399 on Cultural Access and Participation (2013). The population used for extrapolating the number of people covers the EU-28 as well as CH, NO and IS i.e.: 516,8 million people.

⁴³⁹ The 2017 mid-term evaluation did eventually not collect these data as it was decided to prepare a proposal on supplementary indicators to Member States through a Commission Delegated Act.

⁴⁴⁰ 3,3 % of EU's active population (TERA consultants 2014, <http://www.teraconsultants.fr/en/issues/The-Economic-Contribution-of-the-Creative-Industries-to-EU-in-GDP-and-Employment>)

3,8 % of EU workforce (Ernst and Young France 2014, <http://www.creatingeurope.eu/en/wp-content/uploads/2014/11/study-full-en.pdf>)

⁴⁴¹ 4,2 % of EU GDP (TERA consultants 2014); 4,4 % of EU GDP (Ernst and Young France 2014)

Specific objectives

Specific Objective 1: to support the capacity of the European cultural and creative sectors to operate transnationally and internationally

Indicator 1: the scale of international activities of cultural and creative organisations and the number of transnational partnerships created

Baseline 2012	Milestones						Target 2020
	2014	2015	2016	2017	2018	2019	
7 000 transnational partnerships involving at least 3 countries, latest known result at end 2012	available as of 2017-18		310 from MEDIA 426 from Culture sub-programme	7 600			Creation of 8 000 transnational partnerships involving at least 3 countries
	Actual results						
				10 094	10 289 ⁴⁴⁴		

Indicator 2: the number of learning experiences and activities supported by the Programme which have improved the competences and increased the employability of cultural and creative players, including audiovisual professionals

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
140 000 professionals with learning experiences				190 000			240 000 professionals with learning experiences
	Actual results						
			Not available		Not available ⁴⁴⁵		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
MEDIA Sub-Programme:			
New skills and networking: number of courses/workshops/events	09 05 01	49	7.5
Development of audiovisual projects (including TV production): number of projects	09 05 01	300	35
Support to co-production funds: number of co-production funds supported	09 05 01	0	0
Audiovisual markets, promotion tools and stands: number of projects	09 05 01	60	9.4
Total			51.9
CULTURE Sub-Programme:			
Cooperation measures, such as activities stimulating peer learning + Support to Project selection	15 04 02	42	19.4
European networks, such as those providing capacity building	15 04 02	16	4.3
European platforms, such as those providing a structure for international professional development	15 04 02	7	3.8
Special actions, such as Prizes ⁴⁴⁶	15 04 02	4	6.3
Total			33.8

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
MEDIA Sub-Programme:								
New skills and networking: number of courses/workshops/events	F	45	50	48	53	54	49	49
	P	59	58	54	53	53		
Development of audiovisual projects (including TV production): number of projects	F	359	345	350	300	300	300	300
	P	345	299	280	278	311		
Support to co-production funds: number of co-production funds supported	F	7	5	5	6	5	5	0
	P	5	5	6	5	5		
Audiovisual markets, promotion tools and stands: number of projects	F	51	64	56	66	66	65	60
	P	48	61	62	69	70		
CULTURE Sub-Programme:								
Cooperation measures, such as activities stimulating	F	40	48	37	44	35	40	42

⁴⁴² Culture statistics, 2016 edition, Eurostat

⁴⁴³ Source : Eurostat. <https://ec.europa.eu/eurostat/web/culture/statistics-illustrated>

⁴⁴⁴ For 2018 the reported increase covers only projects under the Culture Sub-programme

⁴⁴⁵ The Commission is working on a new reporting system which will produce monitoring results by the end of 2019, when a significant number of projects will have been closed. It prepared a proposal of supplementary indicators to Member States (an ad-hoc national experts meeting took place the 12th of December 2018) in order to improve the performance framework for Creative Europe. The Commission revised its initial proposal following the comments received, and an improved set of indicators will be presented in a specific Commission Delegated Regulation. The proposal will redefine this result indicator n°50 to refer to the number of participants, rather than the number of learning experiences. If approved, this new set of indicators would be available by the end of 2019.

⁴⁴⁶ The four prizes in the areas of music, architecture, heritage and literature aim particularly at the circulation of artists and their works across borders.

peer learning	P	40	30	37	21	31		
European networks, such as those providing capacity building	F	10	-	17	10	20	16	16
	P	16	-	19	10	39		
European platforms, such as those providing a structure for international professional development	F	4	5	4	4	7	7	7
	P	3	2	4	7	15		
Special actions, such as Prizes ⁴⁴⁷	F	6	7	4	7	15	7	4
	P	5	7	5	4	4		

Justification of changes to the financial programming and/or to the performance information

Media Sub-programme: Support to co-production funds in the WP 2018 was raised to EUR 1.5 million. For the WP 2019 it is intended to have one Call for Proposals covering two years 2019-2020 to reduce administrative burden. Therefore the WP 2019 allocation is doubled to EUR 3 million.

Culture Sub-programme: Networks are supported under Framework Partnership Agreement (FPA). They are not requested to ask for the full amount from year 1, though they have to keep the same level of co-financing. Their support can thus go up to EUR 250.000 per year maximum, which needs to be foreseen. This is true for platforms as well, with a maximum of EUR 500.000 per year.

Specific Objective 2: to promote the transnational circulation of cultural and creative works and transnational mobility of cultural and creative players, in particular artists, as well as to reach new and enlarged audiences and improve access to cultural and creative works in the Union and beyond, with a particular focus on children, young people, people with disabilities and under-represented groups

Indicator 1: MEDIA Sub-programme: the number of admissions for non-national European films in Europe and European films worldwide (10 most important non-European markets) in cinemas

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
69 million in Europe; 61 million worldwide ⁴⁴⁸				71 million in Europe; 85 million worldwide	71 million in Europe; 85 million worldwide		71 million in Europe; 85 million worldwide
	Actual results ⁴⁴⁹						
	103 million in Europe; 82 million worldwide	91 million in Europe; 106 million worldwide	89 million in Europe and 68 million worldwide	98 million in Europe; 97 million worldwide	Available in May 2019		

Indicator 2: MEDIA Sub-programme: the percentage of European audiovisual works in cinemas, on television and on digital platforms

Baseline 2009&2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
59% for cinemas 39% for TV 27% for digital platforms (2015)				Maintain 59% for cinemas and 39% for TV and 27% for digital platforms	Maintain 59% for cinemas and 39% for TV and 27% for digital platforms		Maintain 59% for cinemas and 39% for TV and 27% for digital platforms
	Actual results						
	67% for cinemas 38% for TV (2013)	66% for cinemas 31% for TV 27% for digital platforms	66% for cinemas 28% for TV 20% for digital platforms	66% for cinemas; n.a. for TV; 24%/29% for VOD ⁴⁵⁰	Available in Q4 2019		

Indicator 3: MEDIA Sub-programme: the number of people in the Member States accessing non-national European audiovisual works and the number of people in the countries participating in the Programme accessing European audiovisual works

Baseline 2009	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
288 million people in the EU accessing non-national				288 million in the EU and	288 million in the EU and		288 million in the EU and 300 million in the

⁴⁴⁷ The indicator has been adapted to reflect the emerging reality of the scheme. This figure now takes into account only the four prizes.

⁴⁴⁸ The definition of the indicator as defined by the legal basis specifies the meaning of "worldwide" (=10 most important non-European markets). Although the size of the market worldwide may be bigger, the circulation of European films beyond European borders is so much lower than in Europe that the number of admissions may be higher in Europe than worldwide (in the 10 most important non-European markets).

⁴⁴⁹ It should be noted that figures about cinema audiences are inherently unpredictable. In fact over the last five years the average corresponds to the baseline. There is no evidence to suggest a structural rise in cinema tickets sold, especially given the rise of digital distribution e.g. Netflix, which was not the case when the indicators were first established. Therefore the milestone and target have been revised to maintain the current levels.

⁴⁵⁰ 24%: 1 TV series = 1 title. 29%: 1 TV serie episode = 1 title

European audiovisual works 298 million people in the participating countries accessing European audiovisual works ⁴⁵¹				300 million in the participating countries	300 million in the participating countries		participating countries
	Actual results						
	287 million 291 million	293 million 298 million	258 million 262 million	258 million 262 million	Available in May 2019		

Indicator 4: MEDIA Sub-programme: the number of European video games produced in the Union as well as in the countries participating in the Programme

Baseline ⁴⁵²	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
in EU EUR 21.3bn; in 5 biggest markets EUR 13.35bn				in EU EUR 25bn; in 5 biggest markets EUR 14.5bn			in EU EUR 30bn; in 5 biggest markets EUR 16bn
	Actual results						
		in EU EUR 22bn; in 5 biggest markets EUR 15bn	Not yet available				

Indicator 5: Culture Sub-programme: the number of people directly and indirectly reached through projects supported by the Programme

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
No baseline, first known results (2017) available in 2018					To be assessed in a Performance Monitoring Report to be published third quarter 2019.		Increase of 5% in comparison to 2017 results
	Actual results						
				3.2 mio	4 mio ⁴⁵³		

Indicator 6: Culture Sub-programme: the number of projects addressed to children, young people and under-represented groups and the estimated number of people reached

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
No baseline, first known results (2017) available in 2018 for the first time					To be assessed in a Performance Monitoring Report to be published third quarter 2019.		Increase of 7 % in comparison to 2017 results
	Actual results						
				1.6 million young	3.5 million young ⁴⁵⁴		

In contrast to previous programmes, the design of the new application e-forms and final reports will make it possible under Creative Europe to collect this information for the 4 measures under the Culture Sub-programme.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
MEDIA Sub-programme:			
Distribution campaigns of European Non National films: number of projects	09 05 01	320	35.9
Network of cinemas screening majority of European films: number of cinema networks	09 05 01	1	10.9
Film festivals and events: number of festivals and events	09 05 01	70	3.2
Film literacy initiatives: number of projects	09 05 01	8	2
New marketing and advertising tools: number of projects establishing e.g. film community platforms	09 05 01	38	12

⁴⁵¹ The second figure covers both national and non-national European audiovisual works. In addition to EU Member States, two third countries participate in the sub-programme MEDIA for the time being i.e. Norway and Iceland.

⁴⁵² The turn-over of the video-game sector is the best available proxy for this indicator. The number of video-games produced in Europe is currently unavailable. Considering that tasks related to the development and production of one single game are usually split across several countries within and outside the EU, there is no accepted definition of what should be considered as a European video-game. Furthermore being the video-game industry highly competitive, data such geographical spread of the workforce are not accessible.

⁴⁵³ Source: Reports from cooperation project beneficiaries (2014-2016) Creative Europe Culture Sub-Programme

⁴⁵⁴ Source: Reports from cooperation project beneficiaries (2014-2016) Creative Europe Culture Sub-Programme

Total			64
CULTURE Sub-programme:			
Cooperation measures, such as those supporting international touring	15 04 02	55	26.1
European networks, such as those promoting audience building	15 04 02	12	2.9
European platforms, such as those fostering international careers	15 04 02	8	3.8
Literary translations and promotional support	15 04 02	62	3.6
Special actions, such as ECOC, European Heritage label and Heritage Days ⁴⁵⁵	15 04 02	4	5.1
Total			41.5

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
MEDIA Sub-Programme:								
Distribution campaigns of European Non National films: number of projects	F	820	754	677	1 100	1 130	NA	NA
	P	1 077	1 065	1 089	1 041	1 334		
Coordinated pan-European distribution of European films ⁴⁵⁶	F						20	20
	P							
Support to European distributors for the annual release of European non-national films ⁴⁵⁷	F						300	300
	P							
Network of cinemas screening majority of European films: number of cinema networks	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		
Film festivals and events: number of festivals and events	F	72	87	77	67	67	65	70
	P	85	88	66	65	72		
Film literacy initiatives: number of projects	F	10	13	14	14	14	1	8
	P	16	12	16	7	8		
New marketing and advertising tools: number of projects establishing e.g. film community platforms	F	11	13	17	30	30	35	38
	P	17	18	22	37	30		
CULTURE Sub-Programme:								
Cooperation measures, such as those supporting international touring	F	60	71	43	66	46	55	55
	P	23	54	34	60	53		
European networks, such as those promoting audience building	F	15	-	4	15	10	12	12
	P	7	-	4	18	37		
European platforms, such as those fostering international careers	F	6	6	6	6	8	8	8
	P	5	3	4	8	15		
Literary translations and promotional support	F	59	63	60	45	60	62	62
	P	76	69	60	45	61		
Special actions, such as ECOC, European Heritage label and Heritage days ⁴⁵⁸	F	9	9	5	11	14	3	4
	P	5	9	2	3	3		

Regarding literary translations, projects applied on average for a lower amount than expected and therefore more of them could be supported.

Justification of changes to the financial programming and/or to the performance information

MEDIA Sub-Programme In 2018, Film Literacy projects were selected for 2 years. The WP 2019 will look for one big project linked to the European Year of Cultural Heritage.

CULTURE Sub-Programme A budget of 1 MEUR caters for the promotion of EU values through music and the structured dialogue. The outputs figures of the Special actions scheme have been reviewed to take into account the specificity of the Scheme: 2 European Capital of Culture, and the European Heritage Label day event.

As regard the European Heritage Label day event, it should be noted that the number of selected heritage label sites changes according to rhythm of the selection of sites, and can vary from 0 to 24 from year to year.

Specific Objective 3: to strengthen the financial capacity of SMEs and micro, small and medium-sized organisations in the cultural and creative sectors in a sustainable way, while endeavouring to ensure a balanced geographical coverage and sector representation

Indicator 1: the volume of loans guaranteed in the framework of the Guarantee Facility, categorised by national origin, size and sectors of SMEs and micro, small and medium-sized organisations

⁴⁵⁵ The capitals of culture (Melina Mercouri Prize) as well as the Heritage Days aim particularly at increasing the capacity of the sector of reaching a wider audience. There is no selection for heritage labels in 2019.

⁴⁵⁶ The modalities of the Selective Distribution support were streamlined in the WP 2019. Small grants have been grouped together in order to strengthen collaboration between distributors and ensure cost-efficiency. This is estimated to significantly reduce the number of transactions although the volume of support and the number of distributors and films supported will remain stable.

⁴⁵⁷ The modalities of the Automatic Distribution support were streamlined in the WP 2019. Small grants have been grouped together in order to streamline implementation and reduce administrative costs. This is estimated to significantly reduce the number of transactions although the volume of support and the number of distributors and films supported will remain stable.

⁴⁵⁸ This indicator has been adopted in order to include the special actions Heritage Label, Heritage Days and the ECOC.

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
20 million EUR guaranteed loans (MEDIA Production Guarantee Fund, end 2013) ⁴⁵⁹				180 million EUR	250 million EUR		0.5 billion EUR
	Actual results						
			none		127 million EUR ⁴⁶⁰		

Indicator 2: the volume of loans granted by participating financial intermediaries, categorised by national origin

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
35 million EUR guaranteed loans (MEDIA Production Guarantee Fund, end 2013) ⁴⁶¹				45 million EUR	250 million EUR		0.7 billion EUR
	Actual results						
			none		410 million EUR ⁴⁶²		

Indicator 3: the number and geographical spread of participating financial intermediaries

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2 financial institutions from 2 Member States (MEDIA Production Guarantee Fund, end 2012)				7 financial institutions from 5 MS	8 from 6 MS	9 from 8 MS	10 financial institutions from 10 Member States
	Actual results						
			2		9 from 8 MS ⁴⁶³		

Indicator 4: the number of SMEs and micro, small and medium-sized organisations benefiting from the Guarantee Facility, categorised by national origin, size and sectors

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
48 beneficiaries from audiovisual sector from 8 Member States (MEDIA Production Guarantee Fund, end 2013) ⁴⁶⁴				1 500 beneficiaries from 5 sub-sectors, from 7 participating countries	3 000 beneficiaries from 5 sub-sectors, from 10 participating countries		7 000 beneficiaries from 5 sub-sectors, from 15 participating countries
	Actual results						
			0		477 final recipients, from 71 different NACE codes from 11 MS ⁴⁶⁵		

Indicator 5: the average default rate of loans

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
10 % (estimated)					9%		8%
	Actual results						
			none		0%		

Indicator 6: the achieved leverage effect of guaranteed loans in relation to the indicative leverage effect (1:5,7)

Baseline 2011 ⁴⁶⁶	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	

⁴⁵⁹ Breakdowns by national origin, size and sectors of SMEs or organisations and by participating financial intermediaries categorised by national origin are provided in the annual report from the European Investment Fund.

⁴⁶⁰ Based on the Q3/2018 EIF Operational Report of the guarantee facility. The results of the CCS GF are lower than planned due to budget profile of Creative Europe. Budget for the CCS GF was only available as from year 2016 (and not 2014 as originally planned). Two years delay in the creation of the financial instrument impacts its delivery in certain areas.

⁴⁶¹ Breakdowns by national origin are provided in the annual report from the European Investment Fund.

⁴⁶² Based on the Q3 Operational Report of the guarantee facility.

⁴⁶³ Based on the Q3 Operational Report of the guarantee facility.

⁴⁶⁴ Breakdowns by national origin, size and sectors of SMEs or organisations are provided in the annual report from the European Investment Fund

⁴⁶⁵ Based on the Q3/2018 EIF Operational Report of the guarantee facility. The results of the CCS GF are lower than planned due to budget profile of Creative Europe. Budget for the CCS GF was only available as from year 2016 (and not 2014 as originally planned). Two years delay in the creation of the financial instrument impacts its delivery in certain areas.

⁴⁶⁶ There is no EU wide financial instrument for the sector. An estimated ratio of 1:5,7 according to the ex-ante impact assessment for the Creative Europe programme.

1:5,7 (estimated)				1:5,7	1:5,8	1:5,9	1:6
	Actual results						
			0		1:2 ⁴⁶⁷		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Number of loans provided by banks to operators	15 04 01	1 800	29					
Number of capacity building workshops	15 04 01	6	0.5					
Total			29.5					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016 ⁴⁶⁸	2017	2018	2019	2020
Number of loans provided by banks to operators ⁴⁶⁹	F	0	0	281	705	1 198	1 800	1 800
	P	0	0	0	207	630		
Number of capacity building workshops ⁴⁷⁰	F	0	0	7	6	5	5	6
	P	0	0	0	0	5		

Justification of changes to the financial programming and/or to the performance information

The results of the CCS GF are in certain areas lower than planned due to budget profile of Creative Europe. Budget for the CCS GF was only available as from year 2016 (and not 2014 as originally planned). Two years delay in the creation of the financial instrument impacts its delivery in certain areas.

Specific Objective 4: to foster policy development, innovation, creativity, audience development and new business and management models through support for transnational policy cooperation

Indicator 1: the number of Member States making use of the results of the open method of coordination in their national policy development

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
10 Member States	12	13	14	15	16	17	20
	Actual results						
	12	13	14		16		

Indicator 2: the number of new initiatives and policy outcomes

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A			10				20
	Actual results						
		2			13		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Network of Creative Europe desks	15 04 01	28	4.7
Studies, evaluations and policy analysis (includes subsidy for the European Audiovisual Observatory)	15 04 01	2	1
Transnational exchanges and networking	15 04 01	1	0.6
Testing new cross-sectoral approaches	15 04 01	1	1.4
Conferences, seminars and policy dialogue	15 04 01	5	1
Total			8.7

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Network of Creative Europe desks (EAC) ⁴⁷¹	F	28	28	28	28	28	28	28
	P	28	28	28	28	39		
Studies, evaluations and policy analysis (This also includes the European audiovisual observatory) (co-manage)	F	4	8	6	6	7	7	2
	P	1	2	4	1	6		
Transnational exchanges and networking (co-manage)	F	1	1	1	1	1	1	1
	P	2	1	1		0		
Testing new cross-sectoral approaches	F	-	-	1	1	1	1	1

⁴⁶⁷ Based on the Q3/ 2018 EIF Operational Report of the guarantee facility. The results of the CCS GF are lower than planned due to budget profile of Creative Europe. Budget for the CCS GF was only available as from year 2016 (and not 2014 as originally planned). Two years delay in the creation of the financial instrument impacts its delivery in certain areas.

⁴⁶⁸ The first agreements with the intermediaries were signed in January 2017.

⁴⁶⁹ Data from end Q3 2018. Annual data will be available in April 2019

⁴⁷⁰ Start up of capacity building is 2018.

⁴⁷¹ The two (2) Belgian desks are counted as one (1).

(CNECT)	P	0		0		0		
Conferences, seminars and policy dialogue (co-manage)	F	4	5	6	6	5	5	4
	P	4	1	5	3	6		

Justification of changes to the financial programming and/or to the performance information

Mapping of policy development studies for cultural industries such as publishing, fashion or cultural tourism.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed

Gender mainstreaming

Equality between women and men is a fundamental EU value, an EU objective and a driver for economic growth. Creative industries, and in particular the media, have a considerable influence on our beliefs, values and perception of gender issues. The Commission has recognised the strategic importance of gender diversity to sustain a rich, highly creative audio-visual industry as well as more open, inclusive and competitive societies. The Commission is committed to do more through Creative Europe MEDIA on gender through actions in the following areas:

- Improving the visibility and the share of films produced by women;
- Collecting gender data for all the MEDIA sub-programmes as for the applicants, the beneficiaries and the projects (in front and behind the camera), especially concerning directors, producers and script-writers;
- Improving public policies: MEDIA will work together with national and international funds and institutions, notably Eurimages and the European Audiovisual Observatory, to exchange data and good practices and ensure that a wider range of stories are created, funded, distributed and promoted;
- Creating a European network: MEDIA will support mentoring activities for female professionals in collaboration with professional networks and platforms;
- Involving men’s participation and responsibility as actors of change and proactive partners of gender equality policies;
- Future Creative Europe Programme after 2020: MEDIA will propose specific measures contributing to a more balanced gender participation in the audiovisual sector, building on the feedback received from audiovisual stakeholders.

5. Programme contribution to the Sustainable Development Goals

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

The programme contributes to the political priorities of the Commission, in particular relating to jobs, growth and investment and the European Digital Single Market by supporting the competitiveness of the cultural and creative sectors, in particular the audiovisual sector, through capacity building and skills development and through testing new business models in a rapidly evolving digital context. By allowing participation of non-EU cultural and creative operators and the participation of third countries, the programme also contributes to making the EU a stronger global actor. At another level, Creative Europe helps address current political and societal challenges through the power of culture to reach the hearts and minds of citizens and boost confidence in our shared European values.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

The **Cultural and Creative Sectors Guarantee Facility (CCS GF)** under Creative Europe is a facility under which the European Commission through the European Investment Fund (EIF) provides guarantees and counter-guarantees on debt financing to Financial Intermediaries in order to improve access to finance to SMEs from cultural and creative sectors. Thanks to the CCS GF, Financial intermediaries selected by the EIF are able to provide additional debt financing to SMEs in Participating Countries. In addition, the action provides expertise/capacity building to the financial institutions wishing to build dedicated portfolios of loans targeting cultural and creative SMEs. This may result in an increase in the number of financial institutions which are willing to work with cultural and creative SMEs as well as maximising the European geographical diversification of targeted financial products for the sector. With a total budgetary appropriation for CCS GF of EUR 121 million in the 2016-2020 period and a targeted leverage effect of 5,7 the financial instrument may leverage around EUR 690 million of additional funding for the cultural and creative industries. A top-up of EUR 60 million from EFSI was agreed in 2017 and, given the strong market demand, the European Fund for Strategic Investment is preparing a second top up of EUR 70 million.

Statement on Financial Intervention of the Communication Policy Area

Lead DG: COMM

I. Overview

What the programme is about?

The activities of the Directorate-General for Communication (DG COMM) cover communication products and services directly addressed to citizens as well as executive and corporate services provided to the President, the College of Commissioners and across the communication domain of the Commission services, aligning the Commission's communication to the political priorities of the Commission.

EU added value of the programme

Joined-up, corporate communication of EU policies contributes to achieving a better image of the Commission and the European Union by raising public awareness about the EU as a whole, its values and its works to address current issues, in line with the political priorities of the Commission and detailed by the Commission in the annual Commission Work Programme. This includes further alignment of political and corporate communication as well as synergies and efficiencies across the communications domain of the Commission (for example, the new EUROPA website or the one stop-shop for communication framework contracts).

*DG COMM's communication products and services directly addressed to citizens*⁴⁷² provide information for and engagement with citizens and ensure communication services for citizens are made available through simple, clear and understandable messages, either via a mix of channels and media (traditional and new) or by directly communicating with citizens and stimulating exchange and engagement face to face. Together, this helps citizens to access up-to-date and user-friendly information on European Union policies and EU values. It contributes to citizens' increased awareness and understanding of European affairs, in turn, stimulating citizens' interest to directly engage with "the faces of the Commission" be it locally, nationally or Europe-wide.

*DG COMM's corporate communication products and services*⁴⁷³ are provided to the external communication domain of the Commission and reflect its role as domain leader in external communication, ensuring coherence in the Commission's messaging by aligning all Commission communication services to contribute to a coherent and effective corporate communication on the political priorities. This leads, step by step, to the definition of clearer corporate messages/narratives and distinctive visual branding (eventually brand recognition) and economies of scale, thus contributes to achieving a better image of the Commission and the EU.

*DG COMM's executive services*⁴⁷⁴ are provided to the President and the College of Commissioners in support of the communication activities of President, College, Spokesperson's Service and Commission senior management by ensuring political and economic intelligence and media advice, and by feeding high quality country specific information and analysis from a variety of sources into the Commission's decision making process. This leads, ultimately, to better informed European Union policy making for citizens.

Implementation mode

The Directorate-General for Communication is the lead DG for the programme implementation. The programme is implemented through direct (public procurement) management and grants.

II. Programme Implementation Update

Implementation Status (2014-2017)

DG COMM Work Programme 2018 (= Financing Decision) was implemented as planned. DG COMM 2018 operational budget overall implementation rate is 99.99% and all communication activities were implemented as per management plan 2018 and annual activity report 2018.

Key achievements

DG Communication Headquarters, together with the Spokesperson's Service and the Representations in the Member States, communicate with the media, stakeholders and citizens on European policies and their direct impact on citizens' daily activities. As per its Annual Activity Report, DG COMM achievements in 2014 to 2018 are based on the general and specific objectives (defined in its Strategic and Management Plans). The overall goal is to communicate simple, clear and understandable messages to citizens. Some examples of these achievements in 2018 are:

⁴⁷² Communication services for citizens include media support for the Spokesperson's Service, audiovisual and multimedia productions, Visitors Centre, Information outlet and Call Centre services, Representations' outreach and information events, back to school activities, and citizens dialogues / democratic conventions.

⁴⁷³ Corporate services include service mode of the new Europa website, implementation of corporate communication actions (campaigns and flanking measures), alignment/coordination of networks, central management of communication framework contracts and professionalisation measures as well as identifying further potential for Synergies & Efficiencies and Pooling & Sharing.

⁴⁷⁴ Executive services include activities creating media coverage and management of technical facilities (e.g. studios) related to Commissioners' visits and roadshows as well as Representations' political and economic reporting/analysis, analysis of stakeholder/citizens feedback, Eurobarometer polls and media monitoring and analysis).

2018 saw a sharp increase of Citizens' Dialogues where President Juncker and the Commissioners along with Members of the European Parliament and the Committee of the Regions, including the Presidents, and national and regional politicians engaged with citizens (over 842 Dialogues, nearly tripling the target). The Dialogues⁴⁷⁵ serve as an important channel to trigger a broad debate on the future of Europe.

The alignment of the Commission's web presence has continued, with content further enriched on both the political and information websites. DGs improved more than 50 websites to align the structure as well as the look and feel of their websites to that of the corporate web presences. Overall satisfaction rate of the external users increased to 64% (from 60% in 2014). Commission owned websites registered an increase in unique visitors from 140 million in 2017 to over 200 million in 2018.

Audio-visual productions and multimedia projects for the general public are now better focused on the priorities of the Commission, entailing fewer productions but of a higher quality and better serving general communication objectives:

- the number of audio-visual products provided to the College went up from 738 in 2017 to 844 in 2018,
- the number of TV uptakes from "Europe by Satellite"⁴⁷⁶ (in minutes) went up from 70,600 in 2017 to 72,273 in 2018,
- Investments in the media library activity have been made in 2018. Conservation and availability to the public of audio-visual material (audio, video and photo) via the Media Library has increased from 60,000 in 2017 to 61,400 in 2018.

14 % increase in followers/fans/subscribers on social media corporate accounts (from 4,9 million in 2017 to 5,5 million in 2018).

In 2018, 54 publications, including the General Report, were produced for which over 3.370.000 copies were disseminated for use during EU summits, Citizens' Dialogues, and events organised by Representations and Europe Direct Information Centres'.

In 2018, satisfaction rate on queries replied by the Europe Direct Contact Centre reached 84.2% compared to 87% in 2017.

In 2018, 90% of the visitors to the Commission's Visitors' Centre declared themselves "very satisfied" with the visits compared to 93% in 2017.

In 2018, the number of events organised at Representations and European Public Spaces stayed at the same level of 2017 – with a 74% of participants agreeing that the event improved their knowledge on EU issues

In 2018, about 41 000 pupils were addressed during "Back to school" in 789 visits compared to 60 000 pupils in 550 visits in 2017.

In 2018 through to 2019, in partnership with the Commission, Europe Direct Information Centres are running, 13⁴⁷⁷ transnational dialogue projects with an estimated 2000 participants, which aim at fostering a genuine European public sphere in view of the European elections 2019. They target mainly first-time voters and involve transnational audiences originating from the regions covered by the Europe Direct Information Centres involved.

Evaluations and studies

In 2018, DG Communication concluded two evaluations, 'Evaluation of the Visitors' Centre' and 'Mid-term evaluation of the Europe Direct Information Centres', and two studies, 'Study on the European Commission materials and activities targeting youth' and "Review and Development of System to Better Manage the 'EU Back to School' Initiative".

Evaluation of the Visitors' Centre- key findings:⁴⁷⁸

- The European Commission Visitors' Centre is relevant for covering the EC and actual visitors' groups' needs but this relevance should be improved through more global strategic programming and better focussing on the role of the Commission as the executive body of the EU and on its impact on citizens' lives.
- As regards to the effectiveness, the impact of the Visitors' Centre on its visitors can be regarded high in terms of raising knowledge and awareness of the Commission and its policies. On the other hand, the visits' impact regarding engaging citizens in the EU debate is limited by the approach of organising them as a one-off standalone activity.
- The organisation of work at the Visitors' Centre, including external service providers, is efficient in the present scenario, but it would not be capable of dealing with an increase of visits. This is due to three limiting factors: the limited number of meeting rooms and speakers available and the capacity for arranging further visits.
- The internal coherence of the Visitors' Centre with other DG Communication actions and services should be improved; externally, this Centre is coherent with the work of other EU institutions' visitors' centres as each of them focus on different institutional elements and provide visitors' with different contents.
- The Visitors' Centre has a clear added value with respect to other alternatives at the Member States level (namely activities carried out by the EC Representations, the EDICs or the Member States directly).

Mid-term evaluation of the Europe Direct Information Centres- key findings⁴⁷⁹

⁴⁷⁵ Citizens' Dialogues are an innovative tool to reach out to and engage with citizens. They are instrumental in bringing new voices and ideas of citizens from all backgrounds into the discussion regarding the Future of Europe.

⁴⁷⁶ The European Union's TV information service which provides EU related audiovisual material via satellite and online to media professionals.

⁴⁷⁷ There are 13 transnational projects of a miniseries of 3 dialogues each, of which almost all "first dialogues" and many "second dialogues" of each series took place already in 2018. All such events will be finalised in 2019, in principle before the European elections. These projects involve 17 member States (IT, AT, FR, ES, PT, FIN, BE, DE, NL, HR, SLO, LV, LT, MT, PL, EE, SE).

⁴⁷⁸ Staff Working Documents published on 2018 for the 'Evaluation of the Visitors' Centre' (SWD(2018)374 of 5.07.2018).

⁴⁷⁹ Staff Working Documents published on 2018 for the 'Mid-term evaluation of the Europe Direct Information Centres' (SWD(2018)411 of 12.09.2018).

- The new generation of Europe Direct Information Centres are broadly compliant with their mission; however there are large variations between individual centres and the reach of the network is relatively small.
- The evaluation found high user satisfaction with services compared to other Commission networks and services.
- Events organised and participated in by Europe Direct Information Centres are considered the largest added value by the network. The main audience for these centres being pupils and teachers helps to systematically communicate with young people.
- Political priorities are important in inspiring the Centres events and activities; however the evaluation found some barriers in communicating them effectively. Furthermore there is scope for improvement in how the network cooperate with other institutions and provide local level feedback on policy to the Commission.
- The management system implemented in the new generation of Europe Direct Information Centres is considered superior to the previous one. It should be noted that though the host structure co-funding arrangement is providing the Commission with an active network for a very low cost, there are mixed views on the sustainability and effectiveness of it.

Study on the European Commission materials and activities targeting youth - key findings:

- Overall, the Commission's material appears to be fit for purpose but there is room for improvement.
- Based on the input received from the different consultations held as part of the study, it appears that in general the Commission does respond to the needs of young people. However, its communication material ought not to consider 'youth' as a homogenous group and, by better assessing specific needs and better targeting sub-segments of youth and their respective preferred communication channels, the Commission could increase its reach towards a much broader population of young people.
- The Commission should continue its efforts in producing high quality interactive and complementary offline and online communication products for young people of all ages. Social Media (12%) and Campaigns (76%) both provide a huge potential to reach out to youth, including on-line competitions (as part of the campaigns).

Review and Development of System to Better Manage the 'EU Back to School' Initiative - key findings:

- The study confirmed that the "Back to School" initiative is a strong communication tool for the EU institutions and an initiative widely supported amongst all the different stakeholders. Yet, it needs to give itself a more defined design, even though the voluntary basis is strongly appreciated.
- Back to School is a real platform to create discussion and interaction with young people. Teachers and pupils can put a human face on the institutions and have the feeling to get closer and a better understanding of them and to create a proximity link through a common story (from the same region, from the same school).
- There is a strong feeling of goals achieved in terms of bringing the EU closer to young people and exchanging with them, from part of the participants as well as from the teachers and, through them, from the pupils.
- There is a potential long-term impact of the Back to School initiative, but it needs feedbacks to corroborate that impression and to fine-tune the strategy.

In addition to this, one evaluation carried out by DG Communication reached the stage of the drafting of Staff Working Documents: the 'Evaluation of the European Parliament and European Commission cooperation in communication in the Member States'. Final report to be published and follow-up plan to be defined after the Staff Working Document is adopted.

Evaluation of the European Parliament and European Commission cooperation in communication in the Member States

- The European Parliament Liaison Offices and the European Commission Representations are aligned on the importance of communicating on the institutional communication goals linked to the political priorities of the European Union.
- The European Public Spaces which exists in 17 Member States only, reflect this in their Work Plans but the presence of such a structure in a Member State is not a definitive indicator of close cooperation.
- The 'House of Europe' concept - the European Commission and the European Parliament sharing the same building with common spaces - is most associated as a hub for European debate among citizens.
- Cooperation is closest in activities relating to the projection of EU values (e.g Europe Day). This is irrespective of the organisational form of the institutions in Member States.

Forthcoming implementation (2019-2020)

Since 2019 will be a transition year to a new European Parliament and to a new European Commission, the Directorate-General for Communication will communicate in 2019 the EU's added value in an even more streamlined focussing on concrete actions that are important for European citizens and national Parliaments.

In 2019, the Directorate-General for Communication as domain leader for external communication will continue steering, coordinating and supporting corporate communication activities and implementation of the Synergies and Efficiencies Communication⁴⁸⁰.

As regards the Europa websites, the Directorate-General for Communication will further optimise the Commission's web presence to increase its coherence, relevance and cost effectiveness under the Digital Transformation programme⁴⁸¹. The focus is on:

⁴⁸⁰ SEC (2016) 170 -04/04/2016.

⁴⁸¹ This follows the conclusion of the building phase of the project, in line with the strategic direction given by the Corporate Communication Steering Committee in January 2017. Following an initial rationalisation of existing websites resulting in the cutting of 114 websites or 800 000 pages in 2013-2014, the building phase of

- The further improvement and enforcement of the web governance;
- The cooperation with all Directorates-General of the Commission and Executive Agencies to align their websites;
- The standardisation of the Information Technology solutions. In particular by achieving further alignment and convergence thanks to the upgrade of the technology used for the Europa Web Content Management System and the subsequent migration of websites owned by the Directorates-General.

In 2019, the Social Media Team of the Directorate-General for Communication will further develop social media strategies centrally while providing support for the local corporate social media platforms of the Commission. This includes support to the Commission's Social Media Network and the Representations, as well as monitoring and analysis of social media communication and data.

Outlook (2021-2027)

Communication activities have been included in the "Long Term EU budget 2021-2027" Commission proposal under part 2 "Cohesion and Values" (cluster 7 "Investing in People, Social Cohesion and Values", section "other"). The Communication activities included in the 2021-2027 Commission proposal focus on future-oriented, innovative communication services where the Commission needs to be up to speed with the constantly evolving communication industry and environment. The latter include the new Europa website, audio-visual production, social media (Headquarters and Representations) and graphic design. New needs have also been taken into consideration in the fields of data analytics (in the disinformation context to enhance the Commission's rebuttal and myth busting capacity), as well as in core business like Citizens' Dialogues / online consultations, Visitors' Centre / Experience Europa info-point or media monitoring / analysis services.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application						Reference Amount (EUR million)	
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support - Heading 3	1,2	1,2	1,0	1,1	1,1	1,2	1,3	8,1
Operational appropriations - Heading 3	60,2	64,2	69,2	72,2	72,2	75,9	78,1	492,1
Heading 5 appropriations	8,8	9,0	8,9	9,1	9,0	9,0	9,0	62,8
Total	70,2	74,4	79,2	82,4	82,4	86,1	88,4	563,1

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	67,203	100,00 %	65,441	98,20 %	70,814	36,86 %	68,654	23,75 %
Authorised appropriations (*)	67,729	99,96 %	66,368	97,83 %	70,853	36,85 %	69,503	23,96 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making process and they know about their rights in the EU.

Indicator 1: Percentage of EU citizens having a positive image of the EU

Baseline (August 2014)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
39 %				32%	34%	36%	Positive image of the EU ≥ 50 %
	Actual results						
	39 %	37 %	35%	40%	43%		

In autumn 2018, 43% of Europeans have a positive image of the EU; 36% have a neutral image, while the proportion of Europeans who have a negative image of the EU is 20%. Ref Eurobarometer 90.

The Digital Transformation project has been carried out. It included the creation of one single central website for the 28 Commissioners in 2014, the cutting of 48 websites whose content has been transformed into the new info site in 2015-2016, as well as the creation of the overall new thematic structure of the web presence with the publication of the first three levels of the content of the fifteen themes by the end of 2017. As a result, the Directorate-General for Communication will no longer report on the completion rate of the themes and start reporting on the qualitative indicator of visitor satisfaction.

Justification of changes to the financial programming and/or to the performance information

For General Objective 1 Indicator 1: The milestones foreseen for 2017 -2019 were outlined in the “Instructions for the Strategic Plan 2016 – 2020 and the Management Plan 2016”, “external factors and actions by other stakeholders are likely to enable or limit achievements”. Necessarily, the degree of control or influence of the Commission varies along the chain of steps (of the intervention logic): whereas the Commission has full control over the outputs of its own actions, various external factors and players exert influence on the final outputs, results and impacts of European Union (EU) action. This general observation applies to EU policy and law-making interventions, but it applies in particular to its communication actions.

Specific objectives

Specific Objective 1: A simple, clear, understandable message is communicated to citizens explaining the direct impact of EU policies on their lives.

Indicator 1: Percentage of the 100 top press releases consulted in EN with more than 10 000 online views

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
43 %		60 %		65%			N/A
Actual results							
	65 %	100%	17% ⁴⁸²				

Source: Rapid reporting – DG COMM

Justification of changes to the financial programming and/or to the performance information

For Specific Objective 1 Indicator 1: Since the statistical tool used by the Commission to track the online traffic has now changed and provides more accurate data, this indicator is no longer in line with the reality of the Spokespersons' Service work. We therefore propose to replace for the future the current indicator "Percentage of the top 100 press releases consulted in English (EN) with more than 10 000 online views" with "**Number of online views of all press releases**". The target for 2019 and 2020 is 10 000 000.

Indicator 2: Number of multimedia productions downloads

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
96 143		120 000		150 000	130 000	130 000	140 000
Actual results							
	146 094	179 964	119 700	112 326	137861		

Source: AV Analytics and Web Analytics

Justification of changes to the financial programming and/or to the performance information

Indicator 2: The Directorate-General for Communications is above target in 2018 as the general communication environment is using more multimedia products (new generation of users).

Indicator 3: Satisfaction rate on queries replied by the EUROPE DIRECT Contact centre

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
82%				85% ⁴⁸³	90%	90%	90% ⁴⁸⁴
Actual results							
	83%	87%	84%	87.5%	84.2%		

Source: Ratings extracted from the EDCC citizens' enquiries database and submitted in monthly reports

Note: In the Annual Activity Report the title of this indicator is: **Percentage of users satisfied with the answers received from the Europe Direct Contact Centres (EDCC)**. The milestones and targets are revised annually to reflect the reality.

Justification of changes to the financial programming and/or to the performance information

Indicator 3: Fluctuations in satisfaction rate seem to depend on the content of replies rather than the services of the contact centre. The Europe Direct Contact Centres replied many questions about the WiFi4EU project from citizens in a critical mood due to technical problems in the management of the project (cancelled application round, IT problems).

Indicator 4: Percentage of visitors to the Commission very satisfied with the visits

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
69 %				80%	85%	90%	90 %
Actual results							
	80 %	90 %	94%	93%	90%		

⁴⁸² Website reported data: As of 2017, data comes from a new web analytics tool (Europa Analytics) based on the open-source platform Piwik. It provides more accurate reporting than the previous, older tool (SAS Analytics) and this is reflected in this year's reported data for all Europa websites. On average, the new corporate analytics tool records 60% less unique visitors and visits than the previous one. This is due mainly to document downloads and internal site searches being recorded as separate indicators in the tool (e.g. as 'downloads' and 'site searches'). See IPG: http://ec.europa.eu/ipg/services/analytics/faq_en.htm#section_3_5

⁴⁸³ In the Annual Activity Report 2017 the Milestone Foreseen for this indicator is 90%.

⁴⁸⁴ In the Annual Activity Report the Target 2020 for this indicator is 95%.

Source: forms filled in by each visiting group

Justification of changes to the financial programming and/or to the performance information

The actual result is an increase due to improved tailoring of visits according to visitors' needs and wider availability of speakers who receive updated tools for their presentations.

Indicator 5: Percentage of participants at Representations and European Public Spaces events agree that the event improved their knowledge of EU issues

Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
71 %				80%	75%	75%	75 %
	Actual results						
	71 %	77 %	75%	75%	74%		

Source: based on responses to questionnaires distributed after events

Indicator 6: Number of unique visitors to the EUROPA website

Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
258 298 695	258 298 695	233 635 832		300 000+	130 000 000	233 000 000	120 000 000 ⁴⁸⁵
	Actual results						
	258 298 695	233 635 832	220 420 315	140 053 076	218 076 623		

Source: SAS Analytics 2017; Europa Analytics

Justification of changes to the financial programming and/or to the performance information

Indicator 6: In 2017 the website reported data comes from a new web analytics tool (Europa Analytics) based on the open-source platform Piwik It provides more accurate reporting than the previous, older tool (SAS Analytics) and this is reflected in this year's reported data for all Europa websites. On average, the new corporate analytics tool records 60% less unique visitors and visits than the previous one. This is due mainly to document downloads and internal site searches being recorded as separate indicators in the tool (e.g. as 'downloads' and 'site searches'). See IPG: http://ec.europa.eu/ipg/services/analytics/faq_en.htm#section_3_5.

In 2018 an increase from 2017 mainly for three main reasons:

- New sites have been included in the traffic Europa analytics track (like EurLex, DG TAXUD or the consumers' site);
- Traffic increase due to improvements on search engine optimization and other technical improvements;
- Some events attracting high amounts of traffic took place last year (GDPR changes, summertime consultation).

Indicator 7: Number of followers/fans/subscribers of the EU Commission social media corporate accounts including the Representations

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Twitter: 172 000 Facebook: 230 000 Google+: 711 000 LinkedIn: 174 591 EUtube: 22 500			608 000	850 000	1 000 000	903 000	1 000 000 800 000 1 800 000 575 000 50 000
		391 417	545 000	750 000	950 000	780 000	
		481 250	1 407 667	1 900 000	1 900 000	1 780 000	
		1 309 583	1 407 667	365 000	450 000	508 265	
		241 326	308 061	45 000	50 000	46 000	
		31 000	35 000	540 000	613 000	735 000	
				670 000	980 000	1 324 000	
Representations: Twitter 88 000 Facebook 150 000	Actual results						883 000 1 788 000
	319 700	510 631	675 000	876 032	1 012 505		
	417 500	537 017	633 700	778 696	882 847		
	1 211 500	1 597 844	1 700 000	1 680 000	1 663 057		
	174 591	243 601	309 000	370 000	517 216		
	28 100	33 372	38 500	43 100	50 531		
	164 000	306 000	420 000	511 000	559 000		
	251 000	374 000	500 000	727 000	887 000		

Source: Engagor (corporate social media monitoring tool) and the data available on the social media platforms themselves

Justification of changes to the financial programming and/or to the performance information

Indicator 7: The social media environment, including social media platforms, is in constant evolution. Platforms themselves change the way they measure certain trends and targets. Given the nature of social media team's work, using third party applications, and the recent change of corporate monitoring tools in mid-2018, they are obliged to adapt targets and the way the objectives are measured. Given the constant developing nature of the different social media platform and the European Commission's social media network, the social media team is using different channels according to the messages they want to push out and engage with different target audiences.

⁴⁸⁵ Since the 2018 actual results saw an increase, in the Annual Activity Report 2018 the Target 2020 has been revised to 250 000 000 to reflect the reality.

Indicator 8: Percentage of participants agreeing that the Citizens' Dialogue event improved their knowledge on EU issues							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Start in 2015	n.a.	30 %	70 %	80%			N/A
	Actual results						
		73 %	77%	N/A			

Source: Based on information collected on the site through voting devices or on responses to questionnaires distributed after events

Justification of changes to the financial programming and/or to the performance information

Indicator 8: Participants in the Dialogues were normally asked in the past the first question at the beginning of a Dialogue and the second one at its end, this type of on the spot survey was discontinued in the 1st semester 2017 because this method did not deliver meaningful results. DG COMM therefore suggests replacing that indicator with an indicator as follows "Number of people potentially reached by Audiovisual, print, online and social media through reporting and/or engagement on Citizens' Dialogues". The Commission is focusing in particular on strengthening media interest in Citizens' Dialogues. This as well as improved media monitoring led to the capturing of a much broader number of media items from Audiovisual, print and online media. **The result of this indicator in 2018 is 1 684.** The target for 2019 is 250 and target 2020 is 800. The target foreseen in 2019 is low as the number of Citizens' Dialogues will decrease, because of the 2019 European elections and the formation of a new European Commission.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
RAPID	16 03 02 03	1	0,5
Audio-visual productions and multimedia projects for the general public	16 03 01 02	200	0,7
TV uptakes from Europe by Satellite (in minutes)	16 03 01 02	140 000	3,3
Media library: conservation and availability to the public of audio-visual material (audio, video and photo), web development	16 03 01 02	61	1,8
Meetings with the media/HQ	16 03 01 02	1	0,1
Information events for journalists/REPs	16 03 01 02	650	0,5
Management of audio-visual technical facilities (number of AV products provided to the College - messages, interviews, statements, clips) (Heading 5)	16 03 02 02	850	5,6
Visits to the Commission	16 03 02 01	1 700	4,2
Number of Europe Direct Information Centres (EDICs)	16 03 01 03	518	16,1
Organisation of events under the 10 priorities of the Juncker's Commission and information events by the Representations (Events&Actions database)	16 03 01 04	n/a	21,6
Communication actions on budget focused on results(BUDG)	16 03 01 04	n/a	0,4
European Public Spaces organise information events (Events&Actions database) (Heading 5)	16 03 01 05	1 600	1,2
European Public Spaces (Heading 5)	16 03 01 05	23	
Number of consultations kids' corner and teachers' corner (Heading 5)	16 03 02 04	1.5M	0,4
Publications, including Commission's General Report (Heading 5)	16 03 02 04	30	1,7
Operation of EDCC	16 03 02 03	1	4,0
Electronic/paper publications (REPs)	16 03 02 03	30	2,4
Local social media profiles regularly updated (REPs)	16 03 02 03	90	2,5
Number of Citizens' Dialogues	16 03 01 04	50	0,8
Management of EUROPA websites (COMM) and EU results website(BUDG/DIGIT)	16 03 02 03	n/a	6,6
House of European History (budget to DG EAC)	16 03 04	n/a	n/a

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
RAPID	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		
Audio-visual productions and multimedia projects for the general public	F	176	75	150	200	200	200	200
	P	64	125	107	84 ⁴⁸⁶	103		
TV uptakes from Europe by Satellite (in minutes)	F	40000	85000	85000	85000	120000	130000	140000
	P	80091	94320	64113	70630	72273		
Media library (in thousands): conservation and availability to the public of audio-visual material (audio, video and photo), web development	F	28,5	50,0	50,0	50,0	61,0	61,0	61,0
	P	47,0	48.6	50.0	60.1	61,4		
Meetings with the media/HQ	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		
Information events for journalists/REPs	F	540	560	580	600	620	630	650
	P	540	517	620	610	520		

⁴⁸⁶ Since 2016 the AV Corporate production team has refocused on the 10 priorities of President Juncker and by doing so, the number of productions has gone down. The aim is to go for fewer, but higher quality productions – each of them therefore requiring more production time. However, production is constantly adapted to the changing media environment, notably as regards formats needed for integrating into the increasing social media exchanges.

Management of audio-visual technical facilities (number of AV products provided to the College - messages, interviews, statements, clips)	F	900	800	800	800	600	800	850
	P	780	762	647	738	844		
Visits to the Commission	F	1700	1700	1700	1700	1700	1700	1700
	P	1733	1736	1700	1568	1728		
Number of Europe Direct Information Centres (EDICs)	F	500	515	518	518	518	518	518
	P	507	518	513	510	442 ⁴⁸⁷		
Organisation of events under the 10 priorities of the Juncker's Commission and information events by the Representations (Events&Actions database)	F	N/A	3000	3000	2500	7200	7200	
	P	N/A	2989	2910	7900 ⁴⁸⁸	7300		
European Public Spaces organise information events (Events&Actions database)	F	1200	1200	1300	1350	1400	1450	1600
	P	1000	1208	1440	1150 ⁴⁸⁹	1300		
European Public Spaces	F	18	18	19	20	21	22	23
	P	18	18	18	18	18		
Number of consultations kids' corner and teachers' corner (in millions)	F	10,8	13,5	15,0	1,5	1,0	1,5	2,0
	P	11,8	11,1	10,5	0.67 ⁴⁹⁰	2.26 ⁴⁹¹		
Publications, including Commission's General Report	F	50	50	50	58 ⁴⁹²	30	30	30
	P	50	50	48	65	54		
Operation of EDCC	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		
Electronic/paper publications (REPs)	F	50	50	30	30	30	30	30
	P	50	32	40	40	40		
Local social media profiles regularly updated (REPs)	F	67	70	90	90	90	90	90
	P	67	90	90	90	90		
Number of Citizens' Dialogues	F	n/a	10	80	85	300	250	50
	P	n/a	53	73	317 ⁴⁹³	842		

Justification of changes to the financial programming and/or to the performance information

Number of Citizens' Dialogues: The organization of Citizens' Dialogues has significantly changed during the period 2015-2018. In addition to the Dialogues with the President and the Commissioners, DG COMM has called upon Commission officials and Heads of Representations in 2017 to join the initiative. In 2018, DG COMM encouraged other Commission services and the Europe Direct Network to use the format of Citizens' Dialogues in order to engage with citizens. Moreover, thanks to partnerships with other Institutions (i.e. the European Parliament and the European Committee of the Regions) several Dialogues were co-organized. As a consequence, the number of Citizens' Dialogues increased exceptionally from 53 (2015) and 73 (2016) to 317 (2017) and 842 (2018). This entailed an increase in related figures, such as the total number of participants, the media echo and the potential indirect outreach through social media impressions and media reporting, but also a decrease in the number of participants per event, as many of the Dialogues with Commission officials attracted less media attention than events with the President and Commissioners. Hence the foreseen output for 2019 has been revised.

Specific Objective 2: A coherent and effective corporate communication is developed and maintained.

Indicator 1: Digital Transformation / overall completions (in %)

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
547 websites; 3 000 000 web pages for all DGs		1 class transitioned 50 %; 3 classes transitioned 25 % (8,3 % overall completion)	4 themes transitioned 100 %; 3 themes transitioned 50 % (37 % overall completion)	15 themes at 100 % (100 % overall completion)	One coherent web presence for the entire Commission, to be continuously improved and maintained	One coherent web presence for the entire Commission, to be continuously improved and maintained	One coherent web presence for the entire Commission, to be continuously improved and maintained
	Actual results						
	133 websites	8 classes at 15 %	2 themes at 60%	15 themes at	One coherent		

⁴⁸⁷ The number of Europe Direct information Centres (EDICs) decreased in 2018 as the Call for Proposals for the new generation of EDICs (2018-2020) enabled EDICs to obtain higher grants to optimise the outreach potential of the network within a stable global allocation . The budgetary framework for the 2018-2020 Europe Direct Information Centres had been set in the current Multiannual Financial Framework and allowed only for relatively small nominal increases until 2020.

⁴⁸⁸ The higher figure is due to both intensified activities of the Representations and improved reporting.

⁴⁸⁹ In 2017 two Representations decreased significantly their activities due to building issues(security and renovations).

⁴⁹⁰ In 2017, much of the content of Kids' corner was removed. In addition, the redesign of Kids' corner and Teacher's corner had to be postponed until 2018. The way of measuring consultations of Kids' Corner and Teachers' Corner has been modified to reflect visits rather than page views/consultations, as this is a more accurate way of measuring audience and aligns the methodology for calculating the figures with that used by other services, thus ensuring a corporate approach across the institution.

⁴⁹¹ The result includes the number of visits to all four websites managed by DG COMM while the target had omitted two of the unit's websites and concerned only Kids' Corner and Teachers' Corner.

⁴⁹² The 32 titles in the 'EU explained' series of publications will be phased out and replaced by short citizen-friendly factsheets on the EU's 10 political priorities Both the 'EU explained' series and the factsheets will co-exist in 2017, resulting in a higher number of publications than in previous years, before stabilising at a lower number of far more regularly updated publications from 2018.

⁴⁹³ The number of Citizens' Dialogues increased steeply in 2017 and 2018 due to the fact that they became a major channel for the debate on the future of Europe and the introduction of a second series of Dialogues with senior Commission officials.

	cut for all DGs; 925 070 webpages cut	(8 % overall completion)	1 theme at 58% 1 theme at 46% 1 theme at 37% 1 theme at 32% 1 theme at 25% 1 theme at 20% 1 theme at 16% 1 theme at 1% (31% overall completion)	100 % (100 % overall completion)	web presence for the entire Commission, to be continuously improved and maintained		
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Source: Commission sites inventory

Note: Class and themes is the same thing. Class changed to themes as per Strategic Plan 2016 -2020.

The content on the new web presence is organised thematically (15 themes). The concept as described in the [Strategic Plan 2016 – 2020](#) was modified by a decision of the Corporate Communication Steering Committee on 24 January 2017. It changed the strategy for Europa so that each theme would be built up to at least the first three levels of the information architecture and assign existing websites to each one.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Intra-muros expertise to create the new web presence (data analysis, user research, user experience, design, usability, content and communication)	16 03 02 03	43	6,0

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Intra-muros expertise to create the new web presence (data analysis, user research, user experience, design, usability, content and communication)	F	23	30	45	43	43	43	43
	P	23	28	36	37	36		

Specific Objective 3: Country specific information and analysis are fed into College's decision making process

Indicator 1: Number of political and economic reports and analysis produced

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
940				500	450	400	500
	Actual results						
	940	634	606	437	478		

Source: Political reporting tool and statistics on ESO reports (DG COMM)

Justification of changes to the financial programming and/or to the performance information

The actual results in 2017 are less than foreseen as this figure includes all horizontal products (horizontal reports, and crisis reports – 28 contributions from European Commission Representations, counted here as one). The number of individual reports have been reduced to produce more focused and relevant reports including regional and horizontal reports.

Indicator 2: Satisfaction rate on the media monitoring services

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
n/a	n/a	60 %		76%	75%	70%	75 %
	Actual results						
		76 %	n/a	80%	70.5%		

Source: DG COMM survey

Justification of changes to the financial programming and/or to the performance information

The survey refers to media monitoring products made available to European Commission staff. 2018 was the last year of the framework contract. The participation to the survey was lower than the previous survey and the fact that main users did not answer might have influenced the total satisfaction rate (which remains a good result).

Indicator 3: Satisfaction rate concerning Eurobarometer products

Baseline 2015	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
n/a				70%		70%	75 %
	Actual results						
	n/a	n/a	n/a	n/a	80%	n/a	

Source of data: COMM.A1 survey - Survey conducted as of 2018 annually each Autumn

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Production of media monitoring and other media analysis products	16 03 02 05	30	5,5
Production of Eurobarometer public opinion surveys	16 03 02 05	7	1,7

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Production of media monitoring and other media analysis products	F	60	50	30	30	45	45	30
	P	51	21	30	48 ⁴⁹⁴	41		
Production of Eurobarometer public opinion surveys	F	7	7	7	7	7	7	7
	P	8	11	9	8	8		

⁴⁹⁴ Due to a new project related to the Future of Europe (in the context of the 60 years anniversary of the Treaties of Rome, and the White Paper), we produced more media analysis products, hence the foreseen outputs have been increased until 2019.



HEADING 4

Global Europe

4: Global Europe

HEADING 4: Global Europe

Instrument for Pre-accession Assistance (IPA II)

Lead DG: NEAR

Associated DGs: EAC, AGRI, REGIO, EMPL

I. Overview

What the programme is about?

The Instrument for Pre-accession Assistance (“IPA II”) shall support candidate countries and potential candidates in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by the beneficiaries to comply with Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership. Through such support, IPA II shall contribute to stability, security and prosperity in the beneficiaries, providing their citizens with better opportunities and allow for development of standards equal to the ones we enjoy as citizens of the EU. IPA funds are a sound investment not only into the future of the enlargement countries: they serve also the Union’s very own political, security and economic interests. It is a strategic investment in a stable, more secure, strong Europe based on common values. The IPA II Regulation⁴⁹⁵ states that financial assistance shall mainly address five policy areas: a) reforms in preparation for EU membership and related institution and capacity-building, b) socio-economic and regional development, c) employment, social policies, education, promotion of gender equality, and human resources development, d) agriculture and rural development, and e) regional and territorial cooperation.

IPA II should help beneficiaries in achieving their respective targets related to the 1993 Copenhagen criteria as well as the conditionality of the Stabilisation and Associations process. The success of pre-accession assistance is therefore to be measured against the criterion how effective the assistance was to enhance the capability of the beneficiaries to come closer to the accession benchmarks.

Current beneficiaries, listed in Annex I of the IPA II Regulation, are: Albania, Bosnia and Herzegovina, the Republic of North Macedonia, Kosovo*, Montenegro, Serbia, and Turkey.

** This designation is without prejudice to positions on status, and is in line with UNSCR. 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.*

EU added value of the programme

The IPA complements the Enlargement policy of the Union by supporting political and economic reforms in beneficiary countries and contributes to meeting the broader European objectives of ensuring stability, security and prosperity in the immediate neighbourhood of the Union.

The EU’s political influence and leverage allows engaging national authorities with greater authority and legal certainty than individual EU Member States. Furthermore, granting pre-accession assistance under one single instrument on the basis of a single set of criteria is more efficient than granting assistance from multiple sources (including the national budgets of the Member States) following different procedures and priorities. The funds also help the EU reach its own objectives regarding a sustainable economic recovery, security of energy supply, improved transport connections, enhanced environmental standards, more effective action to combat climate change, etc.

Implementation mode

IPA II funded activities are implemented and managed in various ways. Under **direct management**, the implementation of the budget is carried out directly by the Commission either at headquarters or in the EU delegations. Under **indirect management**, the Commission entrusts budget implementation tasks to the IPA II beneficiaries or entities designated by them; a development agency of an EU Member State or, exceptionally, of a third donor country; an international organisation or an EU specialised agency and public law bodies, including Member state organisations. In other words, the Commission entrusts the management of certain actions to external entities, while still retaining overall final responsibility for the general budget execution. Under **shared management**, implementation tasks are delegated to EU Member States (only for cross-border cooperation programmes with EU countries).

In the context of direct management, sector budget support is yet another tool for delivering pre-accession assistance and achieving sustainable results under IPA II. It consists of financial transfers to the national treasury account of an IPA II beneficiary once certain conditions have been fulfilled and requires performance assessment and capacity development, based on partnership and mutual accountability.

⁴⁹⁵ REGULATION (EU) No 231/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II) https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial_assistance/ipa/2014/231-2014_ipa-2-reg.pdf

Financial assistance needs to be tailored to the specific situation of the individual beneficiaries. It is planned and programmed on the basis of indicative strategy papers setting out the priorities and objectives for each beneficiary and the multi-beneficiary programmes for the entire period up to 2020, and a breakdown of indicative financial allocations. The strategy papers define the results to be achieved by 2020 and the actions necessary to reach them, as well as indicators for monitoring progress and measuring performance.

Implementation of IPA II is based on a sector approach: reforms are promoted within the framework of pre-defined sectors closely linked to the enlargement strategy, such as democracy and governance, rule of law or growth and competitiveness. At the same time, IPA II assistance is tailored to the specific needs of each individual beneficiary, and takes into account the status of each partner in the overall accession process. Assistance is also provided through multi country programmes, providing a viable complement to national assistance.

In the policy area "agriculture and rural development", assistance includes management by DG for Agriculture and Rural Development for the beneficiaries which are already operating under indirect (formerly decentralised) management. In addition, cross-border co-operation between candidate countries and potential candidates and Member States continues to be managed by DG for Regional and Urban Policy. Finally, IPA II helps beneficiaries building capacity and promoting mobility in higher education and for young people by contributing to the Erasmus+ Programme.

II. Programme Implementation Update

Implementation status (2016-2018)

The Regulation establishing the Instrument for Pre-accession Assistance (IPA II) introduced an important innovation: a seven years strategic framework for the programming of the instrument. For this purpose, Indicative country and multi-country Strategy Papers (ISPs), covering the full duration of the multiannual financial framework, were established in partnership with the IPA II beneficiaries. The country ISPs set sector-level priorities for assistance. They are defined on the basis of the IPA beneficiary's specific needs and capacities. The Multi-Country Strategy Paper addresses priorities for regional cooperation or territorial cooperation. The ISPs also contribute to the following goals of the IPA II Regulation: deliver assistance that is (1) targeted and adjusted to the specific situation of each IPA II beneficiary, and also (2) differentiated in scope and intensity, according to the beneficiary's needs, level of commitment to reforms and progress in implementing them.

As laid down in the IPA II Regulation, Article 6(4), the 7-year ISP were revised at mid-term and published in August 2018. The main objective of this review/revision was to take account of recent policy developments, political priorities and other changes registered in the region. This exercise also allowed allocating the performance reward as foreseen in Article 14 of the IPA II Regulation. Following a Strategic Dialogue with the European Parliament, inter-service consultation and comitology procedure, the European Commission adopted the Revised Indicative Strategy Papers in August 2018.

In 2016, the European Commission adopted the following 15 IPA II programmes and seven amendments, in particular:

- Eleven annual action programmes (including one multi-country programme, one multi-country programme for connectivity and one sector budget support programme);
- One multiannual programme to support civil society and media;
- Two support measures;
- One cross-border cooperation programme;
- Seven amendments to earlier adopted programmes

Total operational commitments for IPA II in 2016: EUR 1.7 billion.

Twenty additional programmes were adopted **in 2017**, in particular:

- Ten annual action programmes (including one multi-country programme and one sector budget support programme)
- One multiannual programme to support connectivity;
- Five amendments to the multiannual sector operational programmes for Turkey and the Republic of North Macedonia.
- Two major projects forming part of the multiannual sector operational programme for the Republic of North Macedonia
- Two support measures

Total operational commitments for IPA II in 2017: EUR 2.1 billion.

In 2018, twenty-fours programmes and five amendments were adopted in particular:

- Eight annual action programmes (including one multi-country programme and two amendments to the 2017 Multi-country programme)
- One multiannual programme to support connectivity;
- One multiannual programme to support Technical Assistance and Information Exchange (TAIEX);
- One multiannual programme to support civil society and media;
- Nine cross-border cooperation programmes in the Western Balkans and a cross-border cooperation technical assistance programme;
- One special measure on supporting Bosnia and Herzegovina in managing the migration flows;
- One individual measure (support to the Office of the High Representative (OHR) in Bosnia and Herzegovina);
- One support measure for the 2018 Audit Programme;

- One special measure on education under the Facility for Refugees in Turkey and one amendment;
- Five amendments to the multiannual sector operational programmes for Turkey and the Republic of North Macedonia.

Key achievements

The following concrete results have been achieved:

Migration - Western Balkans

In 2018, the **numbers of irregular migrants has been significantly reduced**, but smuggling activities remained on the rise and new sub-routes have emerged. The EU continued providing financial support to the countries affected by migratory pressure along the Western Balkans route. **The IPA funds allocated in 2017 (EUR 30 million)** continues to be implemented, to support in particular Serbia, the Republic of North Macedonia and Bosnia and Herzegovina in managing the migration flow. As the nature of the crisis has changed, the support now focuses more on a structural approach in order to improve the conditions in the shelter centres. In parallel, the fight against smuggling and the improvement of the border controls are supported at regional level.

Migration - Turkey

Turkey currently hosts close to 4 million refugees and the EU is committed to assist Turkey in dealing with this challenge. The **EU Facility for Refugees in Turkey**, managing a total of **EUR 6 billion** (EUR 3 billion for 2016-2017 and EUR 3 billion for 2018-2019), provides for a joint coordination mechanism, designed to ensure that the needs of refugees and host communities in Turkey are addressed in a comprehensive and coordinated manner. The Facility is implemented as humanitarian and development assistance.

The 2016-2017 envelope of EUR 3 billion was **fully contracted with 72 projects rolled out, showing tangible results**

- 1.5 million of the most vulnerable refugees are provided with monthly cash transfers under the Emergency Social Safety Net;
- **Education** - a EUR 300 million grant – implemented in cooperation with the Turkish Ministry of National Education – has supported the integration of Syrian children into the Turkish education system providing **access to education to over 600 000 children**. This support continues also under the second tranche and a new project with the Ministry of National Education was signed, worth EUR 400 million.
- **Health** - the Facility has delivered EUR 300 million in aid to ensure refugees can access healthcare services, with **over 5 million primary health care consultations carried out and over 650 000 Syrian refugee children vaccinated** so far. Furthermore, 178 migrant health centres are now operational with over 2 600 staff employed. The Facility will continue to provide assistance in health, education, municipal infrastructure and socio-economic support, with a special focus on creating livelihood opportunities for refugees in Turkey.

EUR 2 billion under the second tranche come from the EU budget. Out of the EUR 2 billion, the development strand - through IPA - has been allocated EUR 500 million in 2018, and EUR 850 million in 2019.

Connectivity agenda

Improving connectivity within the Western Balkans and between the Western Balkans and the EU is a key factor for growth and jobs and will bring clear benefits for economies and citizens. Continued progress has been achieved on the Connectivity agenda, with a special emphasis on **the preparation and financing of concrete regional infrastructure investment projects**, but also on the implementation of technical standards and accompanying reform measures such as aligning and simplifying **border crossing procedures, railway reforms, information systems (ITS), road safety and maintenance schemes, unbundling and third party access**. The European Union has set aside up to **EUR 1 billion for connectivity investment projects and technical assistance for the 2015-2020 period**. It provided so far via the different Western Balkans Summits (Vienna 2015, Paris 2016, Trieste 2017, Sofia/London 2018) EUR 700 million for connectivity projects in the transport and/or energy sector, **which leveraged overall investments of more than EUR 2.4 billion**. The expected results are in particular 450 km of electricity transmission lines and associated substations, 108 km of gas pipeline, 320 km of railway lines and connected stations, 141 km of motorways, two cross-border bridges as well as two ports.

Turkey

In Turkey, work under IPA II has continued to support investment and reforms, notably in the areas of institution-and capacity-building, socio-economic development, employment, social policies, education, promotion of gender equality, human resources development, agriculture, rural development, regional development and territorial cooperation. For example:

- The **IPA Rural Development programme** has been supporting the **modernisation of the agricultural sector**, promoting innovative approaches and reaching out to grass roots level in Turkey, including the peripheral and border regions.
- The **EU Civil Society Facility (CSF)** has allowed the EU to **directly support civil initiatives** and right-based projects proposed by individuals and civil society organisations to address particularly sensitive issues. The CSF flagship programme in Turkey is Sivil Düşün ("Think Civil"), a unique programme that focuses on practical ways to realise the participation in EU programmes of civil society organisations, networks and activists in a progressive, flexible, and inclusive way. The CSF also provides funding to support the core functions of **Human Rights CSOs** that are most at risk. This specific programme answers to calls from Turkish civil society, EU Member States and the European Parliament that the EU should help to reinforce those CSOs that provide some checks and balances, support human rights defenders and hold authorities accountable in relations to their commitments towards EU values and principles.

Western Balkans

- **In Albania**, the EU has increased in 2018 its attention and financial assistance through IPA in the field of **local governance**, in support of the Albanian decentralisation efforts and in the view that the involvement of the local level is instrumental to the success (and the pace) of the EU integration agenda of the country. Enhancing the EU-related governance capacity of municipalities (including their ability to benefit from EU funds and programs), increasing the effectiveness and the transparency of public services, and fostering local democracy, in particular the inclusion of citizens in the decision-making process, are the areas where the EU is focusing its good governance assistance at local level.
In the **justice sector**, a most important achievement in 2018 was the **support to the International Monitoring Operation for the re-evaluation of judges and prosecutors (IMO)**. The IMO guaranteed a successful and thorough independent monitoring of the vetting process in Albania, through the establishment of close cooperation with the vetting institutions and the auxiliary bodies. External monitoring to the vetting has helped to consolidate the credibility of the process, while at the same time also being a deterrent to attempts of undue pressures from other external actors.
Close cooperation between PAMECA (Police Assistance Mission of the European Commission to Albania) and EURALIUS (Consolidation of the Justice System in Albania) is ensured continuously in the field of **criminal justice and support to common legislative efforts**.
- **In Bosnia and Herzegovina**, work has continued on the development of country strategies in important sectors, together with EU development partners.
In cooperation with Sweden and the United States, a **country rural development strategy was adopted** thereby fulfilling an important precondition to unlock pre-accession funds.
In cooperation with the UK, a **country strategy on energy** had being developed and adopted.
The work of the Delegation, alongside SIGMA (Support for Improvement in Governance and Management), facilitated the adoption of the **revised Public Administration Strategy** by the governments of the Federation of Bosnia and Herzegovina (FBiH) and of Brcko District (BD) as well as of the Council of Ministers of Bosnia and Herzegovina (the adoption by the government of Republika Srpska is expected in 2019). These are significant developments and progress considering the difficulties constantly faced due to Bosnia and Herzegovina's institutional and political complexities.
As regards the **rule of law sector**, the EU has provided since 2004 continuous support to the development of a **modern judiciary** in the country with a focus on the use of information and communication technologies and performance management which have helped in providing **better, faster and more transparent services to citizens**. The implementation of a **new generation of Case Management System (CMS)**, with trainings delivered to users in courts and prosecutors' offices all over Bosnia and Herzegovina, in cooperation with the Judicial and Prosecutorial Trainings Centres in both entities, contributed to both the **efficiency of cases processing as well as its transparency**.
To address the negative effects of **inadequate infrastructures** for the efficient operation of courts and prosecutor's offices, the EU provided about EUR 20 million of IPA funds for the (re)construction of judicial and prosecutorial premises. **20 judicial institutions all over Bosnia and Herzegovina are being constructed, modernised and renovated**. Upcoming IPA projects will support **prisons infrastructures**, in addition to the newly constructed High Security State Prison. **The judiciary's capacity for processing war crimes cases was being strengthened** with IPA assistance supporting the salaries and material costs of courts and prosecutors' office all across Bosnia and Herzegovina. Grant support is also provided to the International Commission on Missing Persons (ICMP), contributing to addressing the persisting challenges of transitional justice.
Support is provided to the Home Affairs sector through a large Twinning project (bringing together public sector expertise from EU Member States and beneficiary countries) on **Law Enforcement**. Another project is supporting the **fight against money laundering** and focuses on the Financial Action Task Force (FATF) recommendations, including the financing of terrorist activities. As a result, on February 23rd 2018, FATF Plenary Session decided to remove the country from its "grey list", concluding that it had eliminated shortcomings in the fight against money laundering and terrorist financing.
In the area of **Competitiveness and Innovation**, the focus is on the support of SMEs through better access to finance, enabling SMEs to innovate, incorporate Research & Development and invest in meeting EU standards.
- **In the Republic of North Macedonia**, the EU funds allocated to support the country's accession path were crucial for the **fundamental reforms in the areas of justice, public financial management and public administration**. The new Public Administration Reform Strategy 2018-2022 was adopted in 2018. The EU support for the implementation of the Justice Reform Strategy resulted in **new laws improving the judicial system and on the external oversight mechanism** preventing ill treatment and torture by law enforcement bodies.
In the area of **transport**, IPA landmark investments were finalised in 2018. The 28 km Highway Demir Kapija – Smokvica was put in operation and the rehabilitation of 22.40 km of highway Miladinovce-Kumanovo was completed.
In the **environment sector**, EU investments resulted in putting in operations four waste water treatments plants in Kichevo, Strumica, Radovish, Prilep with a capacity to serve the equivalent of 230,000 citizens.
In 2018, the country has committed to draw up the **first sector reform contract in the area of education**, employment and social policies.
The IPA 2018 programme has been adopted on 3 August 2018 for a total EU contribution of 32 million, including support to democratic governance and fiscal sustainability and sound use and management of the public funds.
- **In Montenegro**, focus in 2018 was primarily **in the areas of rule of law and fundamental rights, agriculture and rural development**. In addition, a further programme focused on **health, social issues and education** was added to the national portfolio during the course of programming. The whole programme is delivered through a mix of direct and indirect

management and rose to a total of just over EUR 36. Programmes from previous years also continued on a range of sectors including environment, agriculture, transport. Additional support was provided as part of the multiannual **education, employment and social policies** programme which was launched during the year. Social programmes continued aiming to address the integration of Roma and other vulnerable groups. Of particular note, sector reform contracts in **Integrated Border Management and Public Administration Reform (PAR)** made a key impact in the country during 2018. For PAR much of this focused on enhancing the professionalism and quality of the civil service and to match its resources with the needs of EU integration.

- **In Serbia**, the support in 2018 focused on four key sectors. In the area of **democracy and governance**, under a European Integration Facility, specific actions support **the legislative harmonization with the EU acquis and the strengthening of Serbia's institutional capacities** in different areas. In addition, it supports the development of reliable statistics in Serbia, aiming at increasing the availability, quality, comparability and timeliness of high quality and policy-relevant statistical data. In the area of **environment, climate action and energy**, the aim is to raise environmental standards in Serbia in terms of air and water quality through the construction of a **wastewater treatment plant**, the **improvement of district heating systems** through switch to renewable energy sources, and a pilot support in the field of **energy efficiency**. In the area of **Competitiveness and Innovation**, EU action through IPA funds has led to **better access to finance for small and medium enterprises, and enhanced innovation capacities**. Finally, in the crucial area of **Education, Employment and Social policies** the focus is on providing housing solutions and complementary jobs, health, educational and health care services to the most vulnerable parts of the Serbia's population.

The sector reform contracts introduced under IPA II have contributed to the achievement of tangible results in the key areas of **Public Administration Reform and Public Financial Management, Integrated Border Management and Education**. The assistance to governance and accession related priorities has supported the opening of negotiating chapters with Serbia in fields such as economic and monetary policy and statistics.

Work on the important The implementation of the **Connectivity agenda** is progressing. In transport, the first phase of the modernization of the railway line from Nis to Dimitrovgrad (border with Bulgaria) is planned to commence in the second half of 2019.

Trans-Balkan Corridor electricity project has continued with the completion of Section I between Serbia and Romania, contributing to the establishment of a power corridor that would connect the electricity transmission systems from Serbia, Montenegro, Bosnia and Herzegovina to Croatia, Hungary, Romania and Italy.

- **In Kosovo**, as part of the IPA 2016 and 2017 programmes, **Sector reform contracts on public administration reform and public financial management** (of EUR 25 million each) have been signed. On 28 January 2019, Kosovo government has inaugurated the **Kosovo Energy Efficiency Trust Fund**, to which the EU is contributing with EUR 10 million from IPA. The Fund will help municipalities in the implementation of their **municipal energy efficiency action plans** which will contribute towards the achievement of the national energy efficiency targets. The Fund will target energy efficiency measures that will contribute to better comfort level for the students in schools, for the health care centres/hospitals, the service level in the municipal services buildings, and other public buildings, but also in street lighting, etc.

In 2018 Kosovo has received EUR 6 million IPA II performance reward which will be used to **support start-ups, to improve access to public facilities for persons with disability and reduced mobility, and for culture**, to contribute to the design of a concert hall. The IPA 2018 programme has been adopted on 6 December 2018 for a total EU contribution of 90.5 million. It also includes support to the **environmental aspects of the energy sector by reducing the environmental impact of the largest power plant in Kosovo** – known as Kosovo B.

Evaluations/studies conducted

During 2018 two thematic evaluations, covering the Enlargement and the Neighbourhood region, have been completed.

The evaluation of EU support for Security Sector Reform in Enlargement and Neighbourhood countries (2010-2016) was conducted to help strengthen democratic accountability and transparency and improve policy and practice through evidence-based learning. The evaluation confirmed that the EU achieved positive effects through its promotion of EU values and interests in the Enlargement and Neighbourhood regions. The evaluation identified policy recommendations aimed at enhancing the EU's role as a strategic actor, strengthening national ownership, improving the effectiveness of funding modalities, and achieving greater results.

The evaluation of EU support to social protection in external action (2007-2013) assessed to what extent the EU support to social protection contributed to achieving the objectives of EU cooperation in the area of social protection. The main conclusion was that the EU should promote a broad strategic approach with more attention to sustainability, consider scaling up its support to social protection, and support the development of appropriate monitoring and evaluation systems.

No Staff Working Document will be prepared for those evaluations because they are not "major" evaluations.

A Staff Working Document on Economic Governance is under preparation following the completion of the corresponding evaluation at the end of 2017.

During 2019 the Commission plans to complete the thematic evaluations on Sector Approach under IPA II assistance, Rule of Law, Twinning and EU Info Centres, and the ex-post evaluation of Croatia.

Forthcoming implementation (2019-2020)

The political priorities of the European Commission continue to be supported through planned 2019 IPA II interventions, in particular the fundamentals of enlargement such as rule of law and democratic governance, economic growth and jobs, as well as

other important priorities such as the connectivity agenda and security. The priorities stemming from the State of the Union and the priorities set in the Western Balkans Strategy of February 2018 will be reflected in the IPA II 2019 programmes, where possible, and in the IPA II programmes for 2020. Following the adoption of the Western Balkans Strategy, of the Sofia Declaration, and of the Enlargement package, stronger focus will be put on the regional dimension of competitiveness, research and innovation and to the measures the countries need to adopt with a view to setting up the Regional Economic Area. Support to education and employment also remains a priority with actions aimed at supporting the reform of the vocational training systems, as well as employment and social services focusing on young people, women and vulnerable groups (including Roma).

It is proposed that the next programming exercise for **country programmes** will cover both 2019 and 2020 budgets. As regards **multi-country programmes**, the Commission is not considering at this stage merging the programming exercises, so as to move forward with priorities already identified, and have sufficient time to consult the countries on regional priorities to front load before the end of the period.

Within the national envelopes, particular attention will be paid to ensuring the right mix of implementation arrangements in view of their advantages: direct management by the Commission for areas primarily related to the political criteria, indirect management by national authorities limited to sectors precursors of the structural funds, through annual or multi-annual programmes, and budget support for sector reforms needed for the European perspective.

Concerning **Turkey**, this synchronised programming of the last two budget years of IPA II would provide space for the strategic planning of IPA III in 2020. As set out in the revised Indicative Strategy Paper, in order to increase impact, EU financial assistance shall be concentrated on the areas where reforms or investments are most needed to meet accession criteria, and tailored to take into account the capacities of Turkey to meet these needs. Assistance shall be planned in a joined-up, coherent and comprehensive manner and taking into account that IPA is only one of the means to achieve the necessary progress. Following the final vote on the 2019 EU budget, the level of resources for 2019 is now confirmed: EUR 248.7 million. The allocations will target two main objectives: Democracy and Rule of Law (including the participation in EU programmes and agencies and the support to civil society through the Civil Society Facility); Socio-economic programmes (including IPARD, agriculture and rural development).

Considering that the mode of indirect management is not delivering with sufficient speed and efficiency, direct management will thus be necessary for all other sectors of interventions, with the exception of the IPARD programme for which there is strong administrative capacity in Turkey and good absorption. It is also proposed to make use of blending and financial instruments in the context of the bilateral IPA programme, so as to support reforms and investments in the socio-economic areas, e.g. clean energy, environment, climate change, or sustainable transport.

Outlook for the period 2021-2027

On 14 June 2018, the Commission adopted its legislative proposal for a regulation establishing the new Instrument for Pre-Accession, IPA III. This proposal is part of a set of new proposed instruments for EU external action under the new Multiannual Financial Framework 2021-2027.

The new instrument will be clearly aligned with the priorities of the Western Balkan Strategy from February 2018 "A credible enlargement perspective for and enhanced EU engagement with the Western Balkans", particularly to maximise the impact of the six flagship initiatives included in the Strategy. These flagships aim to support the implementation of robust economic reform programmes and enhance the focus on reforms necessary for future membership. At the same time, IPA III will be sufficiently flexible to adapt to the evolving situation in Turkey and reflect developments in our relations with the country. The new instrument will increase steer from the Union, as its programming is proposed to be based on priorities rather than country envelopes. This allows rewarding performance and progress towards key priorities and increased flexibility to respond to the evolving needs of the partners in their path towards accession.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II)	2014 - 2020	11 698,7

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	50,7	41,7	41,8	44,6	45,2	46,0	46,7	316,8
Operational appropriations	1 426,8	1 531,2	1 635,5	2 073,0	1 995,4	2 376,8	1 608,8	12 647,5
Executive Agency	1,0	0,8	0,8	0,8	0,7	0,7	0,6	5,5
Total	1 478,6	1 573,7	1 678,1	2 118,4	2 041,4	2 423,4	1 656,1	12 969,8
<i>Of which contribution to Erasmus+</i>	<i>30,3</i>	<i>31,9</i>	<i>32,9</i>	<i>33,9</i>	<i>31,0</i>	<i>33,0</i>	<i>33,0</i>	<i>225,9</i>

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	2 041,383	99,96 %	1 110,547	97,33 %	2 423,420	8,20 %	1 424,321	20,22 %
Authorised appropriations (*)	2 110,613	99,31 %	1 540,727	82,91 %	2 761,260	8,44 %	1 704,709	17,11 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The Instrument for Pre-accession Assistance (“IPA II”) shall support candidate countries and potential candidates in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by the beneficiaries listed in Annex I to comply with Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership. Through such support, IPA II shall contribute to stability, security and prosperity in the beneficiaries.

Specific objectives

Specific Objective 1: Support for political reforms.

Indicator 1: Composite indicator on the readiness of enlargement countries on fundamental areas of the political accession criteria. These areas are: Judiciary, Fighting organised crime, Freedom of expression, Fight against corruption and Public administration reform

Definition: This composite indicator aims at showing where the candidate countries and potential candidates stand in terms of their preparations for meeting five key areas of the political criteria, namely the functioning of the judiciary, fight against corruption, fight against organised crime, freedom of expression and Public administration reform.

In each of these areas, the state of play (i.e. the readiness) in the candidate countries and potential candidates is assessed according to the following five-tier standard assessment scale: Early stage – Some level of preparation - Moderately prepared - Good level of preparation – Well Advanced.

This composite indicator is based on a careful analysis of the situation under each of the areas. Particular emphasis is given to the importance of implementation and track records of concrete results in each area. Accordingly, these aspects are given more weight than legal alignment and institutional framework in the overall assessment. These indicators have been introduced in the enlargement reports of 2015. Upcoming enlargement reports will provide an assessment of the areas, used for the preparation of this composite indicator. For further details, please see the Communication on the EU Enlargement Strategy⁴⁹⁶.

These result indicators are particularly relevant for since they show the results of its enlargement policy, including financial assistance through the Instrument for Pre-accession Assistance as regards two main fundamentals of the enlargement strategy (i.e. the rule of law and fundamental rights and public administration reform). The Commission supports the candidate countries and potential candidates to address the core issues measured by these indicators. These indicators provide also greater transparency in the enlargement process and should facilitate greater scrutiny of reforms by all stakeholders.

Baseline 2015	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Five cases of early stage of preparation in these areas (i.e Albania on the Judiciary, Bosnia and Herzegovina on Public Administration Reform and Kosovo ^{*497} on the Judiciary, Fighting organised crime, and Fight against corruption)					Reduced number of cases		A majority of countries are moderately prepared in these areas**
	Actual results						
	n.a.*	5	4	5	n.a. yet		

Source of data: Annual enlargement country reports – European Commission

* Results for 2014 are not available since the assessments, used for the preparation of this composite indicator, have been first done in 2015.

** Assuming that there will not be any backsliding on these areas, the target implies that by 2020 at least 3 more candidate countries and potential candidates become moderately prepared on the functioning of the judiciary; at least four more become

⁴⁹⁶ COM (2015) 611 final, 10.11.2015

⁴⁹⁷ Kosovo* - This designation is without prejudice to positions on status, and is in line with UNSCR1244/1999 and the International Court of Justice (ICJ) Opinion on the Kosovo declaration of independence.

moderately prepared on the fight against corruption; at least four more become moderately prepared on the fight against organised crime; at least four more become moderately prepared on freedom of expression. As for the public administration reform area, a majority of candidate countries and potential candidates are moderately prepared in this area already in 2015.

Indicator 2: Weighted score based on 8 external sources taken in three groups, each weighted one third 1. [Corruption Index (Transparency International) and Control of Corruption (World Bank); 2. Press Freedom (Reporters without Borders) and Freedom of Press (Freedom House); 3. Government Effectiveness (World Bank), Rule of Law (World Bank), Regulatory Quality (World Bank) and Voice and Accountability (World Bank)]*

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Western Balkans: 51.53 (51.23 in 2013)				>52			>55
	Actual results						
	51.55	50.56	49.77	48.84			
Turkey: 51.77 (53.55 in 2013)				>53			>55
	Actual results						
	50.60	48.72	44.41	42.15			

Values: 1 (Worst) - 100 (Best). Based on:

- Corruption Index (Transparency International) -<http://www.transparency.org/country>
- Control of Corruption (World Bank) -<http://web.worldbank.org>
- Press Freedom (Reporters without Borders) -<https://rsf.org/index2014>
- Freedom of Press (Freedom House) -<http://www.freedomhouse.org/>
- Government Effectiveness (World Bank) -<http://web.worldbank.org>
- Rule of Law (World Bank) -<http://web.worldbank.org>
- Regulatory Quality (World Bank) -<http://web.worldbank.org>
- Voice and Accountability (World Bank) -<http://web.worldbank.org>

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Measures to support for political reforms and related progressive alignment with the Union acquis - Western Balkans, of which (EUR million indicative as per CSPs)	22 02 01 01	8	189.3
2. Measures to support for political reforms and related progressive alignment with the Union acquis - Turkey	22 02 03 01	1	160,0
Total		9	349,3

Expenditure related output covering: Specific Objective 1 - Support for political reforms AND relevant part for Specific Objective 3 - Support for progressive alignment with, and adoption, implementation and enforcement of, the Union acquis, including preparation for management of Union Structural Funds, the Cohesion Fund and the European Agricultural Fund for Rural Development.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Measures to support for political reforms and related progressive alignment with the Union acquis - Western Balkans	F	8	8	8	8	8	8	8
	P	8	9	9	8	8		
Measures to support for political reforms and related progressive alignment with the Union acquis - Turkey	F	1	1	1	1	1	1	1
	P	1	2	2	1	1		

Specific Objective 2: Support for economic, social and territorial development, with a view to a smart, sustainable and inclusive growth.

Indicator 1: Composite indicator on the readiness of candidate countries and potential candidates on fundamental areas of the economic criteria These areas are: functioning market economy and competitiveness in the EU

Definition: This composite indicator aims at showing where candidate and potential candidates stand in terms of their preparations for meeting key areas of the two economic criteria, namely the existence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the Union. In each of these areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale: Early stage – Some level of preparation - Moderately prepared - Good level of preparation – Well Advanced

This composite indicator is based on a careful analysis of the situation under each of the areas. Particular emphasis is given to the importance of implementation and track records of concrete results in each area. Accordingly, these aspects are given more weight than legal alignment and institutional framework in the overall assessment. Upcoming enlargement reports will provide an assessment of the areas, used for the preparation of this composite indicator. These indicators have been introduced in the enlargement reports of 2015.

These result indicators are particularly relevant since they show the results of its enlargement policy including financial assistance through the Instrument for Pre-accession Assistance as regards one main fundamental of the enlargement strategy (i.e. economic criteria). To the Commission supports including through financial support the candidate countries and potential candidates to

address the core issues measured by these indicators. These indicators provide also greater transparency in the enlargement process and should facilitate greater scrutiny of reforms by all stakeholders.

Baseline 2015	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Four cases of early stage of preparation in these areas (i.e. Bosnia and Herzegovina on functioning market economy and competitive pressures; Kosovo* on functioning market economy and competitive pressures)					Reduced number of cases		A majority of candidate countries and potential candidates reach a good level of preparation in these areas**
	Actual results						
	n.a.*	4	4	4	n.a. yet		

Source of data: Annual enlargement reports – European Commission

* Results for 2014 are not available since the assessments, used for the preparation of this composite indicator, have been first done in 2015.

** Assuming that there will not be any backsliding on these areas, the target implies that by 2020 at least two more candidate countries and potential candidates reach a good level of preparation on the functioning market economy; at least three more reach a good level of preparation on the capacity to cope with competitive pressures and market forces within the Union..

Indicator 2: World Bank's "Distance to frontier" (Doing Business) score*							
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017**	2018	2019	
1. Western Balkans: 59.63**				70			72
	Actual results						
	68.66	68.63	70.97	72.31	72.54		
2. Turkey: 65.3**				71			73
	Actual results						
	69.96	67.30	67.98	69.14	74.33		

The indicator shows the distance of each economy to the “frontier”, that means the highest performance observed on each of the indicators across all economies: 1 (Worst) - 100 (Best)

Source: <http://www.doingbusiness.org/data/distance-to-frontier>.

** The last DB Report has updated the methodology: both baseline values have been slightly revised upward. Milestones and targets have been slightly adjusted accordingly.

Indicator 3: Average of exports and imports of goods and services/ GDP - % (Source: Eurostat)							
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Western Balkans: 42.24% (44.83%* in 2013)				52%			55%
	Actual results						
	48.68%	52.76%	48.77%	52,76%**	n.a. yet		
Turkey: 20.46 (24.51% in 2013)				32%			35%
	Actual results						
	25.02%	23.93%	23,45%	27,05%	n.a. yet		

The indicator shows the degree of economic convergence of candidate countries and potential candidates towards the European average.

The projections are based on a hypothesis of growth rate of 1.9% in the EU area and 3.35% in both Western Balkans and Turkey.

* Excluding Kosovo.

** Excluding Bosnia and Herzegovina

Indicator 4: GDP per capita (current prices-PPS) as % of EU level (Source: Eurostat)*							
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Western Balkans*: 32.65% ** (33.43% in 2013)				38%			43%
	Actual results						
	35%	32%	36%	35%	n.a. yet		
Turkey: 49,00% (53% in 2013)				60%			65%
	Actual results						
	64%	66%	64%	67%	n.a. yet		

*The indicator shows the degree of economic convergence of candidate countries and potential candidates towards the European average.

** Data excludes Kosovo because there is no GDP data.

Indicator 5: Number of economic entities benefitting from IPA II assistance performing modernisation projects in agri-food sector

IPA resources for modernisations and upgrading of farms and food companies are very limited compared to the sector size in respective candidate countries and potential candidates and therefore targets are set only for the supported projects financed from the budget and not for the sector

The specific contracts in IPA II agriculture and rural development assistance are implemented in accordance with the N+3 rule which means that a given budget allocation in this programme may actually be implemented (contracted and paid within a period of 3 years following year N).

	Milestones foreseen						Target 2020***
	2014*	2015	2016	2017	2018**	2019	
1. Western Balkans	0			520			5 250
	Actual results						
	0		0		118		
	Milestones foreseen						Target 2020
	2014*	2015	2016	2017	2018	2019	
2. Turkey	0			120			1 200
	Actual results						
	0	0	0		335		

The initial estimate of 5.250 will be implemented during the years 2018 – 2023. Targets are based on the information provided in country programmes, approved by the Commission decision for 7 years. Calculations of targets in the programmes are based on indicative financial allocations for the entire programming period. Should these allocations be revised, targets will have to be revised as well. This will be the case for Turkey, for which allocations have been significantly cut. Targets will be revised after the next programme modification, once reduced budget has been reflected in the programme. For Turkey, the initial estimate of 1.200 will be implemented during the years 2018 – 2023.

This explains deviations in other relevant indicators, namely specific objective 2 - indicator 6 and specific objective 3 - indicator 2.

* in 2014-2017 no effective expenditure made/projects implemented;

** Contracting and payments so far made only in North Macedonia and Turkey, forthcoming in Albania, Montenegro, and Serbia.

*** These are cumulative values for the entire programming period. The target for budget year 2020 will be fully implemented as an output by the end of 2023 (N+3).

Indicator 6: Overall investment in physical capital in agri-food and rural development (EUR) implemented by beneficiaries of IPA II assistance

	Milestones foreseen						Target 2020**
	2014*	2015	2016	2017	2018	2019	
1. Western Balkans	0			52 600 000			710 000 000
	Actual results						
	0	0	0		2 000 000		
	Milestones foreseen						Target 2020**
	2014*	2015	2016	2017	2018	2019	
2. Turkey	0			200 000 000			1 586 000 000
	Actual results						
	0	0			167 000 000		

* in 2014 no effective expenditure made/projects implemented;

** the target for budget year 2020 will be actually implemented as output by the end of 2023.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
1. Measures to support for economic, social and territorial development and related progressive alignment with the Union acquis - Western Balkans, of which (indicative as per CSPs)	22 02 01 02	6	396,9					
Support for economic, social and territorial development and related progressive alignment with the Union acquis	05 05 03 02	4	84					
2. Measures to support for economic, social and territorial development and related progressive alignment with the Union acquis - Turkey	22 02 03 02	5	65					
Support for economic, social and territorial development and related progressive alignment with the Union acquis	05 05 04 02	1	28,2					
Total		16	574,1					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Measures to support for economic, social and territorial development and related progressive alignment with the Union acquis - Western Balkans	F	9	9	10	10	10	10	10
	P	10	9	10	10	10		
Measures to support for economic, social and territorial development and related progressive alignment with the Union acquis - Turkey	F	6	6	10	6	6	6	6
	P	6	7	7	6	6		

Expenditure related outputs covering: Specific Objective 2 - Support for economic, social and territorial development AND the relevant part from Specific Objective 3 - Support for progressive alignment with, and adoption, implementation and enforcement of, the Union acquis, including preparation for management of Union Structural Funds, the Cohesion Fund and the European Agricultural Fund for Rural Development

Specific Objective 3: Strengthening of the ability of the beneficiaries listed in Annex I of the IPA II-Regulation to fulfil the obligations stemming from Union membership by supporting progressive alignment with, and adoption, implementation and enforcement of, the Union acquis, including preparation for management of Union Structural Funds, the Cohesion Fund and the European Agricultural Fund for Rural Development

Indicator 1: Composite indicator on the readiness of candidate countries and potential candidates on alignment to the acquis

Definition: This composite indicator aims at showing where the candidate countries and potential candidates countries stand in terms of their preparations for fulfilling the obligations stemming from the membership, including the alignment to the 33 *acquis* chapters. In each of the *acquis* chapters⁴⁹⁸, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale: Early stage – Some level of preparation - Moderately prepared - Good level of preparation – Well Advanced

This composite indicator is based on a careful analysis of the situation under each of the 33 *acquis* chapters. Particular emphasis is given to the importance of implementation and track records of concrete results in each chapter. Upcoming enlargement reports will provide an assessment of these *acquis* chapters, used for the preparation of this composite indicator. For further details, please see the Communication on the EU Enlargement Strategy⁴⁹⁹.

These result indicators are particularly relevant for DG NEAR since they show the results of its enlargement policy including financial assistance through the Instrument for Pre-accession Assistance as regards the third criteria⁵⁰⁰. DG NEAR role is to support including through financial support the candidate countries and potential candidates to address the issues measured by these indicators. These indicators provide also greater transparency in the enlargement process and should facilitate greater scrutiny of reforms by all stakeholders.

Baseline 2015	Milestones foreseen						Target 2020
	2015	2016	2017	2018	2019		
- 51 cases of early stage of preparation in the 33 chapters ⁵⁰¹ . - No majority of candidate countries and potential candidates which are moderately prepared in 10 out of 33 chapters.				Reduced numbers of early stage in these areas		A majority of candidate countries and potential candidates are moderately prepared in at least 30 out of 33 chapters.	
	Actual results						
	n.a*	- 51 ⁵⁰² . - No majority of candidate countries and potential candidates which are moderately prepared in 10 out of 33 chapters.	37	30 **	n.a. yet		

Source of data: Annual enlargement country reports – European Commission

* Results for 2014 are not available since the assessments, used for the preparation of this composite indicator, have been first done in 2015.

** The figure does not include Bosnia and Herzegovina because it has not been scored in 2017.

Indicator 2: Number of economic entities progressively upgrading towards EU standards in agri-food sector							
	Milestones foreseen						Target 2020**
	2014*	2015	2016	2017	2018	2019	
1. Western Balkans	0						3 325
	Actual results						
	0	0	0		49		
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2. Turkey	0						1 115
	Actual results						
	0	0	0		323		

* in 2014 no effective expenditure made/projects implemented;

** the target for budget year 2020 will be actually implemented as output by the end of 2023.

Expenditure related outputs

The Expenditure related outputs designated for Specific Objective 3 - Support for progressive alignment with and adoption, implementation and enforcement of, the Union acquis, including preparation for management of Union Structural Funds, the Cohesion Fund and the European Agricultural Fund for Rural Development are split in the Expenditure related outputs of the following specific objectives, depending on their relevance:

Specific Objective 1 - Support for political reforms

⁴⁹⁸ Bosnia and Herzegovina and Kosovo.

⁴⁹⁹ COM (2015) 611 final, 10.11.2015

⁵⁰⁰ This criteria is about the administrative and institutional capacity to effectively implement the acquis and ability to take on the obligations of membership.

⁵⁰¹ Bosnia and Herzegovina and Kosovo.

⁵⁰² Bosnia and Herzegovina and Kosovo.

Specific Objective 2 - Support for economic, social and territorial development

Specific Objective 4: Strengthening regional integration and territorial cooperation involving the beneficiaries listed in Annex I of the IPA II-Regulation, Member States and, where appropriate, third countries within the scope of Regulation (EU) No 232/2014 of the European Parliament and of the Council

Indicator 1: Number of cross-border cooperation programmes concluded among IPA beneficiaries and between IPA/ EU Member States

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
IPA-IPA beneficiaries: 8				10			10
	Actual results						
	8	8	9	9	9*		
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
IPA-EU MS: 12 REGIO				12			12*
	Actual results						
	0	10	10	10	10		
Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Total CBC programmes: 20				22			22*
	Actual results						
	8	18	19	19**	19		

* The Serbia-Kosovo programme has never been prepared due to the political issues.

**In 2017, two IEU-PA CBC programmes were discontinued (Greece-Turkey and Cyprus-Turkey)

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Multi-country programmes, regional integration and territorial cooperation**	22 02 04 01	24	603,6
Contribution to Erasmus+	22 02 04 02	1	32,4
Contribution to the Energy Community for South-East Europe	22 02 04 03	1	4,7
Cross-border cooperation (CBC) — Contribution from Heading 4	13 05 63 02	12	34,8
Participation of candidate countries and potential candidates in ERDF ETC— Contribution from Heading 4 (IPA II)	13 03 64 02	1	10
Total		39	685.5

* Expenditure related outputs include communication, monitoring, evaluation and audit actions.

** Multi-country programmes include contributions by the Union budget to financial instruments.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Inclusive Growth (employment and skills, fighting poverty)	32,3	32,4

Inclusive Growth (employment and skills, fighting poverty), 100% line 22 02 04 02 Contribution to Erasmus +.

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
05 05 03 02 - Support for economic, social and territorial development and related progressive alignment with the Union acquis	27,5	46,8
05 05 04 02 - Support for economic, social and territorial development and related progressive alignment with the Union acquis	29,1	20
22 02 01 02 - Support for economic, social and territorial development and related progressive alignment with the Union acquis	129,6	145,7
22 02 03 02 - Support for economic, social and territorial development and related progressive alignment with the Union acquis	37,2	43
22 02 04 01 - Multi-country programmes, regional integration and territorial cooperation	158,2	162,1
Total	381,6	417,6

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
88,6	210,3	216,5	191,7	379,2	381,6	417,6	1 885,5

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Estimates reflect the OECD/DAC reporting methodology for the Rio-markers on climate mitigation and climate adaptation. The budget of marked actions is weighted 100% if climate mitigation/adaptation is marked as "principal objective" and 40% if it is marked as "significant objective".

Rio-markers apply to actions funded in all sectors; however, past trends indicate that relevant actions tend to concentrate in the sectors of rural development, environment, energy and management of natural resources – hereby tentatively associated to Specific Objective 2 (Support for economic, social and territorial development). However, climate-related expenditure might contribute also to achieving Specific Objective 3 (Strengthening the ability of the beneficiaries to fulfil the obligations stemming from Union membership) as well as Specific Objective 4 (Strengthening regional integration and territorial cooperation).

IPA II supports the beneficiaries in their efforts to align to the EU2020 Strategy, which includes increasing energy efficiency in the industry, in transport and housing and increasing the share of renewable energy sources. Support in this area is channelled to the beneficiaries in particular through financial instruments; in the first instance the Western Balkan Investment Framework (WBIF) and the Green for Growth Fund (GGF).

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Specific objectives 2, but also 3 and 4	24,1	31,5
Total	24,1	31,5

Programming biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
0,0	0,4	11,7	22,5	70,2	24,1	31,5	160,4

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Estimates reflect the OECD/DAC reporting methodology for the Rio-marker on bio-diversity. The budget of marked actions is weighted 100% if bio-diversity is marked as "principal objective" and 40% if it is marked as "significant objective".

Rio-markers apply to actions funded in all sectors; however, past trends indicate that relevant actions tend to concentrate in the sectors of rural development, environment, energy and management of natural resources – hereby tentatively associated to Specific Objective 2 (Support for economic, social and territorial development). However, biodiversity-related expenditure might contribute also to achieving Specific Objective 3 (Strengthening the ability of the beneficiaries to fulfil the obligations stemming from Union membership) as well as Specific Objective 4 (Strengthening regional integration and territorial cooperation).

Gender mainstreaming

The Commission is committed to the implementation of EU Gender Action Plan II, 2016-2020 (GAP II), as well as the promotion of gender equality and women's empowerment in international fora and agendas. The GAP was endorsed on October 26, 2015 by the Council which confirmed in its Conclusions that gender equality is at the core of European values and enshrined within the EU legal and political framework. A number of actions to address gender equality, such as the implementation of specific programs on gender equality, are undertaken: for example, IPA II funded "Ending Violence against Women in the Western Balkans and Turkey: Implementing Norms, Changing Minds" (EUR 5 million) programme gives a particular focus to the most disadvantaged groups of women.

In 2018, gender commitments under IPA amounted to EUR 587 million, in line with commitments in 2017 (EUR 580 million).

Data reflect the OECD/DAC reporting methodology. The budget of marked actions is weighted 100% if gender equality is marked as "principal objective" and 40% if it is marked as "significant objective". Gender markers apply to actions funded in all sectors respectively specific objectives.

5. Programme contribution to the Sustainable Development Goals

The Enlargement policy supports the candidate countries and potential candidate make progress towards meeting the political and economic criteria for accession as well as their ability to align with, implement and enforce EU rules and regulations. Accordingly, there is a strong focus on the fundamentals of the rule of law, human rights, public administration reform and economic

governance. Through preparing the enlargement countries to join the EU, enlargement policy also makes a major contribution to fostering sustainability in these countries and their ability to meet the SDGs, with a key focus on SDGs 8 and 16.

SDG 5 Achieve gender equality and empower all women and girls: The GAP II contributes to the achievement of the 17 SDGs, specifically delivering on the SDG 5 ('achieve gender equality and empower all women and girls'). In 2017, there were many more actions that aligned to a greater extent to the GAP II thematic priorities and objectives. Overall, priority C, economic, social and cultural rights - economic and social empowerment was the most selected, at 40%, followed by priority D, political and civil rights - voice and participation, accounting for 32% of actions and priority B comprising 28%. This is due to a higher concentration of actions on policy and governance, access to decent work, access to financial services, and education and training which reflects among other things, the needs of countries in transition democracies, low women's employment rate and difficult access to finance for women due to socio-cultural obstacles. Priority B "Physical and Psychological Integrity" scores last notwithstanding the high number of actions to combat Violence against Women and Girls by almost the totality of the EU Delegations and Member States in the region.

Access to decent work (objective 14) was the only objective chosen by all EU Delegations in enlargement countries and scored the highest number of occurrences, followed by quality education and training (objective 13), selected by four EU Delegations, financial services (objective 15) was selected by three EU Delegations, and access and control over clean water and energy, was selected by only one EU delegation. The Delegations to Albania and Kosovo selected almost all of the indicators for objective 15, equal access by women to financial services, land, etc., across a variety of programmes, from the adaptation to climate change, to the economic empowerment of survivors of trafficking and VAWG, the harmonisation of the Albanian economic and trade legislation, support to migrant children, the development of tourism in Kosovo, etc.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: The new strategy for the Western Balkans includes 6 flagship initiatives. Among them, the "flagship initiative to enhance support for socio-economic development" contributes to the achievement of SDG 8.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: The strategy for the Western Balkans also provides a significant contribution to the achievement of SDG 16 through the "flagship initiative to strengthen the rule of law"; the "flagship initiative to reinforce engagement on security and migration" and the "flagship initiative to support reconciliation and good neighbourly relations".

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

Guarantee Facility I and II under the Western Balkan Enterprise Development and Innovation Facility (EDIF)

The Financial Instrument of the European Union for the Guarantee Facility contributes to achieving the objectives of enhancing socio-economic growth of the Western Balkans. Its major objectives are the creation of preconditions for the emergence and growth of innovative and high-potential companies. The instrument will guarantee SME loan portfolios issued by commercial banks for new SME lending. This will entail improving SME access to lending by potentially lowering the cost of borrowing or providing better lending condition.

Guarantee Facility for Serbia under the Western Balkan Enterprise Development and Innovation Facility (EDIF)

The Financial Instrument of the European Union for the Guarantee Facility contributes to achieving the objectives of enhancing socio-economic growth of the Republic of Serbia.

Its major objectives are the creation of preconditions for the emergence and growth high-potential companies in Serbia. The instrument will guarantee SME loan portfolios issued by commercial banks for new SME lending with focus on innovative companies and start-ups. This will entail improving SME access to lending by potentially lowering the cost of borrowing or providing better lending condition.

Enterprise Expansion Fund (ENEF) under the Western Balkan Enterprise Development and Innovation Facility

The Financial Instrument of the European Union for the Enterprise Expansion Fund (ENEF) contributes to achieving the objectives of enhancing socio-economic growth of the Western Balkans.

Its major objectives are the creation of preconditions for the emergence and growth of innovative and high-potential companies. The instrument will finance development and expansion capital in established SMEs with high-growth potential in their respective markets through equity participation. The Fund provides equity and quasi-equity funding (such as preferred shares, convertible bonds, mezzanine or subordinated debt) on a selective basis.

Enterprise Innovation Fund (ENIF) under the Western Balkan Enterprise Development and Innovation Facility

The Financial Instrument of the European Union for the Enterprise Innovation Fund (ENIF) contributes to achieving the objectives of enhancing socio-economic growth of the Western Balkans. Its major objectives are the creation of preconditions for the emergence and growth of early stage innovative companies through equity investments. ENIF targets innovative companies with high growth potential, which are at early stage to later stage across a spectrum from pre-revenue and very early revenue through companies with established revenues and close to profitability. Under the instrument, equity and quasi-equity investment can be used.

Other mixed instruments:

European Fund for Southeast Europe (EFSE)

The European Fund for Southeast Europe (EFSE) is a form of public-private-partnership. Its objective is to attract capital from the private sector thereby leveraging public donor funds that will assist the development of the private sector in the region. EFSE extends loans to local commercial banks and micro-finance institutions in the Western Balkans for on lending to micro and small enterprises and households. European Investment Fund (EIF) manages the EFSE, the latter generating impacts at three different levels:

- supporting micro and small enterprises as the backbone of the local economies, thereby contributing to generating income and creating employment,
- satisfying the basic need of decent shelter,
- strengthening local financial markets.

Green for Growth Fund (GGF)

The mission of the Green for Growth Fund, Southeast Europe is to contribute, in the form of a public private partnership with a layered risk/return structure, to enhancing energy efficiency (EE) and fostering renewable energies (RE) in Southeast Europe and Turkey, predominantly through the provision of dedicated financing to businesses and households via partnering with financial institutions and direct financing.

Refinancing Financial Institutions (local commercial banks, non-bank financial institutions such as microfinance institutions and leasing companies and other selected financial institutions) providing loans to households, businesses, municipalities and public sector for energy efficiency measures or renewable energy projects. Investments through Financial Institutions will constitute the majority of GGF's investments.

Providing direct financing to Non-Financial Institutions (energy service companies, renewable energy companies or projects, small scale renewable energy and energy efficiency service and supply companies) that meet GGF energy saving and/or emissions targets, and comply with the technical criteria and GGF exclusion list.

SME Recovery Support Loan for Turkey

The overall objective of the SME Recovery Support Loan for Turkey is to mitigate the crisis impact for Small and Medium Enterprises and contribute to the development of the Turkish economy and employment sector. The main objective is to support SMEs with concrete productive investments by providing access to attractive and longer-dated debt financing. The co-financing of loans is to be provided to local commercial banks operating in Turkey (the 'financial intermediaries') for the benefit of eligible investments carried out by SMEs. In the context of the action, the European Investment Bank (EIB) shall extend loans from its own resources together with the Union contribution loans.

More information regarding the Financial instruments can be found at the documents accompanying the Draft Budget as per Art. 38(5) FR, Art. 49(1)(e) FR, Art. 140(8) FR.

The EU Regional Trust Fund in Response to the Syrian Crisis

The conflict in Syria continues to drive the largest refugee crisis in the world. Over 5.7 million Syrians are registered as refugees in neighbouring countries with the crisis going into its 8th year. Despite the move of hundreds of thousands of Syrian refugees to Europe in 2015/2016, the primary burden of hosting the refugees continues to fall on the neighbouring countries in the region. Lebanon (1 million) and Jordan (700,000) host the largest numbers of registered refugees per capita in the world. In Lebanon, one in five people is a refugee, while one in 15 is a refugee in Jordan. Meanwhile, Turkey continues to host the largest number of refugees in the world, 3.7 million. Iraq and Egypt continue to host large numbers of Syrian refugees along with refugees from many other countries. Many of the refugees have now been in these host countries for many years and struggle to make ends meet. They are increasingly vulnerable and face extremely high rates of poverty. The impact on the neighbouring countries hosting the refugees, has been profound.

Since its establishment in December 2014, an increasing share of the EU's support to help Syrian refugees and support Syria's neighbouring countries cope with the refugee crisis is provided through the EU Regional Trust Fund in Response to the Syrian Crisis. The Trust Fund reinforces an integrated EU aid response to the crisis and primarily addresses longer-term resilience and early recovery needs of Syrian refugees, host communities and their administrations in neighbouring countries such as Iraq, Jordan, Lebanon and Turkey. The Trust Fund's programmes support basic education and child protection for refugees, training and higher education, better access to healthcare, improved water and waste-water infrastructure, as well as support to resilience, women empowerment and fighting gender based violence, economic opportunities and social stability. The scope of the Fund includes support to internally displaced persons in Iraq and support in the Western Balkans to non-EU countries affected by the refugee crisis.

Overall, EUR 1.6 billion has been mobilised in voluntary contributions from the EU budget, 22 EU Member States and Turkey. Almost all of this, EUR 1.5 billion (94%) has already been allocated by the Trust Fund Board to finance concrete actions helping refugees and host countries alike.

IPA Contribution to the Regional Trust Fund in Response to the Syrian Crisis: EUR 361.7 million up to 31 December 2018.

HEADING 4: Global Europe**Instrument of financial support for encouraging the economic development of the Turkish Cypriot community and amending Council Regulation (EC) No 2667/2000 on the European Agency for Reconstruction**

Lead DG: SRSS

I. Overview***What the programme is about?***

The programme aims to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community, with particular emphasis on:

- the economic integration of the island;
- improving contacts between the two communities and with the EU; and
- the preparation for the EU body of laws (also referred to as the EU acquis) following a comprehensive settlement of the Cyprus issue.

Specifically, the Aid Programme contributes significantly through private sector development schemes, facilitating the involvement of the World Bank and the European Bank for Reconstruction and Development, and human capital development. Measures to be financed under the Aid Programme are exceptional and transitional in nature and are intended, in particular, to prepare and facilitate, as appropriate, the full application of the EU acquis in the areas where the Government of the Republic of Cyprus does not exercise effective control, in view of the withdrawal of its suspension in accordance with Article 1 of Protocol No 10 to the Act of Accession, following a solution to the Cyprus problem.

EU added value of the programme

The programme is the only EU funding for the Turkish Cypriots, who are EU citizens. There is very little assistance from individual Member States due to difficult legal and political circumstances in the de-facto divided island. The EU programme supports reunification efforts and prepares the Turkish Cypriots for the lifting of the suspension of the application of the acquis in those areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control. The EU contribution, in supporting the political process, economic integration and improved living standards, will be vital. Economic development of the Turkish Cypriot community in order to facilitate the reunification of Cyprus is mentioned very prominently in the Aid Regulation.

Implementation mode

The Aid programme is implemented under direct management, through the organisation of calls for tender and calls for proposals and under indirect management through the conclusion of contribution agreements with International Organisations or Members States Agencies

II. Programme Implementation Update***Implementation Status (2016-2018)***

The Aid Regulation dates from 2006 ((EC) No 389/2006) and the Commission has since then continued to deliver assistance under the Aid Regulation to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community, and by working under six objectives:

- Objective 1: Developing and restructuring of infrastructure;
- Objective 2: Promoting social and economic development;
- Objective 3: Fostering reconciliation, confidence building measures, and support to civil society;
- Objective 4: Bringing the TCc closer to the EU;
- Objective 5 and 6: Preparing the Turkish Cypriot community to introduce and implement the acquis, in view of the withdrawal of its suspension in accordance with Article 1 of Protocol No 10 to the Act of Accession

The Aid Programme continues to target the six objectives of the Aid Regulation (EC) No 389/2006. It will also remain ready to accommodate developments in the settlement process and finance confidence-building measures resulting from this process, as done in the case of the opening of two new crossing points within the framework of the latest round of talks between the leaders in Cyprus in 2018 (see Key Achievement section).

Difficulties encountered in the implementation of the programme have included problems arising from the non-recognised status of the beneficiary⁵⁰³, as well its poor absorption capacity (lack of coordination across beneficiaries, lack of long term coherent

⁵⁰³ The Commission operates in a unique political, legal and diplomatic context. Ad hoc arrangements are needed to implement the programme while respecting the principles of sound financial management. In EU-funded programme, in normal circumstances, agreements with a beneficiary government would establish the legal framework for development assistance. No such agreements can be made to the TCc: the EU acquis is suspended and the beneficiary is not recognised.

planning) and disputes with contractors, notably when it comes to work contracts. Those difficulties are addressed through the renewed approach towards programming of the financial assistance under the Aid Programme based on project maturity, policy relevance and track-record of past implementation. The underlying aim is to bring more tangible and visible impact in the priority areas with an annual programming articulated on a streamlined and compact set of actions limited in number. In addition, under this new programming approach, the beneficiary is involved at an earlier stage and the EU Coordination Centre is progressively taking a more active role in prioritisation and self-assessment of projects.

The Multiannual Financial Framework (MFF)⁵⁰⁴ 2014-2020 provides a multi-annual perspective to the programme with a provision for stable, annual funding. The assistance programme is, however, of an exceptional, transitional and temporary nature, aiming to facilitate the reunification of Cyprus and Council Regulation No 1311/2133, laying down the MFF, allows for a revision in the case that a reunification is achieved during the MFF period (in the absence of this, no major changes of strategy can be made).

Between 2006 and the end of 2019, EUR 554.9 million was programmed for operations under the Aid Regulation. In the period of 2014-2019, the allocations amount to EUR 203.5 million.

Key achievements

Major infrastructure works mostly contracted in 2009 have been completed. Further infrastructure investments, with a strong environmental and bi-communal focus, are going to be implemented. Continued support is provided for strengthening the private sector and labour market measures, with an emphasis on innovation and increasing employability. Likewise, concrete measures have been put in place aimed at eradicating animal disease and improving food safety standards. The 'confidence building measures' (support for Committee on Missing Persons and support for the Technical Committee for Cultural Heritage) have shown solid progress and good bi-communal acceptance. Two new Green Line crossing points, specifically requested as a confidence building measure, are being funded and have been opened. Intensive efforts continue on the preparation for the implementation of the acquis.

The Commission reports annually on implementation of the Regulation⁵⁰⁵. Some examples and more details of programme achievements since inception are:

-The large wastewater treatment plant in Nicosia was inaugurated in 2014. This is the largest such plant on the island and serves 300,000 "population equivalent" in both communities. The technology used allows the treated water to be used for agriculture purposes. The contract for the construction of the New Nicosia Trunk Sewer has been concluded in 2018 and the works are expected to be starting in 2019. The Nicosia branch includes the construction of approximately 13 km of sewers and force mains and four Pumping Stations. The works include odour treatment systems to avoid odour nuisance for the citizens. A contract for the irrigation works in Morphou has also been awarded in 2018.

The European Commission concluded a new "Local Infrastructure Facility" contribution agreement with United Nations Development Programme consisting into a transparent mechanism for EU-funded infrastructure investments under the Aid Programme to the Turkish Cypriot community. The contribution agreement concluded in December 2018 is for a value of EUR 17.7 million over a four year period (December 2018 – December 2021).

The facility aims to provide support for the identification, screening, development, procurement, and physical implementation of relevant local infrastructure investments.

-Actions to set up a sustainable integrated waste management plan have been funded allowing the collection and transport of solid waste to the central landfill to be optimised and the recycling of valuable resources are nearly completed, expected for first semester 2019.

-Around 400 grant awards have been made for farmers, private sector development, community development, civil society and lifelong learning establishments. These helped farms and businesses to modernise and improve competitiveness, and schools along with other educational establishments to improve teaching methods and meet the labour market needs. Work in the communities and with civil society organisations helped develop advocacy, and improve community services and civic engagement. The European Commission also signed in November 2018 a contribution agreement with Northern Ireland Cooperation Overseas (NI-CO) for EUR 3 million to implement a three-year project for the establishment of an innovation centre in Nicosia Old Town to provide services to entrepreneurs, innovators and researchers.

-New Green Line crossing points, specifically requested as a confidence building measure, are being funded and have opened in 2018.

-A high level of output was achieved by the Committee on Missing Persons (CMP), which has exhumed 1,202 sets of remains, of which 927 were genetically identified (December 2018 figures). The CMP's objective is to recover, identify, and return to their families, the remains of 2002 persons. The CMP establishes the fate of those persons declared missing by both communities as a consequence of the tragic events of 1963-64 and 1974. The Aid Programme has financed around 75% of the CMP costs since 2006.

-The bi-communal Technical Committee for Cultural Heritage (TCCH) was established in 2008 for the promotion and protection of the rich and diverse cultural heritage of the island. EU contributions under the Aid Regulation started in 2011 and amount to nearly

⁵⁰⁴ Council Regulation 2015/623 of 21 April 2015.

⁵⁰⁵ The 12th annual report, covering 2017, was published on 22/06/2018 (COM(2018) 487 final).

EUR 17.2 million to date. By the end of 2018, 55 restoration works have been completed and over 75 cultural heritage sites have benefitted from this assistance.

-The Commission, through its EU Infopoint and other projects, has carried out a range of communication and visibility actions (829) in 2014-2018, providing information about EU policies, priorities and actions in support of the TCc, and promoting European culture. This has considerably enhanced the visibility of the EU in the northern part of Cyprus.

-The Aid Programme supports scholarships for Turkish Cypriot students and professionals, which both provide experience and a route to qualifications abroad and contribute to the image of the EU among Turkish Cypriots. Students and professionals from the TCc have no or only limited access to EU scholarship programmes. Since 2007, 12 annual grant schemes have delivered over 1,400 grants for study in EU places of learning.

-Intensive efforts continue on the preparation for the implementation of the *acquis* in the areas of the Republic of Cyprus where the government does not exercise effective control upon the entry into force of a comprehensive settlement of the Cyprus problem. Preparation for the *acquis* takes place mainly through the Technical Assistance and Information Exchange (TAIEX) instrument (expert missions, training courses, workshops and study visits) with around 1,048 TAIEX actions in 2014-2018.

Contribution to policy achievements

The main policy objective under the legal base (Regulation (EC) No 389/2006) is the reunification of Cyprus and the Aid Programme has supported this with a distribution of resources among the objectives specified in the Regulation. The European Court of Auditors in its Special Report⁵⁰⁶ concluded: "The Commission succeeded in developing a programme where the objectives of the instrument were reflected in the interventions funded."

Evaluations/ Studies conducted

In 2017, the Internal Audit Service (IAS) carried out an audit on the financial management of the SRSS, including the financial management of the Aid Programme. The objective of the audit encompassed, amongst others, the adequacy of the design and the effective implementation of the internal control system for financial management (legality, regularity and efficiency of the financial workflow). The IAS identified weaknesses in the internal control environment put in place in the procurement procedures. These weaknesses related primarily to two public procurement procedures under the Aid Programme.

The recommendations are being addressed in the action plan. Prior to launching a procurement procedure under the Aid programme, a needs analysis is carried out on the basis of a new template designed for this purpose. The choice of procurement procedure is being made on the basis of this analysis. In parallel to this, proper follow-up tables have been developed to monitor the procurement pipelines, from the launch of the tendering procedure until the contract signature. Guidance notes have also been issued to clarify the prevailing rules.

By year-end 2018, the SRSS has concluded a contract for the implementation of the first Results Oriented Monitoring (ROM) exercise aiming at reviewing a minimum of 16 actions in terms of relevance, efficiency, effectiveness and sustainability. It will assist SRSS with respect to the monitoring of and reporting on EU funded projects under the Aid Programme for the Turkish Cypriot community.

The ROM reviews and support missions to be carried out are the following:

- a) ROM reviews of strategic projects for which such ROM reviews may have a particular usefulness or for innovative projects.
- b) ROM reviews of projects signalled as having implementation problems and where EC services or EUPSO have identified a need for an outside expert review to assist in addressing the problems, identifying causes and options for solution and making recommendations.
- c) Support to improve the current monitoring systems of projects and, where relevant, to help operational Programme Managers to set-up a ROM-compliant monitoring system.

The ROM reviews will focus on service contracts and grants schemes and will cover a significant number of contracts, both recently closed and ongoing. The implementation of the Results Oriented Monitoring contract has started in end 2018 and will continue for a period of two years. An Evaluation of the Aid Programme provided during the period 2013- 2018 is currently ongoing and due to be finalised by Q4 2019.

Forthcoming implementation (2019-2020)

The Cyprus settlement process remains in suspense following the failure of the June/July 2017 multilateral conference in Crans-Montana. This uncertainty remains a major and permanent unknown as progress in the settlement process would entail a potential significant revision of the programme, with an increased focus on providing support to carry forward the results of the negotiations.

The mandate of the Aid Regulation remains unchanged in the meantime and the Commission stands ready to provide support. A maximum degree of flexibility is therefore necessary. The situation and needs for 2020 cannot be easily predicted.

The 2019 annual action programme for a total envelope of EUR 35.4 million is, in the meanwhile, being prepared for adoption in the second half of 2019. Confidence-building actions will continue. It will also provide a continued support to the scholarship programme as well as continued support to infrastructure scheme. Objective 2 will also be largely covered by project aiming at

⁵⁰⁶ Special Report No 6/2012 — European Union assistance to the Turkish Cypriot community.

promoting social and economic development (Studies in the energy and transport sector, modernising the education sector, grants for rural development and to improve food safety and animal health)

Outlook for the 2021-2027 period

The Instrument of financial support for encouraging the economic development of the Turkish Cypriot Community is unchanged for the period 2021-2027. In the Commission’s proposed structure for the new Multiannual Financial Framework, the programme “Support to the Turkish-Cypriot Community” is part of Heading 2 “Cohesion and Values” in “Regional Development and Cohesion” cluster.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)						
Council Regulation (EC) No 389/2006 of 27 February 2006 establishing an instrument of financial support for encouraging the economic development of the Turkish Cypriot community and amending Council Regulation (EC) No 2667/2000 on the European Agency for Reconstruction	2014 - 2020							
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Operational appropriations	31,5	30,6	33,2	34,8	34,5	35,1	33,8	233,5
Total	31,5	30,6	33,2	34,8	34,5	35,1	33,8	233,5

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	34,473	100,00 %	26,000	100,00 %	35,122	0,00 %	25,000	64,75 %
Authorised appropriations (*)	34,792	99,08 %	26,319	99,89 %	35,535	0,00 %	25,122	64,55 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community with particular emphasis on the economic integration of the island, on improving contacts between the two communities and with the EU, and on preparation for the *acquis communautaire*.

Specific objectives

Specific Objective 1: To facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community with particular emphasis on the economic integration of the island, on improving contacts between the two communities and with the EU, and on preparation for the *acquis communautaire*.

Indicator 1: Reconciliation and confidence building: "Tendency to trust the EU as an institution"

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
57%			53%	55%	56%	57%	60%
	Actual results						
	66%*	51%	52%	52%	53%		

*The 2014 figure may have been the result of re-starting the settlement talks and high optimism

Source of data: Eurobarometer

Indicator 2: Number of enterprises having received EU support in the form of a grant

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
290 (cumulative)		330		370	370	420	420
	Actual results						
		380	380	380	380		

The actual results for the period 2015-2017 have been adjusted to reflect the effective number of enterprises having received EU funding. In the course of 2019, it is expected that some more 30 to 40 enterprises will benefit from an EU Support in the forms of grant.

Indicator 3: Cross-green-line trade volume in process of progressive increase

Baseline	Milestones foreseen	Target 2020
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2013	2014	2015	2016	2017	2018	2019	
EUR 3.411.593				6.500.000	5,270,000.	5,500,000	EUR 8.500.000
Actual Results							
	3,520,045	3,613,989.13	4,374,968.06	4,790,963.85	4,856,892		

Source: Republic of Cyprus

Trade across the Green Line has developed more slowly than anticipated as a number of obstacles to trade, identified in the annual reports on implementation of the Green Line Regulation, remain in place. To take one example, the Republic of Cyprus still does not allow the crossing of processed food products and materials for contact with food. The Commission is engaged in contacts with the Republic of Cyprus to address this issue. Trade across the Green Line increased by 1.4 % last year. The 2017 targets were set too high and the targets for the years 2020 are most probably too ambitious as we expect a roughly similar increase in the years to come.

Indicator 4: To increase EU visibility in northern Cyprus: Communication actions

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
49 actions/year			50	90	90	90	90 actions/year
	Actual results						
	53	188*	138	120	330		

Source of data: Commission

* The high results obtained as of 2015 is due to a very active, new "Infopoint" project, which delivered a much higher output than expected. We expect this trend to be continued in 2019 and 2020 with approximately 300 actions on a yearly basis. This is the consequence of the increased level of activity with the aim to improve the EU visibility of EU funded projects in the Turkish Cypriot community.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. development of infrastructure actions	13 07 01	5	
2. social/economic development actions	13 07 01	10	
3. reconciliation, confidence building actions	13 07 01	3	
4. bringing TCs closer to the Union	13 07 01	2	
5/6. preparation for acquis	13 07 01	160 Actions	
7. horizontal actions	13 07 01	5	
Total		185	33.8

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)
The share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree
20 million less people should be at risk of poverty

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	9,0	3,0
Sustainable Growth (competitiveness, climate, energy and mobility)	5,0	4,0
Inclusive Growth (employment and skills, fighting poverty)	0.5	2,0
Total	14.5	9,0

Smart Growth- Schools support (both school labs and teaching/learning standards) – EUR 4 million; Scholarship programme – EUR 5 million

Sustainable growth - Economic monitoring and studies – EUR 3 million; Capacity development of market surveillance – EUR 1 million; LIF (recycling part) – EUR 1 million

Inclusive growth - Development of workplace standards – EUR 0.45 million

The types of actions foreseen are:

Smart Growth: projects (grants/technical assistance) supporting SMEs and improvement of product standards and smart specialisation;

Sustainable growth: grants to develop competitiveness of SMEs, grant to support the agriculture and development and projects contributing to improvements in vehicle driver licensing and investments for vehicle safety inspections; and

Inclusive growth: projects (grants/technical assistance) contributing to labour market development and for harmonisation of standards in vocational education, grants for lifelong learning establishments.

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Waste water re-use	3,0	4,0
Renewable energy	0,0	1,0
Solid waste recycling	1,0	2,0
Total	4,0	7,0

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
3,0	13,2	14,3	10,8	11,2	4,0	7,0	63,5

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The Aid Programme for the TCc includes assistance for infrastructure development and environment as objectives of the Aid Regulation. Major infrastructure works mostly contracted in 2009 have been completed. Additional infrastructure works, in the sector of environment, have been contracted and will be continued to be contracted in 2019 and 2020:

2015 and 2017 Annual Programmes: Sewerage networks, connections to wastewater treatment, water re-use (works): EUR 15.4 million for works, supervision and Technical Assistance contract.

A substantial amount – EUR 22.8 million (2016 Annual Programme) – is expected to be contracted before end of February 2019 for the repair works of the Famagusta Sewage Network.

A global envelope of EUR 23.4 million has been allocated in the 2017, 2018 and 2019 Annual Programme on a Local Infrastructure Facility to finance prioritised and shortlisted infrastructure projects submitted by the local communities. EUR 17.7 million has been contracted by 31 December 2018. EUR 5.7 million will be contracted in 2019 as soon as the 2019 Annual Programme is adopted.

In addition, TAIEX activity targets several issues related to the EU Environmental acquis.

All the actions listed above can be considered directly or indirectly climate actions (both for mitigation and adaptation). Environmental infrastructures (solid waste management system and sewer systems) will allow direct reduction of greenhouse gas emissions. Multi-stakeholders capacity building activities in water and waste sector as well as TAIEX assistance in the EU Environmental acquis will allow mainstreaming climate change issues and derived actions at different levels.

Gender mainstreaming

Through its assistance to civil society, the programme has provided support to different Women's Associations and Networks.

5. Programme contribution to the Sustainable Development Goals

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all: Quality Education – via grants the programme helps in promoting lifelong learning opportunities for all.

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation: Industry, Innovation and Infrastructure – the programme helps in building resilient and sustainable infrastructure and fosters innovation.

SDG 12 Ensure sustainable consumption and production patterns: Responsible Consumption and Production – Through assistance to SMEs to upgrade standards, the programme promotes sustainable production patterns.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: Peace, Justice and Strong Institutions – through assistance to Civil Society Organisations and public awareness, the programme promotes peaceful and inclusive societies for sustainable development.

HEADING 4: Global Europe

European Neighbourhood Instrument (ENI)

Lead DG: NEAR

Associated DGs: EAC, REGIO

I. Overview

What the programme is about?

The European Neighbourhood Instrument (ENI) is the main financial instrument for implementing the European Neighbourhood Policy (ENP) and provides the bulk of EU funding to the 16 ENP partner countries: Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Republic of Moldova, Morocco, Syria⁵⁰⁷, Palestine⁵⁰⁸, Tunisia, and Ukraine. Union support under the ENI is also used to enable the Russian Federation to participate in particular in cross-border cooperation (CBC) and other relevant multi-country programmes, including in cooperation on education (Erasmus+).

The ENI is designed to promote development, institution and capacity building, democracy, rule of law and good relations and integration of partner countries into the EU market.

EU added value of the programme

The EU has a strategic interest in seeing greater prosperity, economic development better governance, state and societal resilience in its neighbourhood and in promoting stability and security in the region. Although the responsibility for this lies primarily with the countries themselves, the EU can effectively encourage and support their reform and modernisation efforts. The objective of the European Neighbourhood policy (ENP) is to build, together with partners, a prosperous, secure and stable neighbourhood on the basis of shared values and common interests. By acting at the Union level and by streamlining financial resources the EU has greater leverage to achieve a common goal: prevent the emergence of new dividing lines between the EU and its neighbours. The EU provides financial resources to support partners' own reforms and thus stimulates their transition and modernisation programmes. In addition, the EU has a leading role in bringing together donors, including major actors outside the EU, to work together on providing a comprehensive response to the new challenges in the region.

Regional cooperation programmes within the framework provided by the Union for the Mediterranean and the Eastern Partnership federate partner-countries around common goals and allow them to discuss and seek solutions to common problems and challenges.

Implementation mode

Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR) is the lead DG for the programme implementation.

The vast majority of ENI funding is used for bilateral cooperation, tailor-made to each Neighbourhood partner country. A key element in this context are the bilateral ENP Action Plans (AP), which are mutually agreed between the EU and each partner country. The AP sets out an agenda of political and economic reforms with short and medium-term priorities and serves as the political framework guiding the priorities for cooperation.

In addition to bilateral cooperation, ENI funding also supports regional, Neighbourhood-wide and Cross Border Cooperation programmes. These programmes are designed to complement bilateral cooperation programmes.

ENI funded activities are implemented and managed in various ways. Under **direct management**, the implementation of the budget is carried out directly by the Commission. Under **indirect management**, budget implementation tasks are delegated to and carried out by entities entrusted by the Commission. They can be the ENI beneficiaries or entities designated by them, an agency of a Member State or, exceptionally, of a third donor country, an international organisation or an EU specialised (but not executive) agency. In other words, the Commission delegates the management of certain actions to external entities, while still retaining overall final responsibility for the general budget execution. Under **shared management**, implementation tasks are delegated to EU member states for cross-border cooperation programmes.

II. Programme Implementation Update

Implementation Status (2016-2018)

In 2016 Annual Action Programmes for a total of EUR 2.3 billion in commitment appropriations were adopted (100 % budget execution reached). In 2017, Annual Action Programmes for a total of EUR 2.4 billion in commitment appropriations were adopted (100% budget execution reached). In 2018, Annual Action Programmes for a total of EUR 2.38 billion in commitment appropriations were adopted (100% budget execution reached).

Commitments included allocation through the ENI 'umbrella programme' of:

- EUR 193.5 million between East and South Neighbourhood (in 2016);

⁵⁰⁷ EU Cooperation with Syria is currently suspended due to the political situation since May 2011.

⁵⁰⁸ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

- EUR 196.5 million between East and South Neighbourhood (in 2017);
- EUR 204.3 million between East and South Neighbourhood (2018).

The situation in the European Neighbourhood region continues to be increasingly volatile due to:

- the crises in Syria, Libya and Ukraine;
- major displacement of people within countries and across borders, including towards the EU;
- unsolved conflicts;
- mounting geopolitical pressure.

In 2018, EUR 2.38 billion were committed for bilateral, regional and Cross-Border Cooperation programmes (including projects via the EU Trust Funds in response to the Syrian crisis and Africa and the Neighbourhood Investment Facility), responding to the challenges set out in the context of the Neighbourhood policy.

In line with the revised European Neighbourhood Policy, in the **Neighbourhood South stabilisation** remains the main political objective. It is advanced through supporting economic growth, good governance, rule of law, the respect of human rights, and through enhancing security and cooperating on migration and mobility with partner countries.

In 2018 a series of agreements with partner countries were reached: the EU and Tunisia agreed on Strategic Priorities for 2018-2020 that notably puts forward the EU-Tunisia Partnership for Youth as a transversal element, as well as the following priorities: inclusive and sustainable socio-economic development; democracy, good governance and human rights; bringing people closer together, mobility and migration; as well as security and counter-terrorism. The Single Support Framework 2018-2020 for Algeria was adopted in April and focuses on cooperation on economic governance and diversification, local development and participatory democracy, energy and climate related matters. The EU-Morocco Action Plan implementing the advanced status was extended for one year. The EU-Jordan Association Council agreed on a two-year extension of the Partnership Priorities until the end of 2020.

Furthermore, an exceptional effort was made to proceed to a quick formulation and adoption of new programmes under the **North of Africa window of the "EU Emergency Trust Fund for Africa" (EUTF)**. (For detailed information see under section 6). The North of Africa Window of the EUTF aims at improving migration management in all its aspects. In 2018, the North of Africa window held 2 Operational Committees meetings and passed 2 emergency written procedures (February 2018 and March 2019), approved 10 programmes over 5 countries amounting to EUR 285 million (3 programmes for Libya, 3 programme for Morocco, 3 regional programmes and 1 cross-window programme). In 2018, 14 contracts were signed amounting to EUR 137,3 million and payments of EUR 73.1 million were issued.

In the **Neighbourhood East**, the political framework guiding the priorities for financial assistance are set by the political agreements, such as the Association Agreements with Ukraine, Georgia and Moldova or the Comprehensive and Enhanced Partnership Agreement for Armenia which was signed in 2017. Development of relations with all Eastern partner countries following the principle of differentiation, as established in the ENP-review, has advanced well, including negotiations on a new Agreement with Azerbaijan or critical engagement with Belarus. Association Agendas with Georgia and Moldova have been updated and Partnership Priorities with Armenia and Azerbaijan adopted in 2017 and 2018 respectively. Negotiations on Partnership Priorities with Belarus are ongoing as well as the update of the Association Agenda with Ukraine. Moreover, the "20 Deliverables for 2020" as adopted by the Brussels Summit in November 2017, set a common work plan for the whole Eastern Partnership for the years to come.

In **2016** the following programmes were adopted:

- 14 Annual Action Programmes (including 1 regional South, 1 regional East for 2016 and 2017, and 1 Neighbourhood wide)
- 5 Special Measures (1 on Israel, 1 on Syria, 3 on Ukraine)
- 1 Special Measure for the 2016 ENI contribution to the European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa
- 1 Special measure for the 2016 ENI contribution to the European Union Regional Trust Fund in response to the Syrian crisis
- 1 Individual Measure 2016 in favour of Eastern Partnership countries for a Grant programme to support media
- 1 Individual measure for a contribution in 2017 to the Secretariat of the Union for the Mediterranean

In **2017** the following programmes were adopted:

- 15 Annual Action Programmes (including 1 regional East, 1 regional South, 1 Neighbourhood wide)
- 6 Special Measures (1 on Israel and 1 on Syria, 2 on Ukraine, 1 Palestine, 1 Libya)
- 2 Special Measure for the 2017 ENI contribution to the European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa
- 2 Special measures for the 2017 ENI contribution to the European Union Regional Trust Fund in response to the Syrian crisis

In **2018** the following programmes were adopted:

- 15 Annual Action Programmes (including 1 regional East, 1 regional for the South and 1 Neighbourhood wide)
- 2 Multi-annual Action Programme for 2018, 2019 and 2020 (1 for Palestine and 1 for Egypt)
- 4 Special Measures (1 on Israel, 1 on Libya, and 1 on Syria, 1 on Belarus)
- 2 Special measures for the 2018 ENI contribution to the European Union Regional Trust Fund in response to the Syrian crisis
- 1 Special measure for the 2018 ENI contribution to the European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa
- 1 Individual measure for Support to Democratisation in the Southern Neighbourhood through the European Endowment for Democracy (EED)

Key achievements

The ENI proved a flexible and responsive instrument to address the ENP's political priorities and react to protracted crises.

Neighbourhood South

Syria crisis: Through the ENI, the EU has responded to the **Syrian crisis** by supporting the broader needs of the Syrian population inside the country and in neighbouring **Lebanon, Jordan and Iraq**. Part of that funding has been channelled for implementation to the **EU Regional Trust Fund in Response to the Syrian Crisis**. As of 30 September 2018, the results monitoring of the Trust Fund showed that **more than 1.9 million individuals were being supported with the different projects**, this data is based on the first 40 projects of the EUTF, equalling funding of EUR 800 million. The EUTF is active mainly in Lebanon, Jordan, Iraq and Turkey and tackles the education, livelihoods, health and water, sanitation and hygiene (WASH) sectors.

- **Education and protection-related actions** show good progress, with more than **200 000 children and youth** now having access to basic and higher education, psychosocial support and protection against gender-based violence. The total results so far for the **education** sector are 180 356 individuals with access to basic education; 12 646 teachers trained; 177 education facilities constructed or refurbished; 6 501 young people with access to higher and further education.
- The EUTF also aims at **promoting better livelihoods** for refugees and host communities, through better employability, increased financial capacity and better productive capacities of target groups. Results in the livelihoods sector have so far reached 75 317 individuals and 738 organisations, namely micro, small and medium enterprises (MSME) in the region.
- The EUTF so far supports in the **health** sector at least 856 889 individuals with access to healthcare, 3 838 health personnel with training and the equipment and refurbishment of 66 primary health centres and hospitals in the region. In the **Water, Sanitation and Hygiene** sector the EUTF so far benefits 59 944 people. 37 out of 128 planned water and waste-water facilities have been completed.

Being at the forefront of the response to the Syrian crisis, the EU stands as a key interlocutor for **Jordan and Lebanon**, countries where need for stability and support to resilience are significant. Contributing to the stabilisation of **Lebanon**, the security sector is supported through a programme promoting the **rule of law, enhancing security and countering terrorism** (EUR 18 million). In **Jordan** a new programme was launched in 2018 in the field of **Integrated Border Management** (EUR 11 million), reflecting important developments over the year with the re-opening of border crossings with Iraq and Syria.

As the dedicated instrument to address the **migration crisis in EU neighbourhood**, the **North of Africa window of the EU Emergency Trust Fund for Africa** has continued to increase considerably (*more info on this Trust Fund in section 6*). In 2018, the migratory pressure through the Central Mediterranean route substantially decreased as compared to previous years but the condition of migrants and refugees in Libya remained a source of great concern. Along the Western Mediterranean route, irregular border crossings from Morocco to Spain have substantially increased over the past few years. The EU stepped up **efforts towards the protection of vulnerable migrants** in the region and **cooperation to fight against trafficking and smuggling** of human beings, including through **support to border management**. Through another package of EUR 140 million adopted in record time at the end of 2018, the EU supports efforts to fight smuggling of migrants and trafficking in human beings in the face of increasing flows of irregular migration towards Europe through the western Mediterranean route. The new projects will reinforce the capacities of Morocco on the management of its borders.

In **Libya**, in 2018, the EU increased its support to local governance and municipalities bringing the overall contribution to Libyan municipalities up to more than EUR 100 million, with 49 municipalities targeted (42% of all Libyan municipalities). Activities concentrate on **capacity building** and assisting them to promote **alternative livelihoods and support the resilience of local communities hosting migrants**, as well as the **protection of migrants** stranded in the country.

Tunisia benefits from EUR 300 million in financial assistance every year, given the need to help consolidating the country transition to democracy. The programmes launched in 2018 reflect the ambition of the EU to promote a better **inclusion of Tunisian youth** in political, economic and social terms, particularly the most deprived ones, through the “Jeunesse en Action” programme (EUR 60 million). In addition, EU support will **reinforce the capacity of local administrations** to stimulate local development and provide better access locally to basic services (EUR 70 million) and will contribute to reinforce and restructure the **economic environment**, more particularly for start-ups and entrepreneurship (EUR 15 million).

In **Morocco**, despite good progress in economic development in the past years (average of 4% GDP growth) there are still considerable disparities in the redistribution of growth at territorial level and in the society (particularly to create jobs for youth). In this context, the EU provided a comprehensive package of EUR 182 million in **support to inclusive socio-economic development**. Concretely, it supports the decentralisation process, in particular to accelerate the development of rural/mountain areas, the **integration of youth** into society (especially for those with the least opportunities), **public administration** through modern public finance management tools and **capacity building** of its personnel. It also, promotes **private sector, green investment and micro, small and medium enterprises development**, to create **new opportunities for job creation and sustainable development**.

In **Palestine**, the PEGASE programme has been providing support to the Palestinian Authority (PA) for a total of more than EUR 830 million, also catalysing contributions from other donors. PEGASE's three main components cover the whole spectrum of the most essential services delivered to the Palestinian population.

- 1) With its first component, the programme provides funding to help the PA **paying wages to its civil servants**. It targets nearly 58 000, out of around 80 000 civil servants and pensioners in the West Bank of which a significant majority works in the

education and health sectors. To increase the EU's leverage EUR 20 million of this component have been linked to concrete reforms in the area of Public Financial Management.

- 2) With its second component, PEGASE supports **poverty alleviation** by contributing to the PA's national social allowance cash transfer programmes. This component aims to target a maximum of 110 000 vulnerable families (approximately 660 000 people).
- 3) With its third component, the programme provides crucial funding to avoid the collapse of **Palestinian hospitals** delivering key medical services to the Palestinian population in East Jerusalem and absorb the lion's share of referrals from Gaza.

Also in **Palestine**, the EU continued to provide reliable support to the **United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)** that has come under heavy pressure following the US decision to cut its funding. UNRWA makes a crucial contribution to the maintenance of the security, stability and development perspectives in the region. A concrete example is UNRWA's outstanding work in Gaza, where in spite of the immense daily challenges, and through the dedication of its staff, UNRWA's operations continue to sustain approximately 1.3 million refugees surviving a broken economy, political divide and devastated infrastructure. In 2018, the EU committed EUR 153 million for UNRWA, while continue to work on fixing UNRWA's recurring deficit.

In Egypt, the "*Joint Rural Development Programme (EU-JRDP)*" (EUR 21.9 million), launched in 2015 and implemented by the Italian Development Cooperation (IDC) in three Governorates, has **strengthened rural resilience** through enhanced sustainable management of territorial resources and innovative solutions, reducing poverty amongst the most vulnerable households. By 2018, the programme had directly benefitted some 8,000 rural households, equivalent to 50,000 persons. In concrete terms, it contributed to the rehabilitation a construction of 16 wadis (i.e. the main source of origin of agricultural products) and of 90 cisterns for agriculture, human and animal consumption, resulting in **increased land productivity** by 30%, **increased livestock production** of 200 pastoralist communities, **improved water sanitation, better hygiene practices, and lower risks of floods and disasters**. The programme has strived to enhance participatory approaches, nurturing the role and capacity of community-based associations and rural organisations of farmers contributing to sustainable agricultural production: for example, 40 "water users associations" were established and registered in Minya and Fayoum, representing 2 351 members. Furthermore, all works of rehabilitation and construction were implemented by local communities or by locally-recruited workers, which translates into some 1 190 full-time and 10 000 short-term **job creations**.

Meanwhile, the **Urban Participatory Development Programme** implemented by GIZ for the "*Upgrading of informal areas in the Greater Cairo region*" (EUR 19.7 million EU Contribution) launched in 2015, has **improved the living conditions of some 161 500 direct beneficiaries** living in 9 high-density and deprived informal settlement areas offering better quality services and infrastructure. **49 schools, kindergarten and child centres** had been equipped, **8 schools renovated and 1 school constructed**, benefitting some 22,000 pupils; 26 health facilities and centres had been set up and **medical treatment had been provided to over 20,000 residents**. Solid waste management support as well as street pavement and public transport facilitation had been provided in the 9 informal areas. Community-based consultations, participatory needs assessment as well as multi-level participatory implementation modalities have represented the main methodological tools of this innovative programme benefitting an overall population of **2 million residents amongst the most vulnerable**, with the involvement of 32 local civil society organisations.

In Algeria, the EU continues to provide support to the **diversification of the Algerian economy** away from the hydrocarbon production through projects on improving business climate, on public finance reform, on renewable energies and energy efficiency and on the agricultural sector.

Eastern Neighbourhood

The EU remains a major partner for countries of the Eastern Partnership. The Eastern Partnership Summit in Brussels, marked a new approach of the close partnership through the adoption of the "**20 Deliverables for 2020**"⁵⁰⁹ setting jointly agreed goals for ongoing reforms in partner countries in four priority areas: **1) Stronger economy, 2) Stronger governance, 3) Stronger connectivity, and 4) Stronger society**.

The Commission has been implementing its objectives under a **new institutional-setup launched** in March 2018 with the aim at being more result oriented, efficient and ensuring **common ownership of EU institutions, Member States and partner countries** at all levels in this process. Since then, a first round of Eastern Partnership thematic Platforms took place between the months of April and June.

A **new Comprehensive and Enhanced Partnership Agreement between the EU and Armenia** was signed in the margins of the Eastern Partnership Summit in Brussels. The **new multiannual programming documents Single Support Frameworks 2017-2020 for Armenia, Azerbaijan, Georgia, Moldova, Ukraine** as well as the **Regional East** have been adopted. These are aligned with the agreed deliverables and take into account the specific needs of each country as identified during the programming process. Following the endorsement of the "20 Deliverables for 2020" and its new institutional setup, **engagement is now focusing on implementation and strategic communication** about its tangible results to the benefit of citizens.

The following concrete results have been achieved:

- Since the launch of the Eastern Partnership in 2009, The EU has **supported more than 70 000 enterprises**, backing EUR 2 billion worth of loans, and **created more than 28 000 jobs** in the last 10 years.

⁵⁰⁹ SWD(2016) 467 final

- **ERASMUS +** has enabled *more than 30 000 students and academic staff* from eastern partner countries to study or teach in EU countries, since 2009. In September 2018, the first European School outside EU borders successfully launched and welcomed its first 30 students. Preparations are ongoing for a second year.
- “**EU4Business**” - an umbrella initiative covering all **EU support for small and medium-sized enterprises (SMEs)** in the Eastern Partnership region - **improves both access to finance and the SME environment across the region**. With an active portfolio of over EUR 260 million of EU support (complementary to other forms of support), EU4Business has supported at least 7000 jobs in the region (and targets 144 000 more through blending with The International Financial Institutions (IFI) loans) and more than 57 000 SMEs (another 50 000 companies will receive further assistance in the years to come).
- A decision on **extending the trans-European transport network** to the eastern Neighbourhood by 2030 was reached in 2016 as a concrete step towards better connections and a streamlined approach to infrastructure investments. This decision complements reforms in the sector in view of making transport more secure, safer and more environmentally friendly.
- Over **300 municipalities**, covering 20 million people in the Eastern partner countries, signed up to the EU’s Covenant of Mayors⁵¹⁰. This will **reduce their CO2 emissions** by almost 20 million tonnes by 2020, which is equivalent to planting almost 500 million trees.

ENI is contributing to the comprehensive reform programme of Ukraine and stabilisation of its economy with unprecedented assistance packages (EUR 965 million in 2014-2017). This support focused on strengthening 'accountable and transparent governance' (decentralisation, anti-corruption, public administration reform, public finance management and rule of law) and economic reform, constituting a good governance package for over EUR 310 million that is currently being implemented in Ukraine. Targeted and comprehensive technical assistance is provided for the approximation to EU *acquis* and for further reform related efforts (areas include, for example, labour safety, technical barriers to trade, agriculture, energy, etc.).

Evaluations / Studies conducted

During 2018 a country evaluation for Azerbaijan and two thematic evaluations have been completed. No Staff Working Document will be prepared for those evaluations because they are not “major” evaluations. A Staff Working Document on Economic Governance is under preparation following the completion of the corresponding evaluation at the end of 2017.

The evaluation of EU’s cooperation with Azerbaijan over the period 2011-2016 allowed to identify key lessons and inform future choices. The evaluation concluded that the current balance among various instruments could be retained for the future. In addition to the three current focal sectors, more emphasis could be put on development of private sector outside agriculture and strengthening monitoring of CSO-implemented actions.

The evaluation of EU support for Security Sector Reform in Enlargement and Neighbourhood countries (2010-2016) was conducted to help strengthen democratic accountability and transparency and improve policy and practice through evidence-based learning. The evaluation confirmed that the EU achieved positive effects through its promotion of EU values and interests in the Enlargement and Neighbourhood regions. The evaluation identified policy recommendations aimed at enhancing the EU’s role as a strategic actor, strengthening national ownership, improving the effectiveness of funding modalities, and achieving greater results.

The evaluation of EU support to social protection in external action (2007-2013) assessed to what extent the EU support to social protection contributed to achieving the objectives of EU cooperation in the area of social protection. The main conclusion was that the EU should promote a broad strategic approach with more attention to sustainability, consider scaling up its support to social protection, and support the development of appropriate monitoring and evaluation systems.

During 2019 it is planned to complete the thematic evaluations on Rule of Law, Twinning and EU Info Centres, and the country evaluation for Armenia.

Forthcoming implementation (2019-2020)

Southern and Eastern neighbourhood

In all countries, the ENI will continue to support dialogue and reforms based on the fundamental principles of good governance and rule of law, respect for human rights, gender equality and civic engagement. In 2019, the ENI will continue to focus on stabilisation and resilience in the region.

The Neighbourhood South will be in a volatile context and 2019 programming will focus on inclusive growth, investments and job creation, including youth and the rule of law, security and accountable institutions, in line with the adopted multi-annual programming frameworks in this region. Investments will be promoted through blending and the European External Investment Plan (EIP). Support for civil society will be an important component, mainstreamed throughout the programmes or through specific actions. The oversight and monitoring role of the civil society will also be supported. The Middle-East region will continue to be impacted by the Syrian crisis and the Palestinian - Israeli conflict. Regional cooperation in the Neighbourhood South will focus on three thematic areas, notably: building resilience through action in the fields of justice and police; economic development and job creation; and promoting energy connectivity.

⁵¹⁰ After the European Union climate and energy package was adopted in 2008, the European Commission launched the Covenant of Mayors to endorse and support the efforts deployed by local authorities in the implementation of sustainable energy policies. It is part of the world’s largest movement for local climate and energy actions, bringing together more than 9,000 local and regional authorities across the EU and beyond that are committed to taking the actions to reach their climate and energy objectives

Programming for Neighbourhood East in 2019 will be decisive for the Eastern Partnership (EaP), in the light of the implementation of the "20 Deliverables for 2020". Programming priorities for 2019 will be based on the Association Agendas and Partnership Priorities and of the new multi-annual programming documents for the period 2017-2020 (adopted for Armenia, Georgia, Moldova, and Regional East) and 2018-2020 (adopted for Ukraine, in the process of adoption for Azerbaijan and likely delayed due to lack of agreement on partnership priorities for Belarus). Regional cooperation in the Neighbourhood East will continue to support all the EaP priority areas such as trade, conflict resolution, culture, inclusive growth, job creation and civil society.

Outlook for the period 2021-2027

On 14 June 2018, the European Commission adopted the Proposal for a Regulation of the European Parliament and of the Council establishing the Neighbourhood, Development and International Cooperation Instrument (NDICI). This proposal is part of a set of new proposed instruments for EU external action under the new Multiannual Financial Framework 2021-2027. In an effort to streamline existing financing instruments, the NDICI would merge the ENI together with other external instruments from the current MFF.

The new instrument proposes to preserve the core specificities of the special partnership with the ENP partners: it includes a chapter dedicated to the Neighbourhood region, which contains specific provisions applicable to Eastern and Southern Neighbourhood. These specificities and key principles are maintained and reinforced, notably the performance-based approach ('more for more'), the differentiation approach, thus providing incentives for jointly-agreed political and economic reforms. Cross-border cooperation between EU Member States and partner countries, both in the Eastern and in the Southern Neighbourhood, is also proposed to continue in view of the positive results achieved so far.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument	2014 - 2020	15 432,6

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	57,5	44,6	45,4	47,8	48,3	51,1	50,9	345,6
Operational appropriations	2 254,7	2 338,4	2 277,2	2 430,5	2 427,8	2 624,3	2 593,0	16 946,0
Executive Agency	2,8	2,8	2,4	2,4	2,3	1,9	1,9	16,5
Total	2 315,0	2 385,8	2 325,0	2 480,7	2 478,4	2 677,3	2 645,8	17 308,1
<i>Of which contribution to Erasmus+</i>	<i>103,3</i>	<i>93,4</i>	<i>98,0</i>	<i>104,8</i>	<i>82,0</i>	<i>88,7</i>	<i>90,1</i>	<i>660,4</i>

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	2 478,396	99,99 %	1 728,762	99,70 %	2 677,281	16,27 %	1 768,731	18,85 %
Authorised appropriations (*)	2 504,296	99,83 %	1 769,111	98,91 %	2 697,473	16,77 %	1 789,366	18,91 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Establishing an area of shared prosperity and good neighbourliness involving the Union and the partner countries by developing a special relationship founded on cooperation, peace and security, mutual accountability and shared commitment to universal values of democracy, the rule of law and respect for human rights in accordance with the Treaty on EU.

Indicator 1: Number of comprehensive agreements and individual ENP Action Plans in place with interested neighbouring countries

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood East: • Five Partnership and Cooperation Agreements in force, one Association				The negotiations and conclusions of agreements and ENP action plans show a positive trend.			16 Association or similarly comprehensive Agreements in force and 16 Action Plans or similar

Agreement (Ukraine) initialled on 30.03.2012 • Negotiations for Association Agreements ongoing with 4 countries: Republic of Moldova (launched in January 2010), Armenia, Azerbaijan & Georgia (July 2010). • Five Action Plans in force.	Actual results						documents adopted by 2020. NB: This level of target comes from the objectives of European Neighbourhood Policy and takes into account the 16 Neighbourhood countries (10 in the South and 6 in the East).
	3 Association Agreements signed (Ukraine, Georgia and Moldova). Association Agendas (Ukraine, Georgia, Moldova)	Negotiation on a new agreement launched with Armenia	Negotiation on a new agreement launched with Azerbaijan. Negotiations of Partnership Priorities launched with Azerbaijan and Belarus	Comprehensive and Enhanced Partnership Agreement signed with Armenia Association Agendas updated with Georgia, Moldova; Partnership Priorities agreed with Armenia	Provisional application of CEPA with Armenia Partnership Priorities (PP) signed with Armenia and Azerbaijan; continuation of negotiations with Belarus. Continuation of negotiation for a new agreement with Azerbaijan	Association Agenda updated with Ukraine	
Baseline 2012	Milestones foreseen						
	2014	2015	2016	2017	2018	2019	
Neighbourhood South: Association agreements in force with 8 of the 10 southern partners (i.e. excluding Libya and Syria). Three First generation Action Plans (or equivalent documents) adopted or in place: Israel, Egypt and Palestine. 2 nd generation action plans for Jordan and Morocco approved. Political agreement on the second generation of the Tunisia and Lebanon Action Plans but formal adoption by Council pending. Since 2012 negotiations with Algeria on an ENP action plan.	Milestones foreseen						
				The negotiations and conclusions of agreements and ENP action plans show a positive trend.			
	Actual results						
	ENP action plans adopted with Algeria, Jordan, Lebanon, Morocco, Palestine and Tunisia. Pursuit of negotiations on the EU-Algeria ENP Action Plan *	ENP action plans adopted with Algeria, Jordan, Lebanon, Morocco, Palestine and Tunisia. Pursuit of negotiations on the EU-Algeria ENP Action Plan *	Following the review of the ENP the EU started a new phase of engagement with partners. Partnership Priorities have been adopted with Lebanon, Jordan, Algeria and agreed with Egypt. (**)	Partnership Priorities adopted for Algeria (2017), Egypt (2017), Jordan (2016), Lebanon (2016). Preliminary discussions on future EU-Israel and EU-Palestine Partnership Priorities have been initiated. SSF adopted in Egypt (2017), Jordan (2017), Lebanon (2017), Tunisia (2017).	Strategic Priorities agreed with Tunisia, for 18-20; Algeria SSF 18-20 adopted, Morocco SSF extended for one year until end 2018; discussions on future EU-IL and EU-PAL Partnership Priorities continue		
Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2 ENPI CBC Programmes	Actual results						CBC: 900 projects implemented by ENI CBC programmes (there are 950 projects financed under the current ENPI CBC)
	CBC: adoption of ENI CBC implementing rules	13 ENI CBC joint operational programmes adopted					

* Libya: Discussions on the negotiations for a Framework Agreement are stalled due to the crisis situation since June 2014. Ratification of Association Agreement is suspended.

** Preliminary discussions on future EU-Israel and EU-Palestine Partnership Priorities have been initiated. The UE has adopted Compacts with Jordan and Lebanon. The second phase of the ENI programming (2017-2020) was launched and Single Support Frameworks for 2017-2020 are being finalised with the Governments of Lebanon, Palestine, Egypt, Jordan and Tunisia. Palestine has materialised the Joint Programming process in the first-ever European Joint Strategy in the Neighbourhood that will cover 2017-2020. With Morocco, the EU has deployed every effort in maintaining a constructive relationship throughout the year in the area of technical and financial cooperation, amid a tense atmosphere pertaining to the ECJ ruling on the agreement on the free trade of agricultural products. In Libya the EU focused on reactivating initiatives in order to support the Government of National Accord

and to contribute to improving the living conditions of Libyans and migrants stranded there. A policy dialogue on cooperation issues was established in 2016 in order to better define the needs and possibilities to expand our assistance.

Indicator 2: GDP per capita as % of EU 28 (current prices)* (source: World Bank)

Baseline Period 2008-2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2010 Neighbourhood East (NE): 10.86% Neighbourhood South (NS): 14.76%				NE: increase NS : increase			NE: increase NS: increase
	Actual results						
	NE: 11.94% NS: 14.58%*	NE: 9.94 NS: 11.35**	NE 8.86% NS 15.18***	NE 9.89% NS 12.94%***	n.a.yet		

The indicator shows the degree of economic convergence of Neighbourhood countries towards the European average. The projections are based on a hypothesis of growth rate of 1.9% for the EU area and 3.5% for both Neighbourhood South and Neighbourhood East.

* The value does not include Libya, Lebanon and Syria, for which data are not available

** The value only includes Algeria, Morocco, Jordan and Palestine, for which data on GDP are available.

*** The value only excludes Syria.

Specific objectives

Specific Objective 1: Promoting human rights and fundamental freedoms, the rule of law, principles of equality and fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fight against corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners.

Indicator 1: Progress made in achieving political reforms, as assessed by relevant reports

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Eastern Partnership countries							Further progress
	Actual results						
	Some Progress	Some Progress	Some Progress*	Some Progress*	Some Progress*		
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Southern Partnership countries							Further progress
	Actual results						
	Some Progress	Some Progress	Some Progress*	Some Progress*	Some Progress*		

The indicator assesses how the ENP partner countries progress in implementing the political reforms agreed in bilateral legal (for example: Partnership and Cooperation Agreements, Association Agreements) and political (for example: ENP Action Plans, Association Agendas) frameworks. The target is coherent with 2014-2020 programming period and is based on the past trend, the baseline value and the benchmarks.

*Following the ENP Review of 2015 the annual progress reports (jointly prepared by the European Commission with the EEAS) have been replaced by a new style of assessment, timed to provide the basis for a political exchange of views in the relevant high-level meetings with partner countries.

Indicator 2: Weighted score based on eight external sources (Corruption Perception (Transparency International), Press Freedom (Reporters without Borders), Freedom of Press (Freedom House), Government Effectiveness (World Bank), Control of Corruption (World Bank), Rule of Law (World Bank), Voice and Accountability (World Bank) and Regulatory Quality (World Bank))

Baseline 2010	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
East and South: 38				> 42			> 44
	Actual results						
	40.70	40.06	39.65	39,80			

The indicator is a weighted score based on 8 external sources taken in three groups, each weighted one third after normalisation: 1. Corruption Index (Transparency International) and Control of Corruption (World Bank); 2. Press Freedom (Reporters without Borders) and Freedom of Press (Freedom House); 3. Government Effectiveness (World Bank), Rule of Law (World Bank), Regulatory Quality (World Bank) and Voice and Accountability (World Bank). Values: 1 (Worst) - 100 (Best); EU benchmark: 76.99.

Source:

Corruption Index (Transparency International) - <http://www.transparency.org/country>

Control of Corruption (World Bank) - <http://web.worldbank.org>

Press Freedom (Reporters without Borders) - <https://rsf.org/index2014>

Freedom of Press (Freedom House) - <http://www.freedomhouse.org/>

Government Effectiveness (World Bank) - <http://web.worldbank.org>

Rule of Law (World Bank) - <http://web.worldbank.org>

Regulatory Quality (World Bank) - <http://web.worldbank.org>

Voice and Accountability (World Bank) - <http://web.worldbank.org>

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1a. Measures supporting rule of law and good governance - South	22 04 01 01 22 04 01 04	5 0	90 -
1b. Measures supporting rule of law and good governance -East	22 04 02 01	3	184
2a. Measures supporting civil society and promotion of human rights and fundamental freedoms - South	22 04 01 01	3	26
2b. Measures supporting civil society and promotion of human rights and fundamental freedoms - East	22 04 02 01	4	20
3. Countries benefiting from umbrella programme*	22 04 03 03	5	223
Total		20	544,4

* In line with the ENI Regulation, the total funding for the umbrella programmes is set in the range of 10% of the operational budget. Additional funding granted through this mechanism will be used in line with the co-operation priorities of each beneficiary country.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1a. Measures supporting rule of law and good governance - South	F	3	4	4	7	6	5	7
	P	6	6	6	6	6		
1b. Measures supporting rule of law and good governance -East	F	3	4	5	6	3	3	3
	P	4	6	6	6	3		
2a. Measures supporting civil society and promotion of human rights and fundamental freedoms – South	F	2	8	3	2	4	3	3
	P	3	4	4	4	4		
2b. Measures supporting civil society and promotion of human rights and fundamental freedoms - East	F	5	6	3	3	3	3	3
	P	5	4	4	4	3		
3. Countries benefiting from umbrella programme	F	6	6	6	6	6	6	6
	P	7	4	4	5	6		

Justification of changes to the financial programming and/or to the performance information

Specific Objective 2: Achieving progressive integration into the Union internal market and enhanced sector and cross-sectoral cooperation including through legislative approximation and regulatory convergence towards Union and other relevant international standards and improved market access including through deep and comprehensive free trade areas, related institution building and investments, notably in interconnections.

Indicator 1: Value of ENI countries export to EU-28 in relation to baseline data in year 2010 (Eurostat figures).

Baseline 2010 (EU-27)	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood East: 37.02% Neighbourhood South: 24.9%.				East: 36.45%. South: 26.13%.			East: 35.90%. South: 27.97%
	Actual results						
	East: 36.82% South: 24.4%	East: 37.80* South (data available only for two countries)	East: 37.18% South: 20.00%**	East: 39.05%***. South: 29.29%****	n.a. yet		

The indicator expresses the level of integration of the economies into the world economy.

For 2017 and 2018 data (ENI countries export of goods and services as % of GDP are from Eurostat.

* The targets are based on a hypothesis of GDP growth of 3.5% for the two regions and of 2.97% for the exports of the Neighbourhood East and 5.88% for the Neighbourhood South. For this second region the baseline is calculated on the volume of exports and GDP of the countries for which both exports and GDP data were available for 2014 (Algeria, Israel, Jordan and Palestine. To be noted that many factors will impact this indicator, in particular EU economic growth, unfolding crisis situations in the region and data availability.

*: The value does not reflect Ukraine and Azerbaijan, for which export values are not available for 2015

** : Only Syria excluded. Declining ratio reflects substantial reduction of values of exports of hydrocarbons for Algeria (due to price decline) and Libya (also due to the political instability).

***: The value for Ukraine is based on 2016 data, as data for 2017 were not available.

****: No data available yet for Libya, Tunisia and Jordan.

Indicator 2: Number of Deep and Comprehensive Free Trade Agreements (DCFTA) and Agreements on Conformity Assessment and Acceptance of industrial products (ACAA)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood East: 0 signed (DCFTA) 0 (ACAA); 4 DCFTA and 0 ACAA under negotiation			3 DCFTA in place				DCFTA in place with all interested ENI countries
	Actual results						
	3 AA/DCFTA's signed (June 2014) – of which 2 (Georgia and Moldova) provisionally applied in parts as of 1/9/2014 and AA with Ukraine provisionally applied in parts as of 01 November 2014	3 AA/DCFTA's signed (June 2014) – of which 2 (Georgia and Moldova) provisionally applied in parts as of 1/9/2014 and AA with Ukraine provisionally applied in parts as of 01 November 2014	Entry into force of Georgia and Moldova Association Agreements 1 July 2016. Provisional application of EU-Ukraine DCFTA as of 1 January 2016	Entry into force of the EU-Ukraine AA/DCFTA 1 September 2017	EaP informal Trade Ministerial (20 September)		
Baseline	Milestones foreseen						Target 2020
2014	2015	2016	2017	2018	2019		
Neighbourhood South: 0 DCFTA; 1 ACAA; 0 Agreements on liberalisation of trade in agriculture; 0 Agreements on Air Transport; 1 MoU on Energy			2 DCFTA in place and 2 in negotiations; 1 ACAA in place and 4 in negotiations; 2 Agreements on liberalisation of trade in agriculture in place; 1 Agreement on Air Transport in place; 2 MoU on Energy in place				4 DCFTA in place; 5 ACAA in place; 2 Agreements on liberalisation of trade in agriculture in place; 1 Agreement on Air Transport in place; 2 MoU on Energy in place
	Actual results						
	1 DCFTA in negotiations and 2 under preparation; 1 ACAA in place and 1 being prepared and negotiated; 4 Agreements on liberalisation of trade in agriculture in place ; 3 Agreements on Air Transport in place and 2 under negotiations; 1 MoU on Energy	1 DCFTA in negotiations and 2 under preparation; 1 ACAA in place and 1 being prepared and negotiated; 4 Agreements on liberalisation of trade in agriculture in place ; 3 Agreements on Air Transport in place and 2 under negotiations; 1 MoU on Energy	2 DCFTA in negotiations (Morocco and Tunisia) and 2 under preparation (Egypt and Jordan)	2 DCFTA in negotiations (Morocco and Tunisia) and 2 under preparation (Egypt and Jordan)	2 DCFTA in negotiations (Morocco and Tunisia) and 2 under preparation (Egypt and Jordan); 2 MoU on Energy (Algeria, Egypt), 1 ACAA in place; 3 agreements on air transport (Israel, Morocco, Jordan).		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
2a. Measures supporting the Association Agreements , approximation and institution building – South	22 04 01 02	3	7
2b. Measures supporting the Association Agreements, approximation and institution building - East	22 04 02 02	4	85
3. TAIEX and SIGMA – South & East	22 04 01 02	2	3.4
	22 04 02 02		3,8
Total		9	99,57
Outputs	Number of outputs foreseen (F) and produced (P)		

		2014	2015	2016	2017	2018	2019	2020
1. Measures supporting the Advanced Status - South	F	1	1	0	0	1	0	0
	P	1	0	0	0	1		
2a. Measures supporting the Association Agreements , approximation and institution building – South	F	5	7	5	2	3	3	3
	P	2	3	3	2	3		
2b. Measures supporting the Association Agreements, approximation and institution building - East	F	5	4	3	5	4	4	4
	P	3	4	4	4	4		
3. TAIEX and SIGMA – South & East	F	2	2	2	2	4	2	2
	P	3	2	2	2	4		

Justification of changes to the financial programming and/or to the performance information

Specific Objective 3: Creating conditions for the better organisation of legal migration and the fostering of well managed mobility of people, for the implementation of existing or future agreements concluded in line with the Global Approach to Migration and Mobility, and for promotion of people-to-people contacts, in particular in relation to cultural, educational, professional and sporting activities.

Indicator 1: Number of Mobility Partnerships in place

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood East: 3 Mobility Partnerships in place and none under negotiation.	Milestones foreseen						4 Mobility Partnerships in place
			1 under negotiation				
Actual results							4 Mobility Partnerships in place
4 (Georgia, Moldova, Armenia, Azerbaijan)	4 (negotiation with Belarus started in 2015)	4	5 (negotiation with Belarus concluded in 2016).	5			
Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood South: Mobility Partnership signed with one country in 2013. Preparatory discussions launched with two countries.	Milestones foreseen						4 Mobility Partnerships in place
			2 in place, 2 under negotiation				
Actual results							4 Mobility Partnerships in place
3 (of which 2 signed in 2014)	3 (Morocco, Tunisia, Jordan)	3 (Morocco, Tunisia, Jordan)	3 (Morocco, Tunisia, Jordan)	3 (Morocco, Tunisia, Jordan)	3 (Morocco, Tunisia, Jordan). Negotiations on-going with Lebanon		

Mobility Partnerships (MP) declarations are the instrument through which the EU and its partners in the Neighbourhood intend to set a framework to manage migration flows with commonly agreed objectives and programmes. MP's follow the Global Approach to Migration and Mobility guidelines. Thus, they are a good measure of the achievements in this field.

Source: information from Directorate-General for Migration and Home Affairs (DG HOME).

Indicator 2: Number of readmission/visa facilitation agreements and Visa Liberalisation Action Plans (VLAP) in place

Baseline 2008	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood East: 1 readmission/visa facilitation agreements in place and 2 under negotiation; 2 VLAP in place	Milestones foreseen						4 VLAPs
			3 readmission/visa facilitation agreements in place				
Actual results							4 VLAPs
Visa Facilitation Agreements and Readmission Agreements (VFRA) with 5 countries (Armenia and Azerbaijan entered into force in 2014); negotiations with Belarus started in 2014; 1 VLAP	VFRAs with 5 countries; negotiation with 1 country; 1 visa-free regime (Moldova); 2 VLAP completed (Georgia and Ukraine)	VFRAs with 5 countries; negotiation Belarus; 1 visa-free regime (Moldova,); 1 VLAP completed (Ukraine, Georgia); preliminary discussions on visa liberalisation started with Armenia	Visa liberalisation for Georgian citizens with biometric passports for short stays entered into force 28 March 2017; Visa-liberalisation for	VFRAs with 5 countries (Azerbaijan, Armenia, Georgia, Moldova and Ukraine) and negotiations with Belarus.			

	completed (visa-free regime granted to Moldova as of 28-4-2014); 2 VLAP ongoing			Ukrainian citizens with biometric passports for short stays entered into force 11 June 2017.	VLAPs in place with three countries (Georgia, Moldova and Ukraine)		
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood South: No agreements/VLAP in place			2				5 readmission/visa facilitation agreements in place
	Actual results						
	0	0	0	0	0		

Based on visa facilitation/ liberalisation agreements, both the EU and the non-EU citizens benefit from facilitated procedures for issuing visas. Visa facilitation/liberalisation agreements are linked to readmission agreements which establish the procedures for the return to the EU or to the partner non-EU country of persons (own or third country nationals or stateless persons) in irregular situation. Readmission and visa facilitation/liberalisation agreements are key elements to assess progress regarding mobility and the promotion of people to people contacts.

No readmission and visa facilitation agreements with Morocco, Tunisia and Jordan have been concluded due to sensitive and complex negotiations in uncertain political environment.

Source: information from Directorate-General for Migration and Home Affairs (DG HOME).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1a. Measures supporting mobility and border management - South	22 04 01 01	1	1
1b. Measures supporting mobility and border management - East	22 04 02 01	1	18
2. Erasmus + South & East (excluding administrative credits)	22 04 20	1	88,2
Total		3	107

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1a. Measures supporting mobility and border management - South	F	0	1	1	0	2	1	1
	P	2	0	0	0	2		
1b. Measures supporting mobility and border management - East	F	1	2	0	1	2	1	1
	P	0	1	1	1	2		
2. Erasmus + South & East (excluding administrative credits)	F		1		1	1	1	1
	P	1	1	1	1	1		

Justification of changes to the financial programming and/or to the performance information

Specific Objective 4: Supporting smart, sustainable and inclusive development in all aspects; poverty reduction, including through private-sector development and reduction of social exclusion; promotion of capacity building in science, education and in particular higher education, technology, research and innovation; promotion of internal economic, social and territorial cohesion; rural development; public health; environmental protection, climate action and disaster resilience.

Indicator 1: Inequality-Adjusted Human Development Index (source: UNDP)

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood East: 4 countries with indicator equal or above 0.700 on the scale of 1 (between high and very high human development).			6 countries equal or above 0.700				6 countries equal or above 0.700
	Actual results						
	5	6	5	7	n.a. yet		
Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood South: 3 country with indicator equal or above 0.700 on the scale of 1 (between high and very high human development).			8 countries equal or above 0.700				9 countries equal or above 0.700
	Actual results						
	6	8	5	8	n.a. yet		

Indicator 2: Ease of doing business index (1=most business-friendly regulations) (source: World Bank)							
Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood East – 64.42 Neighbourhood South – 57.26				East – 73 South - 56			East – 78 South – 59
	Actual results						
	East: 69.92 South: 54.07	East: 70.50 South – 54.21	East: 71.68 South: 54.84	East: 73.09 South: 55.45	East: 75.81 South: 56.77		

The sustainability of development highly depends on the capacity of our countries to facilitate the creation of a productive base, i.e. the creation of local business that can ignite a virtuous circle of economic growth on a sustainable basis. The distance to frontier measures the distance from the best performing country based on the different criteria used. Indicator aligned with the one used for the EU Results Framework.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1a. Measures supporting employment, education and training - South	22 04 01 02	4	169
1b. Measures supporting employment, education and training - East	22 04 02 02	2	21,3
2a. Measure supporting territorial and social cohesion, social protection and rural development - South	22 04 01 02	4	5,3
2b. Measure supporting territorial and social cohesion, social protection and rural development - East	22 04 02 02	2	45,6
3a. Measures supporting inclusive economic development (including NIP) - South	22 04 01 02	8	332
	22 04 01 04		10,3
3b. Measures supporting inclusive economic development (including NIP) - East	22 04 02 02	3	149
4a. Measures contributing to reforms in the fields of environment, energy and management of natural resources - South	22 04 01 02	4	95
	22 04 01 04		0
4b. Measures contributing to reforms in the fields of environment, energy and management of natural resources - East	22 04 02 02	1	3,5
Total		28	831,56

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1a. Measures supporting employment, education and training - South	F	4	2	3	3	3	4	2
	P	4	2	2	3	3		
1b. Measures supporting employment, education and training - East	F	2	0	0	1	2	2	2
	P	3	1	1	1	2		
2a. Measure supporting territorial and social cohesion, social protection and rural development - South	F	5	3	4	1	3	4	3
	P	4	3	3	1	3		
2b. Measure supporting territorial and social cohesion, social protection and rural development - East	F	2	1	2	2	2	2	2
	P	1	2	2	2	2		
3a. Measures supporting inclusive economic development (including NIP) - South	F	8	6	5	7	8	8	7
	P	10	14	14	6	8		
3b. Measures supporting inclusive economic development (including NIP) - East	F	2	2	3	2	3	3	3
	P	4	4	4	2	3		
4a. Measures contributing to reforms in the fields of environment, energy and management of natural resources - South	F	3	3	4	3	3	4	3
	P	2	4	4	3	3		
4b. Measures contributing to reforms in the fields of environment, energy and management of natural resources - East	F	0	2	1	0	1	1	1
	P	0	1	1	0	1		

Specific Objective 5: Promoting confidence building, good neighbourly relations and other measures contributing to security in all forms and the prevention and settlement of conflicts, including protracted conflicts.

Indicator 1: Political stability and absence of violence: number of countries in a percentile rank above 0-10 (lowest rank) *

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Neighbourhood East: 4 countries in a percentile rank above 0-30 (Armenia, Belarus, Moldova, Ukraine). Neighbourhood South:			East: 5 countries South: 8 countries (6 + Algeria, Lebanon)				East: 6 countries South: 9 countries (8+ Syria)

7 countries in a percentile rank above 0-10 (Jordan, Morocco, Tunisia, Libya, Egypt, Israel)	Actual results					
	East: 4 South: 4	East: 4 South: 5	East: 3 South: 4	East: 3 South: 5		

*This indicator measures perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism. Higher values in percentile rank indicate better governance ratings. Source: Worldwide Governance Indicators (WGI) project (WB group)

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1a. Measures supporting confidence building and settlement of conflicts (including support to refugees) - South	22 04 01 03	4	365
1b. Measures supporting confidence building and settlement of conflicts (including support to refugees) - East	22 04 02 03	1	12,7
2. Measures supporting Palestine	22 04 01 04	3	310,3
Total		8	688,1

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1a. Measures supporting confidence building and settlement of conflicts (including support to refugees) - South	F	3	2	4	3	3	4	4
	P	12	1	1	3	3		
1b. Measures supporting confidence building and settlement of conflicts (including support to refugees) - East	F	1	2	1	1	1	1	1
	P	2	2	2	1	1		
2. Measures supporting Palestine	F	10	3	3	3	3	3	3
	P	7	4	4	3	3		

Specific Objective 6: Enhancing sub-regional, regional and Neighbourhood wide collaboration as well as Cross-Border Cooperation.

Indicator 1: Number of Cross-Border Cooperation programmes in place

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
13 ENPI CBC programmes adopted and implemented				17			All 17 programmes foreseen in the CBC Programming Document are fully under implementation and all available funds are committed
	Actual results						
	1	14	16*	16	16		

* ENI CBC Mid-Atlantic programme was finally not adopted.

The indicator shows the progress in building cooperation among EU Member States on one side and Neighbourhood partner countries and the Russian Federation on the other side, in border regions.

Relevance of the indicator: Given that these CBC cooperation programmes are agreed among the EU member States and the partner countries, the adoption and implementation of the programme is a good indicator of the willingness of all parties to cooperate in the border regions. Each CBC programme contains a multiplicity of smaller projects benefiting the socio-economic development of the area's population.

Source: based on the number of programmes identified in the CBC Programming Document.

Indicator 2: Number of ministerial, platform and panel meetings under the Eastern Partnership

Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Between 70 and 80 policy dialogue events were organised				85			90 policy dialogue events organised
	Actual results						
	Between 70 and 80	No data available	Around 80	Around 85	Around 90		
Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Between 70 and 80 policy dialogue events were organised			80	85	85		90 policy dialogue events organised
	Actual results						
	Between 70 and 80	No data available	Around 80	Around 85	Around 90		

Indicator 3: Progress on Eastern Partnership priorities*							
Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Establishment of the main priority areas at the Riga Summit in 2015 (i.e. (1) strengthening institutions and good governance; (2) increasing mobility and people to people contacts; (3) market opportunities; (4) interconnections.)			Strategic progress mainly in the areas of: 1) Interconnections: Approval of the extension of the core TEN-T network at ministerial level. Endorsement of the single project pipeline by the EaP countries, IFIs and the EU. 2) Market opportunities: Development of the three DCFTAs (i.e. Ukraine, Georgia, Moldova) and assistance provided				Significant progress in the four priority areas established at the Riga Summit in 2015
	Actual results						

* Considering the strong qualitative nature of this indicator it has proven not realistic to continue monitoring it as such.

The Eastern Partnership Summit in Brussels renewed the joint engagement towards comprehensive reforms in the partner countries and set out a concrete vision four priorities: **1) Stronger economy, 2) Stronger governance, 3) Stronger connectivity, and 4) Stronger society.** Our “20 Deliverables for 2020” monitoring shows that clear progress has been made in all areas, notably in **connectivity, digital, TEN-T, energy efficiency and security, and youth including the European Eastern Partnership School.** However, more progress is needed in the areas of **rule of law, fighting corruption, shrinking spaces for civil society and lack of media independence.** Assistance will continue to the partner countries in implementation of commitments in these areas.

Indicator 4: Increased credibility of the Union for the Mediterranean (UfM) through a high number of ministerial meetings establishing regional sector priorities and through the engagement of regional cooperation, finance and planning ministers via the holding of UFM ministerial conferences on regional cooperation and planning

Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Three ministerial meetings establishing regional sector priorities Ministries of Finance, Planning and International Cooperation relatively un-engaged in regional cooperation. No cooperation ministerial ever held			Three ministerial meetings foreseen in 2016 establishing regional sector priorities. UfM Ministerial meeting on Regional Cooperation and Planning successfully organised				Three ministerial meetings per year (15 in total) A regular process of coordination around financing of regional integration is operational
	Actual results						
	Three ministerial meetings establishing regional sector priorities (see baseline)	No data available	Six (cumulative) Three UfM ministerial meetings organised in the field of cooperation and planning; energy; labour and employment took place in 2016.	Nine (cumulative) Three (Youth; Water; Sustainable urban development; Women's Empowerment)	Ten (cumulative) One (Trade) Ministerial meeting		

Indicator 5: Progress on specific regional objectives defined in ministerial declarations under the Union for the Mediterranean

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
CBC programmes, including European Regional Development Fund – European Territorial Cooperation – Contribution from Heading 4	22 04 03 01 13 03 64 03	17	96,3
Measures enhancing regional co-operation in the southern Neighbourhood	22 04 01 01	2	12,8
	22 04 01 02	4	41,8
	22 04 01 03	2	36,1
	22 04 03 04	2	16,3
Measures enhancing regional co-operation among Eastern Partnership countries	22 04 02 01	3	29,4
	22 04 02 02	5	77,5
	22 04 03 04	2	12,2
Total		37	322,4

Under specific objective 6 it is envisaged that regional programmes will continue to focus on domains like, inter alia, energy, environment, border management, transport, private sector development, support to the ‘Partnership for peace’ process in the Middle-East, Union for the Mediterranean, functioning of regional cooperation frameworks (Northern Dimension and Black Sea Synergy) and the multilateral track of the Eastern Partnership.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. CBC programmes, including European Regional Development Fund – European Territorial Cooperation – Contribution from Heading 4	F	15	17	17	17	17		
	P	1	13	13	15	15		
2. Measures enhancing regional co-operation in the southern Neighbourhood	F	12	12	10	10	10	10	12
	P	13	14	14	10	10		
3. Measures enhancing regional co-operation among Eastern Partnership countries	F	11	10	13	10	10	10	10
	P	11	13	13	11	10		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Mediterranean countries — Human rights and mobility	9,2	9,5
Mediterranean countries — Poverty reduction and sustainable development	305,1	307,5
Support to the peace process and financial assistance to Palestine and to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA)	11,3	11,8
Eastern Partnership — Human rights and mobility	8,0	10,9
Eastern Partnership — Poverty reduction and sustainable development	231,2	236,4
Eastern Partnership — Confidence building, security and the prevention and settlement of conflicts	3,7	3,8
Cross-border cooperation (CBC) — Contribution from Heading 4	17,2	19,0
Support to other multi-country cooperation in the neighbourhood — Umbrella programme	22,8	27,4
Total	608,5	626,3

Programmation climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
185,0	268,0	262,2	326,8	555,6	608,5	626,3	2 832,4

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Consolidated and updated comparable information for the annual expenditures adopted, estimated or programmed for the 2014-2020 programming period (totals by programme in EUR Million).

The estimated amount for climate related expenditure for 2014-2018 is based on the analysis of the climate related expenditure under ENI (from 2014 to 2017). Estimates reflect the OECD/DAC reporting methodology for the Rio-markers on climate mitigation and climate adaptation. The budget of marked actions is weighted 100% if climate mitigation/adaptation is marked as "principal objective" and 40% if it is marked as "significant objective".

Rio-markers apply to actions funded in all sectors; however, past trends indicate that relevant actions tend to concentrate in the sectors of rural development, environment, energy and management of natural resources – hereby tentatively associated to specific objectives 4 (country-based programmes) and 6 (regional cooperation programmes). As a consequence, budget is predominantly from budget line "Poverty reduction and sustainable development".

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Specific objective 4 and 6	153,0	173,0
Total	153,0	173,0

Programmation biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
38,5	55,6	41,4	50,6	135,3	153,0	173,0	647,4

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Estimates reflect the OECD/DAC reporting methodology for the Rio-marker on bio-diversity. The budget of marked actions is weighted 100% if bio-diversity is marked as "principal objective" and 40% if it is marked as "significant objective". Rio-markers apply to actions funded in all sectors; however, past trends indicate that relevant actions tend to concentrate in the sectors of rural development, environment, energy and management of natural resources – hereby tentatively associated to specific objectives 4 (country-based programmes) and 6 (regional cooperation programmes).

Consolidated and updated comparable information for the annual expenditures adopted, estimated or programmed for the 2014-2020 programming period (totals by programme in EUR Million).

Gender mainstreaming

The Commission is committed to the implementation of EU Gender Action Plan II, 2016-2020 (GAP II), as well as the promotion of gender equality and women's empowerment in international fora and agendas. The GAP was endorsed on October 26, 2015 by the Council which confirmed in its Conclusions that gender equality is at the core of European values and enshrined within the EU legal and political framework. A number of actions to address gender equality, such as the implementation of specific programs on gender equality, are undertaken: for example, in the Eastern partnership region, ENI is supporting women-led small and medium-sized enterprises throughout the provision of access to finance and the know-how. In 2018, the programme, implemented by ERBD, provided USD 58 million in sub-loans to local banks for lending to Women-led enterprises. In the Southern region, under the umbrella of the Medfilm for All regional programme, gender stereotyping and entrenched beliefs about Arab women are specifically tackled and challenged, with the goal of progressively dismantling them involving the film and media industries in the region.

In 2018, gender commitments under ENI amounted to EUR 525 million, an increase compared to 2017 (EUR 496 million).

Data reflect the OECD/DAC reporting methodology. The budget of marked actions is weighted 100% if gender equality is marked as "principal objective" and 40% if it is marked as "significant objective". Gender markers apply to actions funded in all sectors respectively specific objectives.

5. Programme contribution to the Sustainable Development Goals

The revised European Neighbourhood Policy (ENP) contributes to the stabilisation of the EU’s immediate neighbourhood as its overarching goal. It ensures a differentiated approach to partners, recognising their different aspirations and needs as well as EU interests. The policy provides a solid framework to support reforms in i) good governance, democracy, rule of law and human rights; ii) economic development for stabilisation fostering inclusive economic and social development, creating jobs and opportunities for youth, and working with partners on energy security and climate action; iii) security, counter-terrorism, anti-radicalisation policies and conflict-prevention; and iv) migration and mobility, addressing the root-causes of irregular migration while promoting safe and legal mobility. The priorities of the ENP makes a major contribution to fostering sustainability in these countries and their ability to meet the SDGs.

SDG 5 Achieve gender equality and empower all women and girls: The GAP II contributes to the achievement of the 17 SDGs, specifically delivering on the SDG 5 (‘achieve gender equality and empower all women and girls’). In 2017, there were many more actions that aligned to a greater extent to the GAP II thematic priorities and objectives. Overall, priority C, economic, social and cultural rights - economic and social empowerment was the most selected, at 40%, followed by priority D, political and civil rights - voice and participation, accounting for 32% of actions and priority B comprising 28%. This is due to a higher concentration of actions on policy and governance, access to decent work, access to financial services, and education and training which reflects among other things, the needs of countries in transition democracies, low women’s employment rate and difficult access to finance for women due to socio-cultural obstacles. Priority B “Physical and Psychological Integrity” scores last notwithstanding the high number of actions to combat Violence against women and girls by almost the totality of the EU Delegations and Member States in the region.

Neighbourhood East

Objective 15, financial services, land, etc., was the most prevalent in the countries of Eastern Partnership, with all related indicators in this thematic priority. Indicator 15.3, gender gap in wages, by sector in economic activity (SDG 5.1), which requires good statistical data, was chosen only by one programme in Azerbaijan that targeted CSOs. Objective 14, access to decent work, was the second most widespread priority, with indicator 14.2, average number of hours spent on paid and unpaid work combined (total work burden) by sex (SDG 5.4.2), selected in Georgia for a programme targeting Pankisi women and girls. In the region, the most selected indicator was 15.8, number of women accessing EU supported community level, (micro-) financial services (EURF), by EU the Delegations to Belarus and the Republic of Moldova, which indicated the need to focus on micro-credit interventions in economies in transition. Lack of access to finance for entrepreneurs and particularly women entrepreneurs has been identified as one critical barrier for women involved in entrepreneurship.

Neighbourhood South

Access to decent work for women of all ages (objective 14) and their access to financial services, productive resources including land, trade, and entrepreneurship (objective 15) were the most selected areas under priority C, economic, social and cultural rights - economic and social empowerment, in the region. This is particularly meaningful, taking into account that youth unemployment rates in the Middle East North Africa region, are higher than any other region in the world, and that women's participation rate, especially in the Neighbourhood South region, is among the lowest in the world. The EU's commitment to ensure equal access to quality education and vocational education and training (objective 13) was confirmed, as was the case in 2016, as eight of the nine reporting EU Delegations prioritised this.

SDG 7 Ensure access to affordable, reliable, sustainable and modern energy for all: In the Neighbourhood East, the EaP commitment “**20 key deliverables for 2020**”, endorsed at the Eastern Partnership Summit of November 2017, includes one priority areas (out of four) contributing to the implementation of SDG 7: **Stronger Connectivity (connectivity, energy efficiency, environment and climate change)**. Indeed, ENI support to energy interconnections and energy efficiency helps Partner Countries to reduce energy dependency and to bolster their resilience. It also supports the implementation of the political commitments to pursue a green, lowcarbon transition, as reinforced by the successful conclusion of the Paris Climate Agreement and the adoption of EaP Ministerial Declaration on Cooperation on Environment and Climate Change (SDG 13, “Take urgent action to combat climate change and its impacts”).

In the Neighbourhood South, cooperation in the energy sector is a major element of the **Euro-Mediterranean Partnership**. A secure, sustainable and competitive energy supply is a priority, and is key to underpinning stability and prosperity across the region. The European Neighbourhood Policy contributes to the Partnership objectives for energy and climate action linked to the global agenda and the international fora, including SDG 7. The Euro-Mediterranean Partnership encompasses the reinforcement of a **structured regional dialogue on energy** and climate action among Member States, regional organisations, financial institutions, civil society, private sector and experts. It also supports the promotion of relevant **projects and initiatives**, as well as their implementation and replicability, in line with the priorities identified within the dialogue platforms.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: The European Neighbourhood Policy and programmes provide a significant contribution to the achievement of SDG 8 both in the Eastern and in the Southern Neighbourhood countries.

In the Neighbourhood East, one of the four priority areas under the EaP commitment “20 deliverables for 2020” is **Stronger Economy (economic development and market opportunities)**. Some of the deliverables related to this priority area also contribute to the achievement of SDG 9 (see next para. on infrastructure, industrialization and innovation).

In the Neighbourhood South, the Mediterranean region has one of the highest rates of unemployment in the world. ENP support intervenes in this framework.

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation: The European Neighbourhood Policy and programmes contribute to the achievement of SDG 9 both in the Eastern and in the Southern Neighbourhood countries.

In the Neighbourhood East, the EaP priority area **Stronger Connectivity (connectivity, energy efficiency, environment and climate change)** fully contributes to the achievement of SDG 9.

In the Neighbourhood South, on the top of the initiatives mentioned above contributing to SDG 7, the use of blending through the bilateral envelopes complements the **Neighbourhood Investment Platform (NIP)** and the **European External Investment Plan (EIP)**. The interventions aim at improving the investment environment as a way to reinforce the reform dimension of the EIP. The EU also intends to vigorously promote coordination with International Financial Institutions, namely European FIs, which have signalled important additional outreach in the South.

SDG 12 Ensure sustainable consumption and production patterns: In the Neighbourhood East, the two EaP priorities mentioned above - **Stronger Economy (economic development and market opportunities)** and **Stronger Connectivity (connectivity, energy efficiency, environment and climate change)** – contribute to the achievement of SDG 12.

In the Neighbourhood South, the ENP contributes to the implementation of SDG 12 through national projects fostering sustainable management and efficient use of natural resources; regional initiatives promoting *inter alia* energy connectivity; mainstreaming of climate action and biodiversity.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels : In the Neighbourhood East, the following keys deliverables under the EaP “20 deliverables for 2020” commitment: “Stronger Governance (strengthening institutions and good governance); “Strengthen the rule of law and anti-corruption mechanisms”; “Support the implementation of key judicial reforms” ; “Support the implementation of public administration reform”; “Stronger security cooperation” all contribute to the achievement of SDG 16.

In the Neighbourhood South, the ENP initiatives contributing to the achievement of SDG 16 are those implementing key dialogues and platforms, and contributing to the key ENP objectives of preserving stability, strengthening State and local governance, public administration reform and rule of law.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

Neighbourhood Investment Platform (former Neighbourhood Investment Facility)

The Neighbourhood Investment Platform (NIP) is a blending instrument under the European Fund for Sustainable Development (EFSD), which in turn constitutes pillar I of the External Investment Plan of the European Union. The NIP aims to achieve the objectives of the EFSD and the European Neighbourhood Policy (ENP) or related EU thematic policy priorities by leveraging additional financing for the region.

The overarching objective of the NIP is to mobilise additional investments to support the establishment of an area of prosperity and good neighbourliness involving the EU and neighbouring countries. In complementarity with other EU-funded programmes, the NIP can foster sustainable, inclusive growth and a favourable investment climate in our partner countries.

Support to the Facility for Euro-Mediterranean Investment and Partnership (FEMIP)

The objective of the support to FEMIP is to provide capital to the private sector of Mediterranean partner countries on terms that are not available locally. Risk capital is invested directly or indirectly in order to: (i) support the private sector, i.e. enable the creation, restructuring or growth of enterprises; (ii) strengthen the role of the local financial sector by supporting the creation of new institutions or the establishment of new activities for the benefit of the private sector.

The FEMIP is the predecessor of the NIP and does not receive new EU funding, but implements existing operations until their scheduled closure. More information regarding the Financial instruments can be found at the documents accompanying the Draft Budget as per Art. 38(5) FR, Art. 49(1)(e) FR, Art. 140(8) FR.

The EU Regional Trust Fund in Response to the Syrian Crisis

The conflict in Syria continues to drive the largest refugee crisis in the world. Over 5.7 million Syrians are registered as refugees in neighbouring countries with the crisis going into its 8th year. Despite the move of hundreds of thousands of Syrian refugees to Europe in 2015/2016, the primary burden of hosting the refugees continues to fall on the neighbouring countries in the region. Lebanon (1 million) and Jordan (700,000) host the largest numbers of registered refugees per capita in the world. In Lebanon, one in five people is a refugee, while one in 15 is a refugee in Jordan. Meanwhile, Turkey continues to host the largest number of refugees in the world, 3.7 million. Iraq and Egypt continue to host large numbers of Syrian refugees along with refugees from many other countries. Many of the refugees have now been in these host countries for many years and struggle to make ends meet. They are increasingly vulnerable and face extremely high rates of poverty. The impact on the neighbouring countries hosting the refugees, has been profound.

Since its establishment in December 2014, an increasing share of the EU's support to help Syrian refugees and support Syria's neighbouring countries cope with the refugee crisis is provided through the EU Regional Trust Fund in Response to the Syrian Crisis. The Trust Fund reinforces an integrated EU aid response to the crisis and primarily addresses longer-term resilience and early recovery needs of Syrian refugees, host communities and their administrations in neighbouring countries such as Iraq, Jordan, Lebanon and Turkey. The Trust Fund's programmes support basic education and child protection for refugees, training and higher education, better access to healthcare, improved water and wastewater infrastructure, as well as support to resilience, women empowerment and fighting gender based violence, economic opportunities and social stability. The scope of the Fund includes support to internally displaced persons in Iraq and support in the Western Balkans to non-EU countries affected by the refugee crisis.

Overall, EUR 1.6 billion has been mobilised in voluntary contributions from the EU budget, 22 EU Member States and Turkey. Almost all of this, EUR 1.5 billion (94%) has already been allocated by the Trust Fund Board to finance concrete actions helping refugees and host countries alike.

ENI Contribution to the Regional Trust Fund in Response to the Syrian Crisis: EUR 913 million up to 31 December 2018.

EU Emergency Trust Fund for Africa

The European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa (EUTF for Africa) aims to foster stability and to contribute to better migration management, including by addressing the root causes of destabilisation, forced displacement and irregular migration.

It was established at the Valletta Summit on Migration in November 2015 where European and African Heads of State and Government gathered in an effort to strengthen cooperation and address the current challenges, but also the opportunities of migration. The Trust Fund is meant to complement existing EU instruments, national and regional frameworks, and bilateral programmes of EU Member States by providing a swift and flexible answer to migration related challenges. From an operational point of view, activities are implemented across three regions of Africa – the Sahel and Lake Chad, the Horn of Africa and North Africa.

The North of Africa window of the Trust Fund operates in Morocco, Algeria, Tunisia, Libya and Egypt. This particular region is characterised as an area of origin, transit and final destination for mixed migration flows from sub-Saharan Africa, West Africa, the Horn of Africa and the Middle East, with many countries of these regions affected by on-going instability and conflict.

ENI contribution to the EUTF for Africa – North of Africa window amounts to EUR 252 million up to 31 December 2018.

7. Programme related additional information

Following the London conference in February 2016, the EU has committed itself to provide an important financial assistance to the countries affected by the Syria crisis. Under the pledges from the EU budget for 2016-2017 for a total amount of EUR 1.39 billion ENI contributed EUR 155 million in 2016 (for Jordan, Lebanon and Syria) and EUR 190 million in 2017 (for Jordan and Lebanon).

At the Brussels I conference in 2017, pledges from the EU budget for 2018 for Syria, Jordan and Lebanon amounted to EUR 560 million, out of which ENI contributes EUR 250 million. The EU pledged the same amount for 2019 (with ENI contribution of EUR 242,5 million), and at the Brussels III conference (March 2019) confirmed the same level of support for 2020 (with ENI contribution of EUR 240 million) for humanitarian and resilience assistance to Syrian population inside the country and in neighbouring countries.

HEADING 4: Global Europe

Development Cooperation Instrument (DCI)

Lead DG: DEVCO

Associated DGs: EAC

I. Overview

What the programme is about?

In the field of development cooperation, the EU's primary objective is the reduction and, in the long term, the eradication of poverty. In line with the new European Consensus on Development⁵¹¹, which implements the 2030 Agenda of Sustainable Development⁵¹² in relation to development policy, the DCI also contributes to the achievement of a range of objectives of EU external action, in particular fostering sustainable economic, social and environmental development as well as promoting democracy, the rule of law, good governance and respect for human rights, preserving peace and preventing conflict, improving the quality of the environment and the sustainable management of global natural resources, assisting populations, countries and regions confronting natural or man-made disasters, and promoting an international system based on stronger multilateral cooperation and good global governance. Through the DCI, the EU also aims to ensure that both positive and negative impacts of migration on development are recognised in national and regional development strategies. It also provides assistance to countries wishing to strengthen migration governance in order to achieve development outcomes.

The DCI covers all the developing countries except the countries eligible for the Pre-Accession Instrument. It is made of three components: (1) the geographic programmes that, so far, have funded bilateral cooperation with 29 countries and 3 regions; (2) the thematic programmes which finance (2.1) Global Public Goods and support (2.2) Civil Society Organisations and Local Authorities; (3) the Pan-African programme which funds the implementation of the joint Africa-EU Strategy.

EU added value of the programme

The EU is in a unique position to deliver on external action on behalf of and with Member States, giving enhanced credibility in the countries where it works. The EU alone has the critical mass to respond to global challenges, such as poverty reduction and climate change. Due to its large scale and the existing network of international agreements, it can deliver help to the poor in some of the world's most remote areas, both implementing aid and coordinating.

In its role as a promoter of inclusiveness and multilateralism, the EU can do more than other international organisation. Acting as one, the EU can have greater impact and more leverage in policy dialogue and donor cooperation

Implementation mode

Directorate-General for International Cooperation and Development (DG DEVCO) is the lead DG for the programme implementation. The programme is implemented through direct (mainly grants) and indirect management through international organisations, Member State agencies and beneficiary countries.

1. Geographic programmes:

Latin America: The funds are implemented through direct and indirect management. Grants and services are the most used type of assistance while all indirect management is done via PAGODA with a large variety of partners in the region as well as EU member states and the EIB. A relevant part of direct management is done via Budget support modality.

Asia: Budget Support remains the preferred modality. In this framework, we collaborate with a large variety of partners such as the World Bank, International Monetary Fund and other International Organisations, Member States, etc. Since the mid-term review of the DCI in 2018, there is a strong increase in funds foreseen for investments allocated to regional programmes (and temporarily earmarked to have country allocations), with strong partners such as the European Investment Bank (EIB), member state agencies (Agence Française de Développement (AFD), Kreditanstalt für Wiederaufbau (KfW)), and Asian Development Bank (ABD).

South Africa: Most of the cooperation with South Africa uses the direct management mode. This is because 43% of the allocation for 2014-2020, committed so far, uses budget support as aid delivery method. The rest of the allocation uses the project approach (procurement of services, grants and programme estimates) as aid delivery method, through a combination of direct and indirect management. In cases where country systems are not used, the South African Government is closely involved in the actions, which are aligned with the country's National Development Plan.

2. Thematic programmes

2.1 Global Public Goods and Challenges (GPGC)

The GPGC programme uses a wide range of implementation modalities, mostly direct and indirect management. Budget support, and public procurement are used by some components of the programme (e.g. Environment), while contributions to EU Trust

⁵¹¹ "The new European Consensus on Development: Our World, Our Dignity, Our Future". Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission (OJEU C 210/1, 30.6.2017).

⁵¹² United Nations General Assembly, "Transforming our world: the 2030 Agenda for Sustainable Development" (A/69/L.85).

Funds are occasionally made (e.g. for the Migration component, see section 6.2). Blending is used in some cases (e.g. food security).

Environment and Climate change: While financial instruments and budgetary guarantees are not directly financed under this programme, it will contribute to promote sustainable investments under financial instruments and guarantees through technical assistance, enabling business environment as well as environmental and climate change mainstreaming. The main implementing partners are international organisations (including United Nations), Member States agencies and civil society organisations.

Sustainable Energy: Sustainable energy actions have been mainly implemented under the blending framework. For specific actions linked to gender and support to the level of cities, grants under direct and indirect management have been used.

Human Development: This part of the programme is mostly implemented via a mix of grants and indirect management.

Food security, nutrition and agriculture The Food and Nutrition Security and Sustainable Agriculture action area is implemented through the project approach: direct and indirect management and in some cases with co-financing and via blending.

Migration and asylum The migration and asylum programme is mainly implemented in direct or indirect management mode. A part of the programme has also been implemented via contributions to EU Trust Funds (see section 6.2 below). Implementing partners consist of specialised United Nations or other International Organisations with a particular mandate or added value in the area of migration or forced displacement. EU Member States are also important implementing partners for the programme.

2.2. Civil Society Organisations and Local authorities (CSO-LA)

This component is mostly implemented in direct management via calls for proposals. The Civil Society Organisations and Local Authorities programme (CSO-LA) has an objective of strengthen civil society organisations (CSO) and local authorities (LA) in partner countries and, when their actions relate to Development Education and Awareness Raising (DEAR) of European citizens.. The CSO component is implemented through grant contracts with civil society organisations on direct management by the Commission and some procurement service contracts to facilitate the full implementation of the programme. The LA and DEAR components are also implemented through grant contracts, with the following implementing partners, respectively for LA: Local Authorities, Associations of Local Authorities, consortium of Local Authorities, Association of Local Authorities, City Networks; for DEAR: civil society organisations and local authorities mostly in EU Member States for DEAR.

3. Pan-African programme:

The Panafrican Programme is mostly implemented by the African Union Commission or specialised International Organisation in fields where they provide an added value or have a recognised international mandate. In fields like higher education, statistics or aviation, where the main objective is to share with the African partners our European expertise technologies and know-how, the cross-delegation to line DGs or their implementing agencies is the favoured modality.

II. Programme Implementation Update

Implementation Status (2016-2018)

The DCI appropriations 2014-2018 were fully used and implemented as planned, through a comprehensive programming process. The result of the process has been a set of programming documents that define per bilateral/regional/thematic programme: the priority areas for financing, the specific objectives, expected results, indicators and indicative allocations. There is no need for corrective action at this stage. Annual programmes can be consulted at: http://ec.europa.eu/europeaid/funding/funding-instruments-programming/annual-action-programmes_en

Latin America: In Latin America, programme implementation and formulation largely went according to planning. The total available amount of DCI credits were committed and virtually all the countries of the region benefitted from new bilateral and/or regional programmes in key sectors such as water and climate change; private sector and investment; economic development; security, rule of law and governance. Roughly a third of this total amount committed corresponds to budget support operations which put emphasis on sector policy dialogue and reforms in the public sector, particularly in the area of public financial management, as well as in employment and citizen security areas.

In Asia: Budget support remains the preferred aid modality, working directly with country systems, reinforcing policy dialogue on key reforms and improving public financial management systems, domestic revenue mobilisation efforts, transparency and accountability. A variety of sectors are targeted, such as governance, social protection, energy, agriculture etc., the main sector being education, employment and vocational training. Budget support operations made up broadly 52% of total financial commitments for the Asia region in 2018 DCI budget (including regional programmes). The number of countries benefitting from budget support has steadily increased from 2014 until today.

Investments gained momentum over the last three years. The EU contribution to investment and blending under the investment facilities for Asia totalled EUR 212.9 Million in the period 2016-2018, compared to EUR 117.07 Million for the period 2013-2015.

Globally, programming is on track, with only 28% of the post-MTR allocation still to be programmed for 2019-2020.

South Africa: The South African component of the DCI is being implemented as planned. In 2016 and 2017, the executed budget financed actions were for an amount of EUR 119.6 million. In 2018, there were two financing decisions: (a) EUR 10 million to

finance the support programme to the wine and spirit sector; and (b) EUR 10 million to finance the gender equality and women empowerment programme.

Thematic Programmes:

Global Public Goods and Challenges (GPGC)

Environment and Climate change: The DCI GPGC contributes to preserving the global commons and promoting international responses to climate change and other global environmental issues such as illegal logging and deforestation, the biodiversity and wildlife crisis, land degradation and widespread water scarcity and pollution. This is done both through dedicated programmes and by enhancing the integration of environment and climate change into partner countries' policies, strategies, investments and projects, as well as across all financing instruments managed by DEVCO and all sectors of EU cooperation. Environmental mainstreaming in particular aims at promoting development activities that are environmentally sustainable, low-carbon and climate resilient and contribute to the development of a green economy; it also seeks to contribute to the EU's commitment of allocating at least 20% of its budget to climate-related action by 2020 and of doubling biodiversity-related spending. During the period 2016-2018, formulation and implementation of the action area "environment and climate change" of the GPGC has been fully in line with the planning of the programme and conducted without any significant delays.

During the period 2016-2018, formulation and implementation of the action area environment and climate change of the GPGC has been fully in line with the planning of the programme and conducted without any significant delays. The total available amount of DCI credits was committed across the four components of the programme and the total amount of available payment credits was consumed. The implementation of the 2016, 2017 and 2018 Annual Action Programmes is well on track and included a focus on: (i) building climate change resilience; (ii) climate change mitigation and adaptation; (iii) implementing Global Climate Change Alliance actions; (iv) climate and disaster risk reduction; (v) support of the implementation of Nationally Determined Contributions (NDCs) on climate change established under the Paris Agreement; (vi) mainstreaming environment and climate change; (vii) improving forest governance and reducing deforestation; (viii) combatting wildlife and forest crime; (ix) sustainable water resources management; (x) conservation and sustainable use of biodiversity; (xi) preserving threatened species; (xii) reversing land degradation and promoting agroforestry; (xiii) support to the green and circular economy; (xiv) improving international environmental and climate change governance

Sustainable Energy: Sustainable energy and climate change have been at the forefront of development efforts, in line with the priorities identified in the 2030 Agenda for Sustainable Development, the Paris Agreement and the new European Consensus for Development. They provide the EU's international cooperation and development policy response to SDG 7 & 13 with the objectives to increase the access to sustainable, reliable, affordable and modern energy services, enhance the renewable energy production and energy efficiency, and combat climate change. The DCI budgetary allocation for sustainable energy under the Global Public Goods and Challenges Programme focuses on assisting partner regions, countries and local authorities to develop energy transition strategies with a focus on improving sustainable energy regulatory framework and unlocking, leveraging and accelerating investments, as well as building strategic alliances to achieve sustainable energy goals.

During the period 2016-2018, formulation and implementation of the actions under the Sustainable Energy budget line of the GPGC has been fully in line with the planning of the programme and conducted without any significant delays. Since 2016, 7 global actions (covering various initiatives and projects) have been supported for a total of EUR 249.65 million commitments.

Human Development: The implementation of the Human Development component of the GPGC programme took place over the period 2016-2018 according to planning and without particular problems or delays. The available credits were committed across all areas of intervention covered by the Human Development budget line of the programme, such as health, education, culture, gender and child welfare, social inclusion and decent work, sustainable growth and jobs, as well as domestic resources mobilisation. The project portfolio is a mix of contributions to key global initiatives such as the Global Fund to fight AIDS, Tuberculosis and Malaria, and standing alone projects such as the EUR 21 million Building Resilience in Crises through Education project (BRiCE) or the EUR 50 million Spotlight Initiative in Latin America: ending violence against women and girls.

Food security, nutrition and agriculture: During the year 2016 the call for tenders on the 'value chain' with a value of 70 million euros generated more than 700 offers. In the 2016-2017 period an accent has been put on nutrition with the setting up of the National Information Platform for Nutrition (NIPN) with a value of 23 million euros.

Pro Action Resilience (ProACT) is ensuring the continuity of our intervention in resilience to the food crisis through the period 2016-2017 with more than 280 million euros.

The 2018 Annual Action Program has been finalized with full commitment of 217 million euros and no major problems.

Under programme DeSIRA (research) several actions were approved across a number of themes such as agro-ecological intensification and agroforestry, livestock, water management in farming systems, pest and disease surveillance, carbon sequestration, and Agriculture Knowledge and Innovation Systems, in more than 20 countries, mainly in Africa (the Sahel in particular) and in Latin America. These were complemented by further support to strengthen the global and the African regional and sub-regional architectures and governance frameworks of the agricultural research and innovation. 95 million euros were allocated to DeSIRA for the year 2018 and 43.5 million euros for the year 2019, further budgetary commitments in 2020 are foreseen.

Food security programme has succeeded also to conclude various VCA4D (value chain analysis for development) in different sectors (cocoa, coffee, cotton, banana,...) and many countries. This gives the right evidence-based content in order to promote sustainable sector development.

The support to financial investment has seen concrete steps being taken as the AGRIFI programme includes now some important financial instruments with partners based in different EU Members States. The institutional set-up, the investment strategy and the cooperation with final beneficiaries are all in place in order to take the best investment decisions to promote sustainable agriculture.

The capacity to react to food crisis continues to be an important success of the food security global programme. Tens of countries take benefit of this facility every year. The other very important programme is the one related to nutrition that also tens of countries are benefiting from. Practical progress on this matter is very much appreciated, with an appropriate global network ensuring a permanent worldwide awareness of this huge need for all.

Migration and asylum: The initial budget allocated for the migration and asylum component for the period 2014-2020 was considerably increased, notably with an additional EUR 12 million in 2016, an additional EUR 357 million in 2017 and an additional EUR 11.5 in 2018, with the aim of addressing the increased challenges linked to migration and forced displacement in our partner countries. The programme has been implemented according to plans, including these unforeseen increased allocations. Complementing geographical funding, the programme has notably contributed to implement the external dimension of the EU's policy priorities in the area of migration, in the framework of the European Agenda on Migration and the Partnership Framework, and fully in line with the SDG Agenda and the Consensus on Development. During the period 2016-2018 the programme has contributed with transfers to the EU Emergency Trust Fund for Africa (EUR 273 million) and the EU Regional Trust Fund in response to the Syrian crisis (EUR 25 million). In addition, a number of cross-regional and global programmes have been adopted to protect and provide assistance to women and children affected by migration, to reduce the costs of remittances and promote their impact on development, to assist partner countries to engage better with their diaspora, to address the forced displacement situations linked to the Venezuela crisis and the Rohingya crisis in Bangladesh.

Civil Society Organisations and Local authorities (CSO-LA): In 2016 and 2017 the CSO Component of the CSO-LA Programme has been fully committed and implemented as planned. At country level for an amount of EURO 282.3 allocated to CSO through local call for proposals in more than 50 countries. At global level an amount of EURO 80 million allocated to the Development Education Awareness Raising programme. In 2018, after the approval of the financing decision in August 2018, grants have been awarded to networks of CSO signatories of a Framework Partnership Agreement for an amount of EURO 40 million and EURO 151.8 million have been allocated to 77 countries. To the three priorities focussed for the CSO component since 2012, i) enabling environment, ii) participation to public policies and iii) capacity building, we add in 2018 for the actions at local level at least one of the following areas: gender, climate change, youth, root causes of migration, fragility and/or crisis.

In 2016 and 2017 the thematic programme for Local Authorities of the CSO – LA Programme has been implemented and committed as planned. At country level, an amount of EURO 123.6 million was allocated through call for proposals managed by delegations. Few Delegations that were unable to commit all funds attributed informed HQ on time to allow the transfer of funds to Delegations having successful proposals in the reserve list to be financed and to allow a full commitment of funds. In September 2018 a new Annual Action Plan for 2018 was adopted for a total of EUR 61 851 603: 1) Strengthen Local Authorities as Actors of Governance with Action and Operation Grants for an amount of 8 700 000. Grants were concluded with 2 Associations of Local Authorities for an amount of EUR 3 Million; 2) Call For Proposal for Local Authorities launched and managed at the head quarter. The CFP Partnerships for Sustainable Cities was launched in October 2018 for an amount of 53 151 603.

PANAF Within the Pan-African programme (PanAf), the DCI Budget finances programmes contributing to the strategic areas of the Multi-Annual Indicative Programmes 2014-2017 and 2018-2020, in line with the Joint Africa-EU Strategy (JAES). Over 2016-2018, actions put a particular focus on Higher Education, Economic Integration, Migration, Human Rights, Research, Digitalisation.

The 2018 Annual Indicative Programme (AAP) has focused on: (i) the enhancement of young people's employability and mobility, and the promotion of technological innovation; (ii) the facilitation of trade and investments and the contribution to the development of inter-regional infrastructure; (iii) the support to the dialogue on migration.

The 2019 Annual Indicative Programme (AAP) will focus on: (i) the support to the negotiations, ratification and implementation of the African Continental Free Trade Area (AfCFTA), (ii) the development of inter-regional infrastructure in the frame of the European Investment Plan; (iii) the support to African Governance Architecture; (iv) the reinforcement of the African Statistics systems.

Key achievements

In 2018 EU bilateral aid under the DCI is more focused on countries that need it the most, such as Least Developed Countries and Lower Income Countries, while the share of Upper and Middle Income Countries has been significantly reduced. Similarly, at country level EU aid is more focused with three or less sectors of concentration in each partner country. Among the sectors of concentration, DCI support is strongly focused on Inclusive and Sustainable Growth for Human Development, which is also a priority area of the Agenda for Change

1. Geographic programmes:

Latin America: In 2018, good results were achieved in the region in key sectors such as water and climate change; private sector and investment; economic development; security, rule of law and governance.

These are some results achieved:

In **Peru**, the programme in support to the National Strategy for Development and Social Inclusion has contributed to relevant results, notably: a reduction of Chronic child malnutrition rates between 2011 and 2017 from 19.5% to 13%; increase of children below 3 years receiving some form of iron supplements from 12.3% in 2007 to 30.7% in 2017, School enrolment of poor children between 12 and 16 increased from 73.8% (in 2016) to 76.5% (in 2017). Finally, a 63% budget increase of the integrated health insurance scheme took place in 2018 targeting primarily poor and extreme poor.

The support programme to the **Colombian** dairy sub-sector's competitiveness has also yielded tangible achievements, such as: increases in the sector productivity and reduction of production costs, promotion of cooperative and producer integration benefitting more than 4612 families and supported 85 "Productive Alliances", more than 1200 dairy enterprises have benefitted of dairy supply chain improvements.

In **Honduras**, a new Sector Reform programme will promote the generation and sustainability of decent employment by: reducing underemployment, increasing the affiliation to social security schemes, improving the workforce qualifications and strengthening the access to markets and competitiveness of Honduran micro and small enterprises. Also the amount of national resources mobilised to the sector policy is also expected to increase in a sustainable manner.

With regard to regional cooperation, successful initiatives in strategic sectors were launched and enhanced in 2018, such as: *Eurofront* for border integrated management contributing to the security-development nexus, *Euroclima+ field actions* for the fight against Climate Change and the *Latin America Investment Facility* - LAIF for sustainable economic growth. Existing regional initiatives are also delivering results: "Eurosocial" supports social cohesion and public policies; "AL-Invest 5.0" promotes inclusive growth and local SMEs through professional organisations and networks; "El PACcTO" tackles regional security and public policies in Latin America countries and provides peer to peer expertise. This action is in line with the EU-CELAC action plan, generating amongst others multi-country cooperation on law enforcement and fight against organised crime.

Asia: In 2018, development strategies, led by our partner countries, continued to frame our development cooperation in line with the principle of aid effectiveness. Over the 2016-2018 period we have strengthened efforts to support stability, self-reliance and state building in Afghanistan. Moreover, positive trends in education were achieved in different countries such as Cambodia, Laos, Bangladesh and Pakistan.

For example, the EU is implementing two education support programmes in Pakistan. With the support of these programmes, reform strategies for the education sector are being developed and implemented. To illustrate, in a province that lags far behind in education (70% of the children are out of secondary school compared to 44% nationally) approximately 2000 teachers and 110 000 students are the beneficiaries of the Balochistan Education Support Programme (EUR 7.42 million).

During the period of implementation of the EU-supported third primary education programme (PedP3), **Bangladesh** continued to be successful in gradually improving access to primary education at all levels while narrowing gender and social disparities in the enrolment of all children. In 2017, 17.2 million students were enrolled in 133,901 primary education schools from Grade 1 to 5. The primary net enrolment rate was 97.7% for the same year (boys 97.66% and girls 98.29%). With nearly 8.75 million girls in primary schools in 2017, the girl students represent more than half of the total number of student in primary education. In terms of quality, the primary education cycle completion rate increased to 81.2% (boys 78.28% and girls 84.08%) in 2017 from 80.8% in 2016. In the same period, the dropout rate decreased to 18.8% in 2017 (boys 21.7% and girls 15.9%) from 19.2% in 2016. The primary survival rate improved from 81.2% in 2016 to 83.3% in 2017 and the attendance rate stood at 87.8% in 2017 (against 87.5% in 2016). Repetition rate decreased to 5.6% in 2017, against 6.1% in 2016.

In **Laos**, there has been an overall improvement in enrolment rates in early childhood education and primary education, in particular in rural school. The gender parity has been achieved in the early childhood education (ECE) and primary levels. In Cambodia, the positive trend in ECE continues, access to education has significantly improved at primary level and primary level drop out has decreased.

Good results were obtained in **Vietnam** with the implementation of the Seventh Power Development Plan (22 600 additional remote households were connected to the grid in 2017) and the establishment of the Vietnam Energy Partnership Group, co-chaired by the EU HoD and the Minister of Trade and Industry. This group addressed a set of 40 recommendations to the government last year, to feed into Vietnam's new Power Development Strategy. New decrees were adopted increasing Feed-in tariffs in renewable energy power generation and improving conditions for producers in power purchasing agreements from private solar and wind producers.

Since 2016 our support to addressing challenges of migration and displacement in Asia focusses largely on assistance to internally displaced persons, refugees and host communities in Afghanistan, Pakistan, Bangladesh, Iran and Iraq. The largest part of the allocation of EUR 287.5 million of 2016 and 2017 benefits Afghans, the largest displaced population in the world. The support contributed to sustainable reintegration of Afghan returnees and IDPs and to the development of resilient communities. It also assisted Afghan national authorities in developing and implementing comprehensive policies on migration management systems and land reform. In 2018, the rehabilitation of irrigation channels and protection walls as well as the establishment of greenhouses benefitted 33 000 returnees, IDPs and host community members. 2 509 individuals received vocational training, of which 40%

women, which allowed them to acquire a variety of professional skills and to enter the job market. More than 400 farmers, artisans and producers accessed the market as they were connected to SMEs and social enterprises and secured their livelihoods. The well-being of 23 000 children was improved based on psychosocial support and the reunification of returned unaccompanied minors with their families. An additional EUR 15 million was allocated in 2018 to strengthen the resilience of the Rohingya population and host community in Bangladesh, aiming at providing education for refugees, food and nutrition security as well as water and sanitation services.

The Commission has also considerably contributed to the drafting of the EU's "**Connecting Europe and Asia**" Strategy, promoting a European concept of sustainable, comprehensive and rule-based connectivity. The Strategy was published and adopted in the last semester of 2018. Major progress has also been made in engaging with China (through meetings), and the groundwork has been laid to resume the EU-India development strategy.

South Africa: From the outset, the objective of the EU assistance was the improvement of the living conditions of the previously disadvantaged population groups and the consolidation of the new democratic institutions. EU assistance covered practically all relevant areas and thus contributed to the socioeconomic progress. Although significant, the EU development assistance represents only a small percentage of South Africa's GDP and budget. EU support therefore targets programmes with a high value added (e.g. innovation, risk taking, capacity building, pilots with a high potential for replication), which the national budget does not foresee as they are considered too new or risky, while not yet proven through a pilot. Many results are very encouraging (the "Dialogue Facility", Cooperation with civil society, etc.), but the full impact will only be reached once they are mainstreamed in government policies and their implementation fully achieved.

The most relevant cooperation programmes on education include the successful Erasmus+ and the Teaching and Learning Development (TLD) Sector Reform Programme.

(1) Erasmus+. This programme is a funding scheme to support activities in the fields of Education, Training, Youth and Sport. Results: More than **1 200 students and staff benefitted** between 2015 and 2018 from International Credit Mobility between Europe and South Africa. Fifty-four students obtained scholarships (Erasmus Mundus Joint Master's Degrees) and SA Institutions are involved in 18 Capacity Building projects, worth more than EUR 17 million.

(2) TLD. The programme aims to enhance the quantity and quality of teachers for all education sub-systems –it comprises Budget Support of EUR 20 million. The programme focuses on developing a teacher education system that can deliver quality professional development projects; and opportunities for educators, primary school teachers, vocational education lecturers and the professional development of university academics.

Results: the programme has helped to establish a South African Journal of Childhood Education, the Centre for Visual Impairment Studies, Centre for Deaf Studies and the Centre for Special Needs Education in Neuro-developmental disorders; develop 16 Technical and Vocational Education Training (TVET) professional qualifications in fourteen universities and 19 Continuing Education and Training (CET) professional qualifications in ten universities; support almost 100 students in their Masters' and Doctoral studies; finance sixteen research projects in post school education and training, including teacher/lecturer education, etc.

In 2018, the EU continued to provide budget support to improve access to socio-economic rights (EUR 25 million) to the Department of Justice and Constitutional Development. The EU is also supporting Civil Society Organisations (CSOs) working in the field of socio-economic rights (seven grants for a total amount of EUR 5 million). In this context, in March 2018, the results of South Africa's largest attitudinal survey on the Constitution was made public, serving as a useful baseline and as a measure of satisfaction regarding the respect of human rights and democracy in the country.

The "**Dialogue Facility**" has continued supporting policy dialogue between the European Union and its Member States and South Africa in different sectors. Nine dialogues, approved in 2017, took place in 2017/2018; and six additional dialogues in multiple sectors were approved in 2018 following the second call for proposals to facilitate EU-SA peer-to-peer exchanges and technical expertise.

One key area of EU support is cooperation with civil society, which spans over 3 decades, including before the end of the apartheid regime. This cooperation, that undeniably strengthened the SA social tissue as well as the EU's presence in many areas, spans over different sectors of activity. In particular, some programmes have been put in place in 2015-2016 to secure the long-term sustainability of CSOs in the human rights sector

2. Thematic programmes

2.1 Global Public Goods and Challenges (GPGC) :

Actions funded under the first period of the Multi-Annual Indicative Programme (MIP), covering the period 2014-2017, contributed to i) development outcomes, for instance, a decline of one-third in the number of people dying from HIV, Tuberculosis and malaria; ii) governance outcomes, for instance: improved governance of global funds such as Global Fund to Fight AIDS Tuberculosis and Malaria, GAVI-the Vaccine Alliance, Global Partnership for Education, including programmatic oversight and pro-poor resource allocation; iii) institutional and capacity development outcomes such as the enhanced convening power and role as knowledge hub of the Standards and Trade Development Facility (STDF) – a global partnership hosted by World Trade Organisation, and Consultative Group to Assist the Poor – a global partnership to advance financial inclusion; iv) EU flagship initiatives, e.g. improved revenue administration practices in resource-rich developing countries, through measures improving domestic revenue mobilization.

Actions funded in 2018 continued to support policies that have a high impact on people's well-being and empowerment, especially for those who are in vulnerable and marginalised situations, in the areas of health, education, gender equality, inclusive and sustainable growth and jobs as well as domestic resources mobilisation. More results are provided below.

Environment and Climate change: Environment and Climate Change are at the heart of the 2030 Agenda for Sustainable Development, of the GPGC and the implementation of the SDGs, along four main lines of action: i) climate change adaptation, mitigation and support for the transition to climate resilient low-emission societies; ii) valuation, protection, enhancement and sustainable management of ecosystems and natural resources; iii) transformation towards an inclusive green and circular economy and mainstreaming of environmental sustainability, climate change and disaster risk reduction; iv) international environmental and climate governance.

In 2018, the Commission further enhanced efforts to mainstream environment and climate change in EU cooperation, on the basis of the new guidelines adopted in 2016. With 483 members, the group on environment, climate change and green economy is the most active group on Capacity4Dev, the Commission's knowledge sharing platform for development cooperation. – Additionally to technical assistance support provided to EU Delegations, more than 271 documents (including 192 action documents and 79 blending project operations) in environment sensitive sectors were reviewed by mainstreaming experts for environment and climate change integration and climate and biodiversity-related financing were systematically tracked using Rio markers⁵¹³. Between 2014 and 2018, there was a steady increase of climate change-related financing, which has **exceeded the 20 % target for the DCI instrument**. More precisely, contributions to the Rio-themes by the DCI-instrument (2014, 2015, 2016 and 2017 commitments) currently stand at 27% (Aid to Environment), 5% (Biodiversity), 3.5% (Desertification) and 22.5% (Climate Change) respectively.

The EU continued to provide support for climate action to developing countries through its flagship initiative, the **Global Climate Change Alliance+** (GCCA+). Implementation of Nationally Determined Contributions (NDCs) in line with the Paris Agreement continues to be the framework for action; the different sectors covered (agriculture, forestry, energy, coastal zone management, maritime emissions, water management, etc.) reflect the cross-cutting nature of NDCs and climate action. The majority of actions focus on adaptation in the most vulnerable countries, i.e. Small Islands Developing States (SIDS) and Least Developed Countries (LDCs) (Cambodia, Djibouti, Maldives, Myanmar, Senegal and 3 Caribbean countries: Cuba, Dominican Republic and Trinidad & Tobago). For the second year now, GCCA+ also supports mitigation-specific actions (Nigeria and Côte d'Ivoire). The Local Climate Adaptive Living Facility (LoCAL) aims at increasing local authorities' access to climate finance and implementing adaptation interventions and investments at local level. Following a successful phase I (2014-2018), LoCAL, now active in 13 countries (Bangladesh, Benin, Cambodia, Ghana, Lao PDR, Mali, Mozambique, Nepal, Niger, Bhutan, Lesotho, Tanzania and Tuvalu), has received support for a new period of four years.

Furthermore, as part of the global objective of improving governance and law enforcement and promoting private sector in the forest sector (SDG15), the EU has concluded Voluntary Partnership Agreement (VPA) negotiations with three countries (Vietnam, Honduras and Guyana). Support has been provided to eight countries in developing and implementing their Reducing Emissions from Deforestation and Forest Degradation (REDD+) national strategies. The EU has also continued participating in, and contributing to, the Central Africa Forest Initiative (CAFI) aimed at reducing deforestation through a multi-sectoral approach (land use planning, zero-deforestation commodity value chain).

The **B4Life Flagship** contributed to integrating the conservation of biodiversity and ecosystems in development strategies and poverty eradication. The EU budget also mobilised substantial funds for combatting forest and wildlife crime, including to build national capacities of police, justice and customs authorities (through Interpol and the UN Organisation for Drugs and Crime) and to combat poaching and trafficking on the ground through civil society organisations in Africa (Congo Basin, Liberia, Kenya), Latin America (Peru, Ecuador, Bolivia, Colombia, Brazil) and Southeast Asia (Mekong region).

The EU budget also contributed to progress on the sustainable management of land, as a foundation for resilience building, food security, fighting climate change, economic prosperity, and addressing the root causes of instability and migration. Continuous support to the Great Green Wall initiative in the Sahel region fostered behavioural changes, and helped influence policies at different levels of authority, although efforts are still needed to capitalize on these successes and support their scaling-up. In terms of political dialogue, the EU budget has advanced discussions on the nexus between land degradation, instability and migration.

The **EU SWITCH to Green initiative**, which supports the transition to the green economy in partner countries through policy support and green business development, was further developed and implemented. In 2018, the second phase of the SWITCH Africa Green programme became operational with 14 green business projects now ongoing, building on the successful first phase, which delivered support to 3 000 Micro, Small & Medium Enterprises (MSME) and contributed to create or secure 10 000 green jobs. New commitments were decided, notably to scale up action on the development of enabling policy frameworks, including on sustainable finance, through the Partnership for Action on Green Economy.

Sustainable energy: The objectives of development cooperation in the field of sustainable energy are to support social and economic development through the achievement of SDG 7 (ensuring access to affordable, reliable, sustainable and modern energy for all by 2030) and SDG 13 on climate action. Key initiatives comprise:

- **Electrification Financing Initiative EDFI** (ElectriFI EDFI) Global – an innovative mechanism to unlock, accelerate, and leverage investments – aims to increase and improve access to affordable, reliable, sustainable, and modern energy and promote

⁵¹³ Four Rio markers covering: Biodiversity, Climate Change Adaptation, Climate Change Mitigation, Desertification

the rational use of energy at a global geographical scale. ElectriFI has attracted unprecedented interest from private sector, development financiers and global development partners as a key platform gathering efforts and resources in support of the sustainable energy agenda, such as the United States Agency for International Development (USAID) Power Africa. This initiative was launched at COP21 (2015) and since then the ElectriFI operations have been increasing in number and scope. ElectriFI total action amounts to EUR 120 million. The current investment portfolio is exceeding **EUR 100 million**, resulting into at least **1.5 million direct and indirect** connections or the equivalent of **7 million persons**, with about 470 MW additional generation capacity and 430 GWh of electricity from renewable sources per year. Given the success of ElectriFI Global, four countries and one region (Nigeria, Côte d'Ivoire, Bénin, Zambia and the Pacific) have allocated additional funds to ElectriFI from their NIPs/RIPs in order to mobilise additional private investments in renewable energy. The total financial envelope is EUR 93 Million.

- **Climate Investor One** (CIO) complements ElectriFI in terms of project size or risks to be addressed. The initiative was approved for an initial EU contribution of EUR 30 million to leverage an estimated total funding volume of EUR 626 million. CIO has been designed to provide equity funding for larger scale investment projects in renewable energy with a size from 10 MW generation capacity upwards and with a focus on solar, wind and run-of-river hydro technologies. CIO consists of three funds offering "whole-of-life" financing solutions and offers support along a (tier) risk structure: (EU contribution as the first loss, followed by commercial investors, pension funds). Given the Commission's focus on sustainable energy investments in Africa, the EU contribution has been earmarked for operations in Africa. CIO is managed by Climate Fund Managers via a sub-delegation from the Dutch development finance institution FMO. It is expected that the EU contribution to CIO will help mobilize 20 renewable energy investments, increasing and/or improving access to modern, affordable, reliable and sustainable energy services for approximately 7.1 million people, generate approximately 1,133 MW of additional capacity, avoid GHG emissions by approximately 1,800 kt CO₂ eq/year and create employment opportunities for approximately 30,000 people during the construction and operational phases of the investments.
- The **Africa Renewable Energy Scale-Up Facility** (ARE Scale-Up) was also granted an EU contribution of EUR 24 million for a total estimated amount of EUR 238 million. ARE Scale-Up aims at reinforcing the public sector's capacities in the sustainable energy area, developing both on- and off-grid renewable energy projects across Africa by drawing onto synergies between the Agence Française de Développement (AFD) and its Promotion and Participation for economic Cooperation (Proparco) branch, to address both public and private stakeholders. It is expected that the facility will contribute to the preparation of 6 off-grid and 12 on-grid projects via its technical assistance component and, thanks to the EU partial guarantees, will secure direct equity investment from Proparco for 5 to 10 energy companies in Africa. These interventions are expected to result into increasing and/or improving access to modern, affordable, reliable and sustainable energy services for approximately 6.4 million people, generating approximately 290 MW of additional capacity and avoiding GHG emissions by approximately 357 kt CO₂ eq/year.
- The **Covenant of Mayors in Sub-Saharan Africa** (CoM SSA) supports cities and local authorities in developing and implementing sustainable energy and climate action plans serving as a platform and giving cities a voice on the matter and creating a global network of city-to-city cooperation and peer learning. It combines ambitious political commitments, strategic planning, monitoring and concrete actions in order to pave the way for sustainable and resilient infrastructure and finance. The EU supports a wide range of activities, including the network's development, improving capacities and assisting cities to design strategic plans on climate adaptation, climate mitigation and sustainable energy. In 2018, 140 cities were members of the CoM SSA. Since the inception of the programme in 2015, actions have been implemented notably to support a core group of 13 cities for preparation of their SEACAPs (Sustainable Energy and Climate Action Plans) and to scale up the initiative including through direct support up to 12 new Sub-Saharan African cities, as well as to facilitate access to finance for urban energy projects from existing financing initiatives such as the EFSD guarantees under the EIP. This third action will be implemented and partly co-financed by AFD/EF (FR), GIZ (DE) and AECID (ES), working together in a coordinated programme (Phase III, EUR 25 million allocated in 2017, contracts signed in 2018).
- The **EU Women and Sustainable Energy** initiative was launched in 2017 to promote women's entrepreneurship and active role in developing countries both within the energy value chain and as end-users of energy services for productive activities. Expected results will comprise increased access to affordable finance and to sustainable energy services; improved women's entrepreneurship; increased women's technical and business skills; improved general environment for women's entrepreneurship through political advocacy and awareness campaigns. The initiative is implemented in 9 Sub-Saharan countries (Kenya, Sierra Leone, Uganda, Burkina Faso, Ethiopia, Malawi, Mali, Niger, Senegal) and in Honduras. This will also contribute in achieving SDG5 and SDG 7 by addressing gender inequalities and by promoting and stimulating the market for sustainable energy uses and products.

Human Development:

Health: The Commission's contributions to the Global Fund against AIDS, Tuberculosis and Malaria (GFATM) and the Vaccine Alliance (GAVI) have continued to be financed jointly through the DCI budget and the intra-ACP programme of the EDF. For the Commission pledge 2014-2016 of EUR 370 million to the Global Fund, all EUR 182 million allocated under the budget were disbursed. The Commission pledged a further EUR 475 million over the period 2017-2020 which includes EUR 185 million from the budget, of which 117 million have been disbursed. Commission contributions represent about 5% of total resources spent by the Global Fund, which helped put 11.5 million people on live-saving HIV-treatment, detected and treated 4.4 million cases of tuberculosis in 2016 and 5 million in 2017, and distributed 601 million bed nets to prevent malaria between 2013-2017.

The Commission pledged EUR 200 million to GAVI for 2016-2020, including EUR 70 million from the DCI budget, of which 30 million have been disbursed. EUR 19.9 million were disbursed from the budget in 2014-2016 from earlier pledges. The Commission contribution represents about 2% of total resources spent by GAVI, which helped to fully immunise 13.3 million children between 2013-2017.

The Commission provided World Health Organisation (WHO) with a grant of EUR 28 million during the period 2016 to 2018 from the DCI instrument through a **Universal Health Coverage** Partnership programme in collaboration with Luxembourg, to strengthen WHO country office capabilities in 28 partner countries, of which EUR 26.6 million were disbursed from the budget. A fourth phase for an amount of 25 million from the DCI budget will be part of an EU health systems strengthening programme integrated with another 90 million from the Intra-ACP programme of the EDF.

The Commission provided 2 grants of EUR 45 million total to UNFPA Supplies for the period 2016-2020 to improve access to sexual reproductive health and rights, including family planning under the budget. All EUR 45 million allocated have been disbursed. The Commission thereby contributed to 57.3 million women using a method of contraception between 2013-2017.

Education: EU involvement in financing and governance of the Global Partnership for Education (GPE) and the Education cannot Wait (EcW) platform made it possible to make progress in addressing the global learning crisis, in particular regarding vulnerable groups in LICs and children in situations of crises. EU and other donors' contributions to GPE resulted in achieving 22 out of GPE's 28 milestones set for 2017, across key dimensions such as education policy, management, access, quality, equity and learning outcomes. 18.5 million children were supported by GPE, 50.2% of children in supported countries completed lower secondary education, the ratio of out-of-primary-school children decreased to 19.4% and 24% of countries had less than 40 pupils per trained teacher at primary level.

EcW succeeded to improve access to quality education by the end of 2018 for up to one million children and young people affected by crisis in 19 countries. Nearly half of them are girls. Countries include Afghanistan, Chad and the Central African Republic, where children assisted by the scheme have been able to go to school for the first time. In Indonesia, children and youth impacted by the tsunami could return to schooling in just a few weeks, and 88,500 Rohingya refugee children in Cox's Bazar now have continued access to a quality education.

Gender equality and Women's Empowerment: A renewed and expanded EU commitment was made in 2015 when the Council adopted the 2016-2020 Gender Action Plan – mandatory for all EU external relations. It has been implemented via bilateral and thematic programmes and by fostering the effective inclusion of the gender perspective in the programming process – a gender analysis being mandatory for all new programmes. A Report on its second year of implementation, released in October 2018⁵¹⁴, showed progress on the actions taken by EU delegations, the European Commission and the External Action Service and by the EU Member States. There is also evidence of enhanced EU political leadership and management ownership of the gender priority. Greater use has been made of gender expertise, there is a growing network of gender Focal Points and an increased engagement with the national gender machinery. While good progress has been made, there is still a long way to go.

Under a call for proposals on preventing sexual and gender based violence against women and girls in developing countries, 5 contracts mainly covering the African region were signed in 2018, including with PANZI, the organisation of the Nobel Prize laureate Dr Mukwege. Implementation of projects have started in 2019.

The **Spotlight Initiative** launched in September 2017 in close partnership with the UN made progress towards the elimination of all violence against women and girls. As part of the ASEAN component, consultative dialogues were held in 2018 to identify the priority areas for legislative and policy focus were carried out in Cambodia, Indonesia, Myanmar, Lao PDR, the Philippines, Thailand, Viet Nam and Malaysia – also discussing the introduction or strengthening of Migrant Worker Resource Centres, increasing access to services for migrants in countries of destination and overall national priorities. In addition, the programme is developing the knowledge base on the use of ICT, especially mobile apps, by women migrant workers and use of innovative technology to bring change in attitudes and knowledge on violence and abuse faced by women migrant workers. Implementation of the programme started in several countries and at regional level in 2018. Partnership with International Domestic Workers Federation came into effect. Key initiatives in the proposed agreement include organising women domestic workers in countries of destination and linking the networks with domestic workers' groups in countries of origin – targeting mainly Myanmar, Cambodia. Technical assistance and capacity building is provided to governments and ASEAN to develop policy, accountability tools and legislation that prevent and respond to violence against women migrant workers, as well as to develop instruments and tools to strengthen coordination of and access to quality services for women migrant workers. For the African and Latin-American components, implementation will start in 2019 in five Latin American countries and eight African countries.

Promotion of child well-being: Programme priorities in this area have been i) to support systems ensuring children access to an identity as "child first rights", and ii) to fight against traditional harmful practices and social norms affecting children, both participating in to objective iii) on the establishment of national and local systems and strategies aiming at protecting children from all forms of violence. Four projects were engaged with United Nations Agencies to accelerate action towards the ending of child marriage, the abandonment of female genital mutilation/cutting (FGM), the legal identity of African and Asian children as well as to prevent son preference and gender-biased sex selection at birth in selected countries in Asia and the Caucasus.

⁵¹⁴ SWD(2018) 451 final of 15.10.2018 (<http://data.consilium.europa.eu/doc/document/ST-13188-2018-INIT/en/pdf>)

A reader-friendly version can be found at: <https://europa.eu/capacity4dev/public-gender/documents/2017-annual-implementation-report-gap-ii>

EU support to pilot projects or joint programmes managed by UN agencies to address harmful practices affecting boys and girls has been instrumental by its leverage effect and the amplification of EU support through large scale actions and long-term support on social norm change, in full alignment with SDG 5 and goal 5.3 on the elimination of harmful practices (child early and forced marriage and female genital mutilations). Under the joint programme on FGM phase II, sixteen countries out of the seventeen targeted have national coordination and action plans in place and ten have national budget to combat the practice. As a result, 3.3 million women and girls benefited from an access to prevention, protection and care services, and 21,176 communities involving 11,431,220 individuals made public declarations on FGM abandonment. New partnerships were also established with health workers to address the medicalisation of FGM.

Culture: An innovative action to strengthen the link between culture, economic growth and development in key partner countries started to be implemented in 2018, under the ‘Investing in Culture and Creativity’ programme with UNESCO.

Employment, decent work, skills, social protection and social inclusion: The multi-annual programme 2014-2020 focuses on supporting high levels of productive and decent employment, including through vocational education and training, as well as the extension of social protection coverage through the establishment of nationally-defined social protection systems and floors. Two facilities for peer-to-peer technical assistance were contracted in the areas of social protection, labour and employment (SOCIEUX+) and vocational education and training (VET Toolbox). The Research Facility on Inequalities aiming to understand factors of social and economic inequalities progressed in terms of selection and implementation of research work at both global, country and city levels. The programme also continued supporting the social and economic inclusion of marginalised and excluded groups and individuals, in particular people with disabilities through the ‘Bridging the Gap’ project’ as well as indigenous populations. Further to the pilot project to combat unacceptable forms of work in the Thai fishing and fish industry sectors, two programmes were launched i) to promote responsible value chains in the garment sector to address decent work and labour standards in the garment industry (contribution to the Vision Zero Fund) and ii) to eliminate child labour and forced labour in the cotton, textile and garment value chain sectors with accompanying measures. In addition, two ambitious programmes were approved by the Commission in 2018 to promote decent work in the garment sector and to contribute to the progress towards Universal Social Protection.

Growth, jobs and private sector engagement: A sustainable investment climate and value chains programme was launched in 2018 with the aim to achieve improvements in investment climate and in public-private dialogue in partner countries, in view of attracting sustainable investments, enabling economic diversification, sustainable management of resources, decent job creation and support partner countries’ insertion efforts into regional and global value chains. Building upon actions adopted in 2017, the Commission started actions to promote responsible supply chain in the area of conflict minerals (3TG), to support the EU Regulation to ensure the responsible sourcing of 3TG minerals (tin, tantalum, tungsten and gold) from conflict-affected and high-risk areas⁵¹⁵. While bringing sustainable development for the populations living in these areas, these measures will make it possible to comply with the mandatory requirements on due-diligence set for the importers of 3TG minerals to the EU Internal Market. Another programme was set to promote gender equality through women’s economic empowerment and financial inclusion, thanks to an improved access to financial products and services and access to essential critical skills and capacity building services and decent jobs in Sub-Saharan Africa, as an essential part of the private sector development process and in line with the United Nations 2030 Agenda for Sustainable Development⁵¹⁶ and SDGs 1, 5 and 8, and the EU Gender Action Plan II⁵¹⁷. The action aims to leverage additional public and private resources through blending by using an approach that could be scaled up, replicated and mainstreamed in other cooperation programmes. The EU contribution will support the implementation of a blended finance operation consisting of first-loss risk repayable capital and non-autonomous technical assistance, jointly with other development finance institutions, public and private sector investors.

Food security, nutrition and agriculture: In 2018, all three components of the Food Security and Sustainable Agriculture programme continued to strengthen the significant contribution of the EU to improving global food and nutrition security governance and investments in the sector, complementarity to the support provided through geographical programmes in more than 60 developing countries.

Delivering on the Commission’s commitment on climate relevant research and innovation in agriculture made during the One Planet Summit in December 2017 in Paris, was the main focus of the 2018 AAP. In 2018, actions were approved across a number of themes such as agro-ecological intensification and agroforestry, livestock, water management in farming systems, pest and disease surveillance, carbon sequestration, and Agriculture Knowledge and Innovation Systems, in more than 20 countries, mainly in Africa (the Sahel in particular) and in Latin America. These were complemented by further support to strengthen the global and the African regional and sub-regional architectures and governance frameworks of the agricultural research and innovation.

The EU has been supporting land governance actions in about 40 countries with a total budget of almost EUR 240 million. In Africa, the EU mainly contributed to secure land rights in order to increase the food and nutrition security of small-farmers and enable a peaceful environment for sustainable investments. In Malawi, Angola and Namibia for example, the EU has consistently contributed to map and register land rights, especially in customary areas (where informal land prevails) and focusing mainly on women. In Namibia, 40% of land titles issued with EU financial support have been registered in the name of women. In Latin America, the EU has funded actions to respect and protect the land rights of indigenous peoples (i.e. in Peru and Honduras), in order to tackle and/or prevent land disputes but also to secure the basic assets to these populations. The 2018 action ‘Promoting

⁵¹⁵ Regulation (EU) 2017/821 of 17 May 2017

⁵¹⁶ A/RES/70/1

⁵¹⁷ SWD(2018) 451 of 15/10/2018

Responsible Governance of Investments in Land' complements this support by unlocking the potential of investments in land to contribute to increased agricultural productivity and sustainable development, mainly in Africa, and by providing support on empowerment and advocacy on land rights as well as information and data on land investments.

Through its assistance programmes, the EU has also contributed to the reduction of stunting. In the 40 partner countries prioritising nutrition, the prevalence of stunting has decreased. The number of children averted from stunting has increased from an estimated 1 million in 2016 to a projected 4.7 million in 2018. The 'Nutrition for Development' (N4D) action was approved in 2018 to step up effective support to partner countries in the combat against all forms of malnutrition – implementing the Commission's Nutrition Action Plan objectives of i) enhancing governance and accountability for nutrition at global, regional and national levels; ii) scaling up of effective, equitable, sustainable and resilient nutrition policy responses at global, regional, national and sub-national levels; and iii) the uptake of improved knowledge and evidence base.

Building resilience to food crisis was another focal area, based on the 2018 Global Report on Food Crises Annual Report. Actions were set in Cameroon, Republic of Chad, Democratic Republic of Congo, Democratic People's Republic of Korea, Mozambique, Nigeria, Sudan and Syria. As part of the 2017 PRO-ACT decision, other countries requiring a response were covered, namely Cuba, Ethiopia, Madagascar, Myanmar, Palestine, Sahel, Somalia, South Sudan, Venezuela and Yemen. All these responses intervene in complementarity with humanitarian and long-term development responses.

Migration and asylum: Since 2014, migration and forced displacement are on top of the EU agenda. In the framework of the European Agenda on Migration adopted in 2015 several policy and operational measures have been launched, including the Valletta Declaration and its Joint Action Plan, a new development-oriented EU approach towards forced displacement, the Partnership Framework and more recently the European External Investment Plan. In addition, following the New York Declaration for Refugees and Migrants, adopted in September 2016, migration is high on the international agenda, and two Global Compacts on migrants and refugees respectively were adopted at the end of 2018. Within this overall policy context, a coherent and comprehensive EU response to migration and forced displacement is required, covering both the internal and external aspects. Development cooperation to support partner countries in this area is therefore crucial. A number of measures have been launched in particular since 2015. Implementation of the Migration and Asylum area of action of the GPGC has proven well suited to support global EU commitments on migration and forced displacement, as well as to finance innovative actions of a pilot character that can be scaled up through other instruments. In December 2018, the European Commission published a progress report⁵¹⁸ on what has been achieved so far in delivering on the European Agenda on Migration. It underlines the fact that the EU cooperation provided to partner countries have been crucial in addressing root causes of irregular migration, on improving their management of migration and refugee flows and to overall make migration more safe and orderly. The delivery communication also sets out new initiatives from the Commission to address key areas and identifies where further efforts are needed, including in the external dimension.

The 2018 GPGC migration programme has continued to contribute to the implementation of the EU's overall migration policy agenda, in line with the European Agenda on Migration, and in particular under the Partnership Framework, the Valletta Action Plan and the migration goals and targets of the 2030 SDG Agenda. More specifically, the programme continued to support the EU Trust Fund for Africa – with a contribution of EUR 29.5 million – and the Regional Trust Fund for the Syrian crisis – with a contribution of EUR 5 million. Besides this, the GPGC programme included five actions with a particular focus on forced displacement and diaspora engagement, including support to the Rohingya refugee crisis in Bangladesh, to Venezuela neighbouring countries to address the large inflows of Venezuelan migrants and refugees, for the roll-out of the Comprehensive Refugee Response Framework in Central America and Mexico, and to countries in the Pacific region to prepare for, and respond to, disaster displacement.

2.2. Civil Society Organisations and Local authorities (CSO-LA)

The programme added value resides in its focus on strengthening Civil Society Organisations and Local Authorities to take a more active part in the definition and implementation of development policies and related initiatives on the ground, creating synergies and complementarity with the more activity-oriented actions of the other thematic or geographical instruments. Under the CSO Component of the programme, the EU shift of policy to support partners more as actors of governance has been pursued in 2018, with the signature of 2 new Framework Partnerships Agreements (FPAs) with social partners (Employers and Trade Unions). The total of FPAs signed amounts to 25 since 2016, covering a wide range of CSOs actors, domain issues and regions. In the field of resilience, the Civil Society Platform for Peacebuilding & State building (CSPPS) has been awarded an operating grant in order to coordinate concerted CS action on International Dialogue on Peacebuilding & State building and related policy. Under the LA component of the programme, a new focus was given to promoting integrated and sustainable urban development, through partnerships built among Local Authorities of the EU Member States and of partner countries. In addition, the Staff Working Document "European Union (EU) cooperation with cities and local authorities in third countries" of May 2018 shaped the work in the area of rapid urbanisation and set out how to tackle the challenges and harness the opportunities arising from urban growth.

Under the Development Education and Awareness Raising (DEAR) component, new contracts signed in 2018 aim to foster a growing awareness and critical understanding of the role, responsibility and lifestyles of the public in relation to an interdependent world, and to promote sustainable development - especially in the areas of climate change, development education and awareness raising, Sustainable Development Goals, global citizenship education, Policy Coherence for Development, responsible consumption, urbanisation, open society, workers' rights and migration. Moreover, as part of the new Presidency component, a more strategic approach was adopted, with three successive presidencies being covered and Concord being made a partner.

⁵¹⁸ COM(2018)798, 4.12.2018

3. Pan-African programme:

Since its creation in 2014, PANAF programme has been particularly effective in developing exchanges between higher education and research institutes in Africa, both in terms of mobility of students and staff and better digital interconnection and exchange of information. Since 2014, 14 consortia of African higher education institutions have been selected under the “**Intra-Africa Mobility scheme**”. Those consortia involve 42 universities from 22 African countries. Over the course of implementation of their projects, those higher education institutions will support the mobility of 830 Master and doctorate students and 180 (academic and administrative) university staff.

Under the **AfricaConnect2 project**, more than 830 African higher education and research institutions from 11 countries benefitted from improved and more affordable internet connectivity. Thanks to the project, those institutions are also interconnected through their regional networks and are connected with the peers in Europe and in the world, thereby getting access to increased opportunities for collaboration.

The support provided so far to various African governance institutions and organisations has created the basis for the definition of an African Governance Architecture that will constitute the framework for the African Union aspiration and commitment to promoting democratic governance and human rights.

In the area of economic integration, EU support has been instrumental for the successful conclusion of the AfCFTA negotiations in 2018 and has positioned the EU as the main recognized partner of the AU in this ambitious programme. EU supported has ensured the needed capacity and technical expertise in the African Union Commission’s dedicated AfCFTA negotiation unit (AUSP III and IV EUR 12.5 Million), consultation with the civil society including private sector, national authorities and Regional Economic Communities across Africa, technical studies and ad hoc analysis of the impact of the AfCFTA on national economies and specific sectors. In 2018 contracts were signed with several implementing partners to provide advocacy vis-à-vis the AU Member States on ratification of the agreement, development of AfCFTA national implementation plans (UNECA EUR 3 million), capacity building of national customs administration (WCO EUR 5 million), establishment of the African Trade Observatory to monitor intra-African trade flows (ITC EUR 4 million).

The EU is also transferring technologies and know-how to African partners. Examples include improving know-how and access to European Earth Observation facilities (Copernicus) and expertise to manage meteorological information, continental water and environmental, marine and coastal resources (GMES and Africa programme) and aviation systems and technologies through EGNOS; strengthening capacity of African Geological Surveys (PanafGEO project) through technical training (e.g. on geological mapping and spatial data, small scale mining, geohazards and geoh heritage) and collaboration with EU Geological Surveys.

EU support through PANAF allowed the positioning of aviation security as key continental topic, complementing and reinforcing the support to satellite-based navigation via EGNOS. Some EUR 70 million have been contracted to support cross-sectoral, cross-regional continental infrastructure.

On migration, PANAF has been supporting the various policy dialogues with Africa. In the framework of the Khartoum process, partners were able to share knowledge and foster dialogue on a regular basis. One of the key results was that participating officials shared good practices which can be applied in their work thus improving the overall quality and mutual understanding of their respective practices in the field of migration.

In the context of the Rabat process, a key result in 2018 was the adoption of the new strategic framework for the Rabat Process (the Marrakesh Political Declaration and Action Plan). This new plan covers all migration related aspects thereby reflecting the Euro-African balance which lies at the heart of the dialogue. Particularly noteworthy, was the increased participation of non-state actors – civil society organisations, academia and international organisations – in the dialogue. This contributes to both enriching the exchanges (enabling partners to benefit from voices on the ground and lessons learnt of those working directly with migrants) and creating a pool of qualified experts on matters related to the Marrakesh Action Plan.

Evaluations/studies conducted

The DCI mid-term review report was presented by the Commission on 15 December 2017, see SWD (2017) 600 final⁵¹⁹

The full conclusions of the external DCI evaluation report for 2014-mid 2017 that has fed into the Mid-Term Review can be found: https://ec.europa.eu/europeaid/draft-evaluation-report-external-financing-instruments-development-cooperation-instrument-dci_en

Forthcoming evaluations:

As requested by the EU Regulation No 236/2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action, in its Art. 17, a final evaluation report on the period from 2014 to 2020 shall be established by the Commission within the interim review of the next financial period.

Future implementation (2018-2019)

1. Geographic programmes:

Latin America: In 2019/20, the DCI will contribute to new projects and programmes in all Latin America region either on bilateral and/or regional basis.

⁵¹⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017SC0600&qid=1550487546999&from=EN>

Actions in Central America⁵²⁰ will aim at violence prevention against migrant children and women. In Colombia⁵²¹, a programme will aim at enhancing local sustainable development. Resilience will be supported in Guatemala⁵²², in addition to tackling recovery of people affected by volcanic eruptions. Paraguay will benefit from support to further implement its national social protection policy as well as the education sector.

On a regional LAC basis⁵²³, this will include enhancing our actions on inclusive and sustainable growth with a new programme in support to private sector and further resources for the Latin America Investment Facility. Also, regarding security-development nexus, a new programme will support the fight against drugs. Concerning climate change, a third allocation to the Euroclima programme will enhance climate governance. Finally, increased resources in our inclusive engagement on sustainable development will assist middle-income countries through triangular cooperation as well as the 'development in transition' initiative.

Asia: Development cooperation in Asia will continue to have a strong focus on **least developed and fragile countries**. Particular emphasis will continue to be given to good governance and sustainable sector reforms. Enhanced focus will be given to job creation and sustainable growth, inclusive growth via promotion of investments. The development of the Private Sector will be key as it has a major role to play for sustainable economic development and growth. Climate change and sustainable environment will also remain high on the agenda, as well as migration/displacement and gender equality. Budget support will continue to be used where feasible in line with the Aid effectiveness agenda. The share of investment projects will also be increased.

Budget support is an increasingly important aid modality in the region. Reflecting this, the Commission is preparing 11 new programmes to be decided in 2019 and another 3 in 2020. Besides these, several budget support programmes will continue their implementation in 2020 and particular attention will be given to the follow-up of major strategic programmes in Afghanistan (State Building and Resilience Contracts), Vietnam (sector reform performance contract in energy) and education/TVET in Bangladesh

In September 2018, the European Commission adopted the Joint Communication on Connecting Europe and Asia – building blocks for an EU Strategy. The Commission will further strengthen its partnerships in the region and focus even more on providing technical assistance, improving regulatory environments and creating incentives to drive forward and scale-up much needed investments. When it comes to investments, we are confident that – based on the existing pipeline – we will be able to use the allocated funds to projects facilitating investments in line with our policy objectives. The majority of activities is likely to be implemented under blending facilities.

In line with the requirement of the Gender Action Plan II, **gender mainstreaming** will be further pursued in new programmes with the aim of reaching the target of 85% of all new programmes being gender sensitive by 2020. In addition, specific programmes promoting gender equality may be designed when and where relevant, especially in countries where Mid-term Review identified such possibility, and based on sound gender analysis.

In 2019, a new EU Strategy on Central Asia is expected to be adopted (the current strategy dates from 2007). Fast changing regional dynamics now create more demand and new opportunities for EU engagement. These include domestic reforms in Uzbekistan and Kyrgyzstan, new momentum in regional cooperation (e.g. closer cooperation on water management), development of connectivity initiatives, and more active interest from Central Asian states for Afghanistan.

As regards migration in 2019, we will continue the EU engagement on migration and displacement with Iraq, Iran, Pakistan and Bangladesh, implementing its commitments made in 2016 and 2017 for a total of EUR 290 million towards supporting Afghan refugees in Iran and Pakistan, Afghan IDPs, returnees and host communities in Afghanistan, as well as returnees/IDPs and host communities in Iraq, Pakistan and Bangladesh. The Commission will continue its response to the forced displacement of Rohingya from Myanmar.

South Africa: The EUR 22.3 million in the 2019 Annual Action Programme (AAP) will consist of two actions:

- (a) project to enhance accountability in South Africa, including fighting against corruption. It will focus on civil society engagement with the public and private sector, and state institutions supporting constitutional democracy.
- (b) budget support programme to contribute to the implementation in South Africa of the Economic Partnership Agreement between the European Union and Southern Africa Development Community (SADC) EPA. It will focus on working with two key government departments - The Department of Trade and Industry and The Department of Agriculture Forestry and Fisheries - as well as civil society, public and private institutions to overcome non-trade barriers and Sanitary and Phyto-Sanitary issues.

The EUR 17 million in the 2020 Annual Action Programme is likely to finance actions addressing the SA-EU MIP focal sectors "employment creation" and supporting "additional policy dialogues".

2. Thematic programmes

2.1 Global Public Goods and Challenges (GPGC):

In line with the United Nations 2030 Agenda for Sustainable Development and the new European Consensus on Development⁵²⁴, the programme will seek to more systematically integrate and balance the economic, social and environmental dimensions of

⁵²⁰ C(2014) 5544, 07.08.2014

⁵²¹ C(2014) 5704, 13.08.2014

⁵²² C(2014) 5548, 08.08.2014

⁵²³ C(2014) 5544, 07.08.2014

⁵²⁴ OJ 2006/C 46/01

sustainable development in the future implementation of the GPGC. Across its five action areas, it will aim to promote sustainable investments and job creation, to strengthen state and societal resilience, to address irregular migration and forced displacement and to contribute to sustainability and security. As per the recommendations of the Mid-term review⁵²⁵, more attention will be given to promote interlinkages and cross-sectoral action at the nexus between different action areas that can contribute to multiple SDGs; and to enhance complementarity, coherence and synergies between thematic and geographic programmes. Building on lessons learned, actions will primarily seek to 'enhance the role of the EU as a global actor in the delivery of the 2030 Agenda and the Paris Agreement to help eradicate poverty and achieve sustainable development'.

Environment and Climate Change: Funds from the DCI Budget 2019 and 2020 will continue to support the implementation of the 2030 Sustainable Development Agenda, in particular SDG 13 on Climate action, focusing on the following priorities:

The **Global Climate Change Alliance+** (GCCA+) as a thematic flagship initiative will continue to enhance vulnerable partner countries' resilience to climate change (mainly SIDS and LDCs) and to enable them to engage in low-carbon development processes through support to the implementation of their NDCs, and more particularly by continuing policy dialogue with partners; opening up to new sectors with a mitigation focus and linkages with private sector, sustainable finance and sustainable value chains; seeking closer cooperation and coordination with EU Member States; maintaining the focus on the most vulnerable; paying special attention to involving research institutions, civil society and local authorities more actively; organising regular regional conferences (in the Pacific Region and in Africa in 2019) in order to foster partnerships building, knowledge sharing and policy development in addressing adaptation challenges and solutions at regional level.

Support to the implementation of Nationally Determined Contributions (NDCs) will continue to be the priority for 2019-2020 and onwards, as these national strategies include all climate actions foreseen at the country level, both for adaptation and mitigation purposes. Support to global processes will continue through the sub-delegation to DG CLIMA, allowing for close support and cooperation with the UN Framework Convention on Climate Change (UNFCCC) and its related processes and funds. The programme will also further support the implementation of the EU Action Plan on Forest Law Enforcement Governance and Trade (FLEGT), notably by boosting the implementation of the 9 Voluntary Partnership Agreements (VPA) already concluded and the negotiation of 5 new VPAs. In this context, the EU will work on the ratification and early implementation of VPAs with Honduras and Guyana. The EU will enhance collaboration with the private sector with the objective to improve legal compliance as well as to promote sustainable forest value chains and stimulate private investments. The EU will also step up its action to reduce tropical deforestation through innovative financing mechanisms of reforestation and/or zero-deforestation agriculture projects. In response to the implementation of the Paris Agreement, continued support will be provided to the facility 'Reducing Emissions from Deforestation and forest Degradation' (REDD+).

The EU will support "New Deal for Nature and People" at the next Conference of Parties of the Convention on Biological Diversity in Beijing in 2020. The financing of the EU Biodiversity for Life initiative (B4LIFE) will continue focusing on the most biodiverse and threatened ecosystems in partner countries and address the Sustainable Development Goals 14 and 15. Increased attention will be given to the contribution of the protection of ecosystems to economic development, directly (e.g. ecotourism) or through ecosystem services (water provision, pollination, *inter alia*). The comprehensive studies analysing the interlinkages between wildlife and security in Africa and the strategy for conservation in Latin America ('Larger than anacondas') will be finalised. These documents aim at guiding future action for biodiversity conservation and sustainable ecosystem management.

Integrated and cross-sectoral approaches will be prioritised, in particular around landscape management, which stands as a central element for climate change adaptation and mitigation, as well as for agriculture and food security, sustainable forests, water and other ecosystem management. A joint initiative at the crossroad between different action areas of the GPGC is proposed for the upcoming years, focusing on delivering on the joint objectives set under the Paris Agreement and recent UNFCCC COP in Katowice, as well as the CBD and preparation for an ambitious post-2020 biodiversity agenda. Different implementation modalities are foreseen, following a call for expression of interest from selected EU Delegations in 2019.

DCI Budget will continue funding the Switch to Green flagship. The initiative supports the transition to the inclusive green economy, through policy support and green business development. In 2019, new allocations will be made to scale up policy cooperation through the Partnership for Action on Green Economy (PAGE) and to support coordination, knowledge sharing and communication through a second phase of the SWITCH to Green Facility. New allocations to be decided in 2019 will focus in large part on access to finance and sustainable investments. MSMEs access to finance has been assessed as a key barrier to the uptake of Sustainable Consumption and Production practices. At the same time, promoting investments is an EU policy priority in the context of the External Investment Plan and of the new Africa Europe Alliance for Sustainable Investments and Jobs.

The 2030 Agenda and the Paris Agreement require sustained efforts on mainstreaming to boost environmental sustainability in partner countries and achieve the EU objectives of allocating at least 20% of its budget to climate relevant action by 2020 and doubling annual international financial flows to developing countries for biodiversity conservation. In 2019-2020, mainstreaming efforts will increasingly focus on the External Investment Plan (EIP) and on the preparation of the future programming exercise for geographic and thematic instruments, and a strong focus will be placed towards the implementation of the Paris Agreement.

Water management: In line with the holistic approach of the Agenda 2030 to social, economic and environmental dimensions of sustainable development, the "Nexus Dialogues" programme has been designed to strengthen regional policy dialogues on the integrated uses of water, land and energy-related resources in different regions across the world. It will continue to be funded in

⁵²⁵ COM(2017)720 of 15/12/2017

order to advance towards concrete outcomes. Another action is foreseen to strengthen twinning activities between European and partner country water operators. In addition, the transboundary water resources management aspect will be addressed through a number of projects, including a new one with the United Nations Economic Commission for Europe (UNECE) regarding the implementation of Water Conventions, with a specific focus on Africa. The aim of these projects is to shape a more coherent and effective EU foreign policy engagement in conflict prevention, by promoting dialogue and continued cooperation to contribute to peace and security.

Sustainable energy: In the area of sustainable energy, the 2019 and 2020 Budget will continue to support actions contributing to the achievement of SDG 7 (ensure access to affordable, reliable, sustainable and modern energy for all by 2030) as well as to SDG 13 on climate action. The objective to contribute to poverty reduction through achieving improved access to energy services and increased renewable generation capacity will focus on promoting investments in energy efficiency and the energy dividend for education and health. Complementarity and synergies will be ensured with the EU External Investment Plan and investment facilities, as well as with the new Africa-Europe Alliance for Sustainable Investment and Jobs. Two large actions are envisaged: the overall objective of the first one is to create sustainable and inclusive economic growth in partner countries, especially among the vulnerable parts of the population ('base of the pyramid') by enhancing the synergies between energy, education and health in order to provide the 'health and education dividend' of electrification and sustainable energy provision. The action will identify and support ways of providing schools in partner countries with electricity produced from renewable energy, and of using sustainable energy and digitalisation as enablers for a more efficient and better quality education. It will support business models that will provide health facilities with electricity and clean cooking solutions, as well as exploit the advantages of innovative digital solutions. The second one will identify and financially promote sustainable business models in energy efficiency that will contribute to CO2 reduction and will have a positive effect on job creation financial inclusion and growth, especially productive SMEs. This action will especially target the creation and scaling-up of energy service companies (ESCOs) and other similar business models integrating energy efficiency measures that have a potential for replicability. In addition, the energy-digital nexus features prominent with an action aiming to increase of performance of the utility companies through digital technologies as well as to boost investments at small scale for start-up companies in the digital energy space. Pipeline development and pipeline boosting through TA services, such as financial catalyst services, has been successfully implemented and will continue to be an indispensable tool to make projects ready for financing.

Human Development

Health and education

The EU will support the implementation of the 2030 Sustainable Development Agenda, in particular SDG 3 and SDG4, and will:

- continue to contribute to the **global initiatives** GFATM, GAVI and the Global Partnership for Education (GPE) and held them to account to deliver as per their objectives;
- continue to support the **strengthening of health and education systems** and fostering policy dialogue in these sectors in order to achieve Universal Coverage and improve quality of basic health and education services. This will be achieved through extension and expansion of the EU-WHO Universal Health Coverage partnership programme integrated with funding through the EDF funding stream.
- support UNFPA Supplies (EUR25 million 2018-2020) to increase demand for and access to sexual reproductive health and rights, including family planning and to improve access to quality **family planning supplies and maternal medicines** in 46 countries with high maternal; mortality and high unmet need for family planning
- In 2019 the EU will contribute EUR 26.5 million to the World Bank's Global Financing Facility to GFF and support it to mature and achieve its full potential in delivery against its ambitious goal to improve the health and quality of life of women, adolescents and children, advance SDG targets and reduce the financing gap to do so.
- help support **education opportunities** in fragile and crisis situations, by improving teaching and learning, building stronger evidence of what works in crisis environments, and contributing to policy formulation and decision making in this area;

With the above, the EU will contribute to the achievement of results specified in the results frameworks of key Global Initiatives GFATM, GAVI and GPE which include, among others, the immunization of 300 million children (2016-2020), an increase of the pre-primary gross enrolment ratio in GPE beneficiary countries to 32.2%, a reduction of out of primary school children in fragile and conflict affected countries to 21.7%, an increase of countries with quality education policies and their implementation. Through continued policy, governance and financial support to GPE and Education cannot Wait (EcW), the EU will during 2018/2019 maintain its focus on addressing the learning crisis, providing improved quality and access to education in particular in LICs and in countries affected by crises.

Gender Equality and Women's Empowerment: In 2019 and 2020, the reports on the implementation of the Gender Action Plan (GAP) respectively in 2018 and 2019 will be prepared and published. The consistent gender sensitive policy and political dialogues –through the GAP implementation- should lead to an improvement in the outcomes of development cooperation programmes for all partner countries' potential beneficiaries: women and men, boys and girls. We will also start the evaluation of the GAP report 2016-2020 which is ending end 2020 given the fact we will have to start working on a GAP III.

The Spotlight Initiative will from 2019 onwards have its first year of implementation in 8 Latin-American countries and 8 African countries, for ASEAN the implementation will go in its second year and we will further built on first results mentioned above. Result Frameworks and inception period will take place during the first 6 months. The implementation of the 5 contracts concluded under the Prevention of gender Based Violence in countries of "forgotten crisis situations" will also start in 2019.

In 2019 the regional programmes covering more countries will be finalised for Latin-America and Africa, we will finalise the programmes for the Pacific and the Caribbean, focusing on family and domestic violence, and a new programme for Asia will be developed towards Q3. From 2020 onwards the full Spotlight Initiative (nearly 500 mio EUR) should be ongoing.

Promotion of child well-being: From 2019 onwards, the 5 contracts mentioned above on alternative qualitative care and de-institutionalisation of children will be implemented in 5 countries. Priority will be then given to access to **justice for children** through the strengthening of child-friendly justice systems, considering that knowledge, capacities and systems are very weak in many countries. A specific focus will be put on supporting alternative sentencing through proposing alternatives to detention solutions for children, in alignment with their best interests, with a specific focus on children in migration.

A second priority will be put on the overall effort towards **quality care and protection of children from violence and exploitation** (children victims of trafficking, child labour; violence at schools, and at home) through the strengthening of child protection systems worldwide at all levels (local, national regional), promoting their voice and participation.

Culture : Planned cultural activities will aim at enhancing the cultural dimension of our development action, focusing on cultural **pluralism and intercultural understanding**, the socio-economic contribution of the cultural industries and the impact of cultural heritage on inter-communities dialogue, citizenship and identity building. The programmes supported will tackle also aspects relating to **inter/intra-faith dialogue, peace and stability and enhancing social inclusion and social cohesion**, notably of vulnerable and disadvantaged populations living in countries with fragile situation. Improvement of access to finance and access to markets for micro and medium-sized enterprises and organisations from the CCIs will be of strategic importance in the future in order to increase investment and scale-up the potential for **job-and revenues creation**.

Employment, decent work, skills, social protection and social inclusion: The programme 2019-2020 will support the Africa-EU Alliance for sustainable investment and jobs in 2 areas: supporting the Alliance to assess the employment impact of operations, and supporting these operations in the area of skills development.. This action will contribute to achieve SDGs 1, 4, 5, 8 and 10. Further efforts will also be made to continue promoting decent work and labour standards in EU trade partner countries, and to increase employment and social protection related technical assistance through the continuation of Socieux +.

Growth, jobs and private sector engagement: In 2019, this component of the programme will aim at supporting efforts in building knowledge on, and supporting, a conducive investment climate, thereby contributing to the implementation of the EIP third pillar. The action will contribute to capacity building and developing global expertise and knowledge in relation to the private sector potential to impact positively on sustainability. More specifically, the following objectives and results are expected: development of benchmarks and methods that will compare companies performance on SDGs; increased knowledge of financial sector across Africa; improved capacity of partner countries to negotiate complex investment contracts contributing to the sustainable development; supporting partner countries in implementing commitments under the WTO Trade Facilitation Agreement; improved knowledge on financial inclusion; better knowledge and dissemination of information on inclusive business models; improved capacities on trade dimension of decent work; improved participation of women and progress in the formalisation of the artisanal sector and small-scale mining sector.

In 2020, action will continue to support the private sector in the perspective of development and to contribute to leverage sustainable private investments, as well as to promote trade for sustainable development and the upgrading of value chains. More specifically, actions will aim at promoting the role of the private sector as a key developmental actor, notably by supporting an enabling business environment and investment climate, conducive to private sector initiative and engagement into sustainable value chains, to foster growth and decent job creation. These actions will be aligned with the strategic priorities of the United Nations Agenda 2030 for Sustainable development, the new European Consensus for Development and the EIP. Particular attention will be paid to youth and women entrepreneurship, MSMEs, access to new technologies, digitalisation, financial inclusion, private sector development and engagement in fragile states and LDCs and implementation of the revised Aid for Trade Strategy.

Food security, nutrition and sustainable agriculture: Funding for this component of the programme over 2019-2020 will address multiple global challenges including food insecurity, food emergencies, under-nutrition, climate change, degradation of ecosystems and depletion of land, management of natural resources, agricultural transformation, urbanisation, migration, price volatility and transboundary pandemic diseases. Women empowerment and gender equality are recognised as being at the heart of all efforts to further progress and are thus integrated in all priorities and activities in the agriculture, food and nutrition security domain. In particular, the EU will continue to support gender transformative approaches in rural development, by challenging gender imbalances as part of development interventions.

This component will add value to the support provided through geographical programmes in more than 60 developing countries and will be in line with the European Consensus, which highlights that sustainable agriculture, together with sustainable fisheries and aquaculture, is indispensable to ending hunger and ensuring food security, and remains a key driver for poverty eradication and sustainable development. Actions will support the implementation of the Sustainable Development Goal 2 'End hunger, achieve food security and improved nutrition, and promote sustainable agriculture', in line with EU policy commitments on addressing food security challenges, resilience and nutrition. They will mainly target the following objectives: i) bring innovation processes at smallholder level by scaling up science-based changes in a 'last mile' spirit; these will achieve the potential on growth and job creation of a climate change relevant agriculture; ii) strengthen and promote governance and capacities for food and nutrition security and fisheries mainly at continental, regional and national level, of partner governments and farmers and rural producers' with a strong gender dimension; iii) strengthen governance of invasive pests, transboundary diseases, and food safety affecting hunger and malnutrition; iv) build the resilience of vulnerable communities by better targeting the root causes of food insecurity,

while ensuring the complementarity between instruments for high-impact aid in the framework of the development-humanitarian-security nexus.

Migration and asylum: Within the framework of the European Agenda on Migration, in particular under the Partnership Framework and the Valletta Action Plan, and in the context of the Global Compacts on migrants and refugees, the 2019-2020 programme will contribute to ensure effective implementation of the EU overall migration policy agenda, fully in line with the migration goals and targets of the 2030 SDG Agenda. Actions will include continued support to the key partner regions and countries under the Partnership Framework, in close coordination with geographic funding instruments, notably the EU Trust Fund for Africa, and specific support to key countries in Asia. The programme also includes support for the continued roll-out of the EU development-led approach towards forced displacement.

2.2 Civil Society Organisations and Local Authorities in development (CSO-LA):

The new Multiannual Indicative Programme (MIP) for the period 2018-2020, adopted in July 2018, proposes a solid evolution of the priorities in order to face a changing international context and to align it with newly adopted policies (e.g. Agenda 2030, New Consensus on Development). The overall objective of the Programme remains the same, as defined by the DCI Regulation: to strengthen civil society organisations and local authorities worldwide. However, it now translates EU commitments made in the new EU Consensus on Development into strategic orientations, in particular regarding the role of CSOs as actors of governance in their own right and pivotal actors of governance for the successful implementation of the SDGs.

Concerning the **CSO component** of the programme:

At **global and regional level**, new initiatives develop EU relations with foundations working on development via ad-hoc partnerships with foundations; complement EU's efforts to mainstream the reduction of inequalities in development cooperation, supporting civil society in their advocacy role for the implementation of the 2030 agenda at country and global levels; support youth, as a follow-up of the 5th EU- African Union Summit, through civil society networks including actions to prevent radicalisation; support CSOs as actors of governance (focusing on their participation, their enabling environment or their capacity building); support CSOs as service providers on key priorities where CSOs complement other actors.

At **country level** (through EU Delegations), five priorities have been defined: i) Gender: the CSO-LA programme in partner countries will contribute to EU commitment of having 85% of the projects including a gender component or approach; ii) Climate Change: the programme will contribute to EU commitment to dedicate at least 20% of the total expenditure to climate change mitigation and adaptation actions; iii) Youth: CSOs will be encouraged to promote young people's rights, facilitate their engagement in social, civic, political and economic life, and ensure their contribution to inclusive growth and sustainable development; iv) Root causes of migration: the EU will strive to strengthen CSOs' capacities and support CSO initiatives in contributing to address the root causes of irregular migration, in order to strengthen the positive synergies between migration and development while mitigating any negative impacts; v) Fragility and crisis: the EU recognises an essential role for CSOs in the peace and security agenda, particularly in conflict prevention, peace building and state building, as well as in strengthening resilience.

Regarding **Local Authorities**, a new Annual Action Program 2019-2020 will be adopted. The programme will target two areas of engagement: i) increase the impact of LAs and Associations of Local Authorities (ALAs) on policy-making processes, good governance and general development outcomes, focusing both on national level and regional/global levels, as well as continue to support a more strategic dialogue and a strengthened partnership with LAs and ALAs, so as to allow them to play a legitimate and effective role, including in the policy making process, and provide their members with adequate services as well as concretely represent the needs of local communities in institutional dialogues is foreseen; ii) Support LAs, including branches of government or municipal and district authorities, to address urban governance and the three dimensions of urban sustainability (economic, social and environmental). At all levels, the priority will be to strengthen LAs' capacity in the crucial functions of urban planning and design, including by enabling the transition to low-carbon and climate resilient urban areas, management, land tenure, public finance management, design and implementation of fiscal policies for municipal finance mechanisms and revenue generation, as well as to create the conditions for investments and job creation.

Moreover, under the support measures, a facility will be set up to support EU Delegations working on decentralisation, local governance and local development through a territorial approach, as well as to support the Commission in providing thematic inputs and thematic support in all programming and operational geographic and regional documents.

Concerning the DEAR component of the programme, actions will reflect two key themes of the Consensus, namely People and Planet. Within these themes, the focus areas of Migration and Climate Change, including its relation with Environment, have been put forward. The objective of the projects is to ensure the commitment of EU citizens to development and contribute to sustainable lifestyle patterns of EU citizens

3. Pan-African programme:

The actions to be adopted in 2020 will be based on the Multi-annual Indicative Programme (MIP) 2018-2020 of the Pan-African programme. Actions will be mainly identified in the fields of digitalisation, satellite technologies, research as a follow up of on-going initiatives.

II.5. Outlook for the 2021-2027 period

Under the Multiannual Financial Framework for the 2021-2027 period, the DCI will be integrated into the new Neighbourhood, Development and International Cooperation Instrument (NDICI - COM(2018) 460 final), which will streamline ten instruments (among them the DCI, the EIDHR, the IcSP and the INSC), into one broad instrument.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020	2014 - 2020	19 661,6

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	99,9	78,2	83,9	85,0	86,0	87,6	88,4	609,1
Operational appropriations	2 243,0	2 367,3	2 549,5	3 063,4	2 892,3	3 099,8	3 161,7	19 376,8
Executive Agency	2,1	1,9	2,2	2,6	2,5	2,5	2,4	16,2
Total	2 345,0	2 447,4	2 635,6	3 151,0	2 980,8	3 189,9	3 252,5	20 002,2
<i>Of which contribution to Erasmus+</i>	<i>96,0</i>	<i>91,9</i>	<i>107,3</i>	<i>111,6</i>	<i>104,9</i>	<i>106,4</i>	<i>101,8</i>	<i>719,9</i>

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	2 980,783	100,00 %	2 201,161	99,27 %	3 194,449	27,00 %	2 480,549	17,35 %
Authorised appropriations (*)	3 032,252	99,42 %	2 306,014	96,38 %	3 238,087	26,84 %	2 573,828	17,32 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Fostering the sustainable and inclusive development in partner countries and regions and the promotion of democracy, the rule of law, good governance and respect for human rights, as foreseen in the TEU, with the primary aim of eradicating poverty.

Indicator 1: SDG 1.1.1 Proportion of population below international poverty line

Baseline 1990****	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
47.7% (in developing regions)*	Decreasing trend						Zero poverty (Target 2030***)
	Actual results**						
	11.6% (with the graduated countries) 12.1% (without the graduated countries)	9.9% (with the graduated countries) 11.5% (without the graduated countries)	9.8% (with graduated countries) 11.5% (without the graduated countries)	9.6% (with graduated countries) 10.7% (without the graduated countries)	8.8% (with graduated countries) 9.6% (without the graduated countries)		

*United nations poverty data, Millennium Development Goals, targets and indicators, 2015 (statistical tables); <http://mdgs.un.org/unsd/mdg/Host.aspx?Content=Data/snapshots.htm>

** Source of the data: World Bank (poverty rate); UN population division (population's weights). Indicator calculated on the basis of DCI eligible countries. The 2014 value was computed on country level data from 2012 or before, the 2015 value considers country level data from 2013 or before, the 2016 value considers data from 2014 before the 2017 value considers data from 2016 or before and the 2018 value considers data from 2017 or before. All values since 2014 were updated with World Bank data extracted in January 2019 to consistently consider latest available data.

*** 2030 is the target date set by world leaders for achieving Sustainable Development Goals (UN).

**** Baseline taken from the previous MDG 1.1 Proportion of population below \$1.25 (PPP) per day

All DCI budget contributes to this SDG.

Eradicating poverty in all its forms remains one of the greatest challenges facing humanity. While the number of people living in extreme poverty has dropped by more than half – from 1.9 billion in 1990, to 836 million in 2015 – too many are still struggling for the most basic human needs. Globally, more than 800 million people are still living on less than \$1.25 a day; many lacking access to adequate food, clean drinking water and sanitation. Rapid economic growth in countries like China and India has lifted millions

out of poverty, but progress has also been uneven. Women are disproportionately more likely to live in poverty than men due to unequal access to paid work, education and property.

Progress has also been limited in other regions, such as South Asia and sub-Saharan Africa, which account for 80 percent of the global total of those living in extreme poverty. This rate is expected to rise due to new threats brought on by climate change, conflict and food insecurity. Through to 2030, SDG 1 foresees a world where extreme poverty will have been eliminated, such as through social protection for all, access to land and economic resources, and their protection against the impacts of climate change and other economic, social and environmental disasters.

Specific objectives

Specific Objective 1: Poverty reduction and fostering sustainable economic, social and environmental development.

Indicator 1: MDG 3.1: Ratio of girls to boys in primary, secondary, tertiary education

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Primary level: 0.97 Secondary education : 0.97 Tertiary education: 0.99	Linear increase						Full parity
	Actual results						
		Primary level: 0.98 Secondary education : 0.98 Tertiary education: 1.01*	Primary level: 1.00 Secondary education: 0.98 Tertiary education: 1.12	Not yet available see comment below	Not yet available see comment below		

*Source: MDG Report Statistical Annex 2014: Millennium Development Goals, Targets and Indicators, 2015 <http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2015/Statannex.pdf>

This estimate was calculated by the UN MDG team because it was the final year for the MDGs. In a "normal" year, we would not have and will not have such estimate available. There's a time lag of 3-4 years for data to be available at aggregate global level. This also implies that there will be no data available in 2018 for the year 2017.

The new SDG 4.5.1 Parity indices will not be applicable before 3 to 4 years as no methodology has been set yet to provide figures. Therefore, we will continue using MDG 3.1 until new developments.

As explained under section 5, all the geographic budget lines, GPGC (with its Human Development component) and Pan Africa contribute to SDG 4

Indicator 2: MDG 2.2: Proportion of pupils starting in grade 1 who reach last grade of the primary, gender disaggregated

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
72.7% Girls: 73.84% Boys: 71.6%	Linear increase						100%
	Actual results						
		73.1 % Girls: 74.5% Boys: 71.8%*	n.a.	n.a.	This indicator is not produced anymore		

*These results are estimates calculated by the UN MDG Team provided for the Progress report of the MDGs being final in 2015. Updated results will not be published anymore.!

Source: MDG Report Statistical Annex 2014: Millennium Development Goals, Targets and Indicators, 2014 & 2015 <http://mdgs.un.org/unsd/mdg/Host.aspx?Content=Products/ProgressReports.htm>

This indicator has been replaced by the new indicator SDG 4.1.1 "Percentage of children/young people at the end of each level of education achieving at least a minimum proficiency level in (a) reading and (b) mathematics (Disaggregation: sex, location, wealth and others where data are available)", which is aligned to Target 4.1: "By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes." However, it should be noted that this indicator is not available yet: methodology not defined, no data. It will take 3 to 5 years before this indicator can be used according to UNESCO, which is leading on education SDG indicators. Baseline and targets to be set in the UN process.

As explained under section 5, all the geographic budget lines, GPGC (with its Human Development component) and Pan Africa contribute to SDG 4

Indicator 3: SDG 3.2.1 Under-five mortality rate (deaths per 1,000 live births)

Baseline 2013	Milestones foreseen						Target 2030
	2014	2015	2016	2017	2018	2019	
45.5	Actual results						25 per 1,000 live births
	43.7*	42.2*	40.8*	39.1	n.a.		

* Baseline and Projected data obtained from <http://apps.who.int/gho/data/view.main.CM1300R>

This indicator is aligned to SDG 3.2 which calls for an end to preventable deaths of new-borns and children under 5 years of age by 2030, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-five mortality to

at least as low as 25 per 1,000 live births". The under-five mortality rate measures child survival. It also reflects more broadly the social, economic and environmental conditions in which children (and community) live.

In 2017 5.4 million children under age 5 million died with 2.5 million deaths or 46% occurring in the first month of life. These deaths reflect the limited access of children and communities to basic health interventions such as vaccination, antenatal care, skilled birth attendance, medical treatment of infectious diseases, adequate nutrition and clean water and sanitation.

In 2017 118 countries already had an under-five mortality rate below the SDG target of at least as low as 25 deaths per 1,000 live births. Among the remaining countries, progress will need to be accelerated in about 50 countries to achieve the SDG target by 2030. However, children continue to face widespread regional and income disparities in their chances of survival. If the 50 countries falling behind would achieve the SDG target on child survival by 2030, 10 million lives of children under age 5 could be saved.

As explained under section 5, all the geographic budget lines, GPGC (with its Human Development component) contribute to SDG 3.

Indicator 4: SDG3.1.1 Maternal deaths per 100,000 live births							
Baseline 2013	Milestones foreseen						Target 2030
	2014	2015	2016	2017	2018	2019	
246*							less than 70 per 100,000 live births
	Actual results						
		216*	n.a.	n.a.	n.a.		

*Projected data obtained from <http://apps.who.int/gho/data/view.main.GSWCAH01REG>. Expected frequency of data dissemination is every 3-5 years

The indicator 3.1.1 maternal mortality ratio (MMR=maternal deaths per 100,000 live births) is aligned to SDG 3.1: "By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births".

Maternal mortality was still unacceptably high in 2015 - an estimated 303 000 women died from pregnancy- or childbirth-related complications, 850 every day. Almost all of these deaths occurred in low-resource settings, and most could have been prevented. More than half of maternal deaths occurred in fragile and humanitarian settings. The risk of maternal mortality is highest for adolescent girls under 15 years.

To improve maternal health and reduce MMR, barriers that limit access to quality maternal health services must be identified and addressed at all levels of the health system. Within a country often major differences in MMR are identified between regions and between urban/rural settings, and socio-economic characteristics (such as education level and wealth quintile). Ensuring universal health coverage for comprehensive reproductive, maternal, and newborn health care will be essential to achieve the SDG MMR target.

As explained under section 5, all the geographic budget lines, GPGC (with its Human Development component) contribute to SDG 3.

Indicator 5: SDG2.2.1 Prevalence of stunting (height for age <-2 SD from the median of the WHO Child Growth Standards) among children under five years of age

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
25.1%			23,6	22,6	21,7	20,8	20*
	Actual results						
	24%	23.4%	22.9%**	22.2	Not yet available	Not yet available	

*Target for 2025: The EU committed to meet at least 10% of the World Health Assembly's global target to reduce stunting of 70 million children by 2025, pledging to reduce this number by at least 7 million.

** Figures are taken from the 2018 report on « Joint Child Malnutrition Estimates » by UNICEF, WHO and World Bank: <https://www.who.int/nutgrowthdb/estimates2017/en/>.

As explained under section 5, all the geographic budget lines, GPGC (with its Food Security component) contribute to SDG 2.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Cooperation actions aiming at poverty reduction and fostering sustainable economic, social and environmental development in Latin America	21 02 01	10	264
Projects and programmes Asia, focusing on a.o. capacity building, rural development, education	21 02 02	16	640.8
Projects and programmes Central Asia, focusing on a.o. capacity building, rural development, education	21 02 03	8	127.2
Projects and programmes Middle East, focusing on a.o. sustainable economic development and education	21 02 04	2	97.5
Projects and programmes Afghanistan, focusing on a.o. capacity building, rural development, education	21 02 05	2	99.7
South Africa Employment Sector Reform Programme and Education and innovation programmes	21 02 06	1	10
Global Public Goods and Challenges programme and projects focusing on Environment and Climate Change	21 02 07 01	8	197.5
Global Public Goods and Challenges programme and projects focusing on Sustainable Energy	21 02 07 02	2	96.2
Global Public Goods and Challenges programme and projects focusing on Human Development	21 02 07 03	8	187.4
Global Public Goods and Challenges programme and projects focusing on Food Security, Nutrition and	21 02 07 04	3	183

sustainable agriculture			
Global Public Goods and Challenges programme and projects focusing on Migration and asylum	21 02 07 05	2	25.1
Programme to enhance the role of civil society organisations	21 02 08 01	200	200
Programme to enhance the role of local authorities	21 02 08 02	10	38.5
Pan-African Programme projects focusing on a.o. capacity building, infrastructure, agriculture, higher education	21 02 09	1	117
Total		273	2,283.9

Specific Objective 2: Consolidating and supporting democracy, the rule of law, good governance, human rights and the relevant principles of international law.

Indicator 1: Average score in the Rule of law as measured by the World Bank's Worldwide Governance Indicator (DCI countries eligible for geographic cooperation)

The Rule of Law indicator is one of the six aggregate indicators of the World Bank Worldwide Governance Indicators (WGI). It captures perceptions of the extent to which agents (i.e. firms, individuals and public officials) have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, the courts, as well as the likelihood of crime and violence.

Baseline 2008	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
-0.88		-0.82	-0.81	-0.80	-0.79	-0.78	-0.77
	Actual results						
	-0.74*	-0.75**	-0.77***	0.77****	n.a. yet*****		

*Actual consolidated figure for the year 2014 for the 29 DCI countries

** Actual consolidated figure for the year 2015 for the 29 DCI countries

*** Actual consolidated figure for the year 2016 for the 29 DCI countries

**** Actual consolidated figure for the year 2017 for the 29 DCI countries

***** World Bank's Worldwide Governance Indicator currently covers the period 1996-2017

The dedicated webpages of the World Bank provide information about the methodology used for the World Bank WGIs (<http://info.worldbank.org/governance/wgi/index.aspx#doc>) and updated annually Country Data Reports (<http://info.worldbank.org/governance/wgi/index.aspx#countryReports>). Based on the above, DG DEVCO monitors information for the countries available for DCI geographic funding under the Multi Financial Framework 2014-2020 (29 countries). The data shows the average index score for these countries. The index ranges from -2.5 (worst possible score) to +2.5 (best possible score) where "0" means average score (across all the countries where the index is measured)

Indicator 2: Number of projects funded from the DCI to promote democracy, the rule of law, good governance and respect for human rights in the DCI beneficiary countries

Baseline Average 2010-2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
70	70	70	75	80	85	90	100
	96*	84**	310***	391****	76*****		

Source: CRIS Data Warehouse

* In 2014, 96 projects were signed under the DCI excluding CSO&LA, on the DAC codes corresponding to democracy, rule of law, governance and respect of human rights (15100, 15110, 15111, 15112, 15113, 15130, 15150, 15151, 15152, 15153, 15160).

** In 2015: 84 contracts were signed in total under the DCI, with the following detail: Democracy: 17 contracts; Democratic participation and civil society DAC 15150: 170 projects (8+24); Anti-corruption DAC 15113: 5 contracts; Justice DAC 15130: 17 contracts; HR: 21 contracts.

*** In 2016, using the following DAC sectors: 15110, 15111, 15112, 15113, 15114, 15130, 15150, 15151, 15152, 15153, 15160, 15170, 15180 to cover a broader range of sectors included in the indicator under "democracy, the rule of law, good governance and respect for human rights": 310 contracts. The large number of projects is therefore due to the large number of DAC codes used, and also because of an increase in the 2014-2020 programming at bilateral level in DCI countries, that given the d+3 rule for contracting made the number of contracts rose as from 2016.

**** in 2017, we used the same methodology of 2016, using the following DAC sectors: 15110, 15111, 15112, 15113, 15114, 15130, 15150, 15151, 15152, 15153, 15160, 15170, 15180 to cover a broader range of sectors included in the indicator under "democracy, the rule of law, good governance and respect for human rights": 391 contracts.

***** in 2018, we used the same methodology of 2016 and 2017, using the same DAC sectors: 15110, 15111, 15112, 15113, 15114, 15130, 15150, 15151, 15152, 15153, 15160, 15170, 15180 to cover a broader range of sectors included in the indicator under "democracy, the rule of law, good governance and respect for human rights": 76 contracts.

Indicator 3: SDG 5.5.1 Proportion of seats held by women in national parliaments

Baseline 2011	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
19.7% (18.2% excluding IPA countries)			26%				40%
	Actual results						
		22.7%*	23.2%**	23.5%**	23.8%*		

* Source: Inter Parliamentary Union (IPU) <http://www.ipu.org/wmn-e/world.htm>

**Source of data: UN Women data in "Facts and Figures on Democratic Governance"

Women face several obstacles to participating in political life. Structural barriers through discriminatory laws and institutions still limit women's option to run for office. Capacity gaps mean women are less likely than men to have the education, contacts and resources needed to become effective leaders. The EU supports activities to overcome these barriers and promote the democratic participation of women and men in the political decision making process.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Cooperation actions aiming at consolidating and supporting democracy, rule of law, good governance, human rights and principles of international law in Latin America	21 02 01	5	117.3
Projects and programmes Asia, focusing on a.o. strengthening democratic government, human rights, judicial reform, civil society	21 02 02	8	180.7
Projects and programmes Central Asia, focusing on a.o. rule of law and border management	21 02 03	2	36.5
Projects and programmes Middle East focusing on a.o. rule of law and human rights	21 02 04	3	146.3
Projects and programmes Afghanistan, focusing on a.o. strengthening democratic government, human rights, judicial reform, civil society	21 02 05	1	99.7
South Africa Public administration and legislative support programmes	21 02 06	2	7
Global Public Goods and Challenges programme and projects focusing on Environment and Climate Change	21 02 07 01	2	19
Global Public Goods and Challenges programme and projects focusing on Sustainable Energy	21 02 07 02	0	0
Global Public Goods and Challenges programme and projects focusing on Human Development	21 02 07 03	1	13
Global Public Goods and Challenges programme and projects focusing on Food Security, Nutrition and sustainable agriculture, and more specifically on strengthened governance approaches for food and nutrition security at the global, continental and regional level	21 02 07 04	3	49.5
Global Public Goods and Challenges programme and projects focusing on Migration and asylum	21 02 07 05	3	31
Programme to enhance the role of civil society organisations	21 02 08 01	50	23.49
Programme to enhance the role of local authorities	21 02 08 02	9	36
Pan-African support to the fight against organised-crime and support to pan African Union	21 02 09	1	18.8
Total		90	778.29

Justification of changes to the financial programming and/or to the performance information

CSO-LA Programme: the Multiannual Action programme 2018-2020 provided for EUR 219 million in 2019 for the CSO component, based on the 2019 DB. However, as the 2019 Budget was approved with EUR 230,9 million for this line, the EUR 11.3 million increase will reinforce the CSO allocations to certain EU Delegations and will allow further actions in the five priorities defined at local level (Gender, Climate Change, Youth, Root causes of migration, Fragility).

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Poverty reduction and fostering sustainable economic, social and environmental development	803,7	837,2
Total	803,7	837,2

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
379,9	503,8	646,5	773,0	633,3	803,7	837,2	4 577,4

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Methodology for calculation of the amounts

For 2014 to 2017, the information is based on the OECD DAC CRS file, and has been quality checked by DG DEVCO.

The annual estimates for 2018-2020 are based on the Financial Programming data for 2014-2020 for each of the DCI budget lines. For **geographic** cooperation budget lines, estimates are based on a weighted average of the percentages identified for the available RIPs and NIPs. For the **thematic** budget lines estimates are based on the Rio-markable potential of the GPGC MIP.

The methodology for 2018-2020 is therefore the same as the one agreed with DG CLIMA and applied for the MTR report of the External Financing Instruments COM(2017) 720 final of 15.12.2017.

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Poverty reduction and fostering sustainable economic, social and environmental development	217,5	222,3
Total	217,5	222,3

Programming biodiversity

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
89,8	119,2	100,8	201,4	275,4	217,5	222,3	1 226,4

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Methodology for calculation of the amounts: For the period 2014-2018, the amount taken into account as contributions to biodiversity objectives for each commitment is proportional to the RIO markers used, as follows:

- 1) RIO marker 1 (significant objective) – 40% of the amount of the commitment was counted;
- 2) RIO marker 2 (principal objective) – 100% of the amount of the commitment was counted;
- 3) 0% of the amount of the commitment is counted if no RIO marker is selected.

The use of RIO markers has been quality checked by DG DEVCO for the period 2014-2017, with support from the Environment and Climate Change Mainstreaming Facility. This control is consistent with the data reported to the OECD/DAC. For 2018 an early statistical estimate is provided based on final committed amounts at 31/12/2018. For the period 2019-2020 estimates are provided using the multi-annual average of biodiversity commitments and in relation to the doubling target as per the Hyderabad commitment, and using the formula below.

Methodology for calculation of the 2019-2020 amounts: 7.26 % of [operational chapter 21 02 – BL 21 02 40 Commodities agreements – BL 21 02 30 Agreement with the Food and Agriculture Organisation (FAO) and other United Nations bodies – BL 21 02 20 Erasmus+ — Contribution from the development cooperation instrument (DCI)

Gender mainstreaming

Relevant objective/output	Budget 2019 (EUR million)	DB 2020 (EUR million)
Poverty reduction and fostering sustainable economic, social and environmental development	1,051.26	1,049.13

The EU Gender Action plan for External Action 2016-2020 (GAP II) sets a target by 2020 to have 85% of new development projects supporting gender equality as a main objective (OECD Gender marker 1) or as a significant objective (OECD Gender marker 2). The indicator is a proportion of number of projects marked as OECD G marker 1 and 2 against all new projects financed in a given year.

According to the latest available information, (annual report 2017), 65.9% of all new actions were gender mainstreamed e.g. marked as G marker 1 or 2. Over the last four years, there has been a consistent increase in the proportion of initiatives that promote gender equality (they were 58.8% in 2016, 47.3% in 2015, and 31.3% in 2014.). As things stand, the final target (85%) presented in the GAP II is fully in reach.

Gender is mainstreamed across all sectors and instruments. For instance, the EU Women and Sustainable Energy initiative, launched in 2017, promotes women's entrepreneurship and active role in developing countries both within the energy value chain and as end-users of energy services for productive activities.

Women Financial Inclusion Facility provides blended finance operation for total budget on EUR 10 million (EUR 7m as a first-loss risk capital and EUR 3m as Technical Assistance including a contribution of EUR 1m from European Parliament's budget) in Sub-Saharan African countries. The facility collaborates with other public donors and private sector investors in the setting up of a fund that invest in financial institutions to shape their gender investment strategies and assist them to develop and make available all those financial products and services that are suitable to women. They include services and products to support women's entrepreneurship, the building of economic assets, the opportunity for employment creation, the need for insurance and specialty finance services, the coverage of health and education needs etc.

Methodology for calculation of the amounts: 35.09% of [operational chapter 21 02 – BL 21 02 20 Erasmus+ - BL 21 02 40 Commodities agreements – BL 21 02 30 Agreement with the Food and Agriculture Organisation (FAO) and other United Nations bodies- 21.0277 Pilot projects and preparatory actions]. The percentage is calculated based on the 20167 statistics on OECD, 40% of gender marker "1" (= gender equality is "significant objective" in the programme or project, meaning at least it has been mainstreamed) and 100% of gender marker "2" (= gender equality is "main objective" in the programme or project).

5. Programme contribution to the Sustainable Development Goals

Considering its wide geographic and thematic scope, the DCI contributes to all 17 SDGs. Moreover, as stated in the Consensus, the implementation of the 2030 Agenda requires, when planning and implementing development cooperation, to pay particular attention to interlinkages between the SDGs and to integrated actions that can create co-benefits and meet multiple objectives in a coherent way. The DCI contributes to this approach by integrating in a balanced manner the three dimensions of sustainable development, i.e. economic growth, social inclusion and environmental protection.

From the perspective of the **geographical programmes**, the programme will contribute to those SDGs related to human development (SDGs 1, 2, 3, 4, 5), (those linked to the fields of environment, sustainable energy, ocean conservation, biodiversity and climate change (SDGs 6, 7, 9, 11, 13, 14, 15), inclusive growth, job creation and reducing inequalities (SDGs 8, 9 and 10) and security-development nexus and governance (SDG 16) and partnership for the goals (SDG 17).

From the perspective of the thematic programmes related to **Global Public Goods and Challenges (GPGC)**, likewise a wide array of SDGs is targeted. The area of **environment and climate change** contributes to SDG 7 (energy), SDG 12 (Sustainable consumption and production), SDG 13 (Climate change), SDGs 14 (Oceans) and 15 (Terrestrial ecosystems). Action on climate change and environment mainstreaming contributes to the environmental dimension of all the other SDGs. In the area of **Human Development**, SDG 4 is at the core of the vision of the Global Partnership for Education (GPE), which remains the main recipient of funding in the education sub-programme. The programme will contribute to all targets of SDG 3, including what is considered a key target, namely universal health coverage through comprehensive support to health systems strengthening.

All of the 17 SDGs are directly related to and impacting on **women and children**. Out of the 232 global SDG indicators, 44 directly concern children. At the global level, through GPGC, activities are geared towards the elimination of violence against women, girls and children as well as setting up protection mechanism for children. This entails we primarily address SDGs 3, 4, 5 and 16, including targeting the elimination of harmful practices, the access to sexual and reproductive health and rights, and contributing to ending discrimination and violence towards women and girls. Actions aiming at ensuring the wellbeing of children contribute, among others, to SDG 16.

The **Culture** component of the GPGC Human Development equally aims at SDGs 4, 5, 8, 11 and 16, through the promotion of culture, heritage and creativity as resources to economic growth, jobs creation and identity building, with particular focus on youth and women. In the area of **Social inclusion and protection**, SDGs 1, 8 and 10 are at the core of EU action under the Human Development component of the GPGC related to employment and decent work, social protection, social inclusion and the reduction of inequalities. In the area **Growth, jobs and private sector engagement**, and specifically regarding private sector development, trade and regional integration, the priorities are strictly linked to the Agenda 2030 and its SDGs (mainly SDGs 8, 9, 12 and 17). In the area of **Food security**, SDG 2 is the foundation of the GPGC-food and nutrition security and sustainable agriculture programme. All forthcoming actions will be designed to be fully relevant for SDG 2 and to contribute to SDG 5, to SDG 8 and to SDG target 13.1 in all countries.

Programmes financed from the budget line **migration** aim in particular at SDG targets 5.2, 8.8, 10.7, 16.2 and 17.18. Regarding **Civil Society Organisations and Local Authorities in development (CSO-LA)**, the wide-ranged roles of CSOs and LAs make them key partners in the achievement of a range of goals, including SDG 1, SDG 6, SDG 8, SDG 11, SDG 16 and SDG 17.

The **Pan-African** programme with its wide thematic scope contributes among others to SDG 4 (through higher education projects), SDG 8 (contributing to trade and economic growth and improving youth employability through knowledge and skills projects), SDG 9 (through the support to infrastructure and connectivity and to science, technology and innovation), SDGs 13, 14 and 15 (through the earth observation project) and SDG 16 (supporting the African Union Commission, the political dialogue, including migration, and the role of Non-State actors).

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

DCI contribution to Investment Facilities

Central Asia is benefitting from the Investment Facility for Central Asia (IFCA). Since its creation in 2010, EUR 204.9 million have been allocated to this investment facility by the end of 2018, out of which EUR 119.26 million under the 2014 – 2020 DCI. So far, IFCA contributions worth EUR 172.9 million - including fees – are supporting 26 investment projects and are expected to catalyze investments worth EUR 909 million. Based on the current IFCA pipeline, approximately EUR 40 million are likely to be contracted in 2019, to support investments notably in the water, renewable energy and agricultural sectors. EBRD is the main contracting partner for blending projects in Central Asia (90% of contracting value at the end of 2018). However, the Commission has started reaching out to other partners, including private sector arms of European development financial institutions such as, for example, the French PROPARGO.

As far as the regional investment facility for **South and South East Asia** is concerned, i.e., the Asian Investment Facility (AIF), it has benefitted from DCI allocations of EUR 303.63 million by the end of 2018, out of which EUR 243.63 million have been allocated under the 2014 – 2020 DCI. Through the AIF, the DCI is funding 36 blending projects by the end of 2018. The EU grant contribution to these 36 projects amounts to EUR 219.76 million including fees for a total expected investment volume of around EUR 5.37 billion. AIF contributions worth approximately EUR 70 million are expected to be contracted by the end of 2019. Main blending partners in Asia are KfW and AFD, but for IFCA, the Commission is intending to diversify its blending cooperation, and is currently preparing blending projects with the ADB, too, in Laos and Myanmar.

The importance of investments in reaching the SDGs is increasingly recognized in development cooperation. It is against this background that the opportunity of the Mid-term Review (MTR) has been used to increase funds available to boost investments in Asia and Central Asia, notably by the establishment of investment allocations for a large majority of countries in these regions. Following the MTR, investment funds cannot only be channelled through above mentioned regional blending facilities, but could be used for joint and parallel investment operations with other development partners or for stand-alone capacity building measures and advisory services contributing to an improved business environment and/or technical or financial know-how of SMEs and local banking sectors. Eligible activities are activities boosting investments contributing to the achievement of the SDGs. In 2018, EU contributions totalling close to EUR 40 million have been committed for this type of investment projects benefitting Afghanistan, Pakistan, Nepal, Indonesia, Kyrgyzstan and Tajikistan. This number is expected to increase in the future.

An investment allocation has been also created for Iraq which could offer strategic opportunities for investments during the reconstruction phase. Like the investment allocations for other countries, these funds can either be implemented as stand-alone

projects or via a regional investment facility. The extension of the AIF to cover also the Middle East region could offer strategic opportunities for investment in Iraq and, depending on the evolution of the situation, also in Yemen.

Latin America is benefitting from the Latin America Investment Facility (LAIF). Since its creation in 2009 until 2018, EUR 409 million (EUR 321 million to Regional Latin America, EUR 50 million earmarked for Nicaragua, EUR 10 million earmarked for central America, EUR 6 million earmarked for El Salvador and EUR 17 million for a Climate Change Window) have been allocated to LAIF.

49 blending projects proposals have been approved by the Board by the end of 2018. Out of the 49 projects, 45 were contracted, with a LAIF contribution of EUR 378 million including fees. These contributions are expected to leverage investments worth around EUR 8424 million. 35% of the facility contribution to the projects was made in the form of investment grant, 49% as technical assistance, 6% in the form of risk-sharing instruments and guarantees and 3% as fees.

The Global Energy Efficiency and Renewable Energy (GEEREF) investment facility is an innovative financing vehicle aiming at promoting energy efficiency and renewable energy in developing countries and economies in transition. Structured as a Fund-of-Funds, GEEREF's strategy is to invest in –and thus help develop– regional private equity funds, the investments of which target small and medium-sized energy efficiency and renewable energy projects. The DCI contributed to the fund with EUR 81 million. Since its launch in 2008, the DCI contribution was catalytic in mobilising project finance to 129 renewable energy and energy efficiency projects in Africa, Asia and Latin America.

The Agriculture Financing Initiative (AgriFI), launched at the end of 2015, has used public money to de-risk and thereby increase investment in smallholder agriculture and agri-businesses in developing countries with the aim of achieving inclusive and sustainable agricultural growth. Under this AgriFI, the following financial instruments have been signed: the EDFI AgriFI with “FMO - Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden” (2017) and the African Agriculture Trade and Investment Fund (AATIF, 2017) with “KfW Kreditanstalt für Wiederaufbau”.

A EUR 20 million top up in 2018 will support the “**HURUMA Fund**”, which is managed by the Spanish Development Finance Institution COFIDES (Compañía Española de Financiación del Desarrollo), and with AECID (Agencia Española de Cooperación Internacional para el Desarrollo), the Spanish agency for international development cooperation, as co-financier. The fund has a worldwide geographic focus. It will address the traditional constraints of agriculture finance and the financing needs of smallholders and underserved farmers.

The **Electrification Financing Initiative (ElectriFI)**, launched in 2014, aims at accelerating access to electricity and modern energy services through intervention at the development stage of a project. Under (**ElectriFI**), the following 6 initiatives have been signed so far: the **EDFI ElectriFI** with FMO (2015, 2016), Africa Renewable Energy Scale-Up Facility (ARESUF, 2015) with AFD (Agence française de développement) and its subsidiary Proparco, the **Climate Investor One** (CIO, 2017) with FMO, the Transferability and Convertibility Facility with Proparco (T&C Facility, 2017) and the **Facility for Energy Inclusion** with AfDB (FEI, 2018) with AfDB (African Development Bank). The **Digital Energy Facility** (DEF), proposed by AFD, received favourable opinion by the DCI Board on 7th December 2018.

The **Facility for Energy Inclusion (FEI)** is a debt financing platform for small-scale renewable energy projects –off/grid solar, small IPPs and mini-grids- with the objective of aggregating capital, structuring bankable projects and accelerating their delivery as to increase access to clean energy across Africa. The facility is split into two windows: i) an on/grid window (FEI on/grid) which supports renewable energy small-scale IPPs, mini-grids and captive power projects by providing long-term debt through project finance structures; ii) an off/grid window (FEI off/grid) which supports pay-as-you-go system companies and other innovative energy access distribution companies through lending to loans corporates and SPVs. The expected impact of FEI is to finance 303 MW of energy generation capacity, 500.000 minigrad connections and 2,8 million off-grid connections (all resulting in a reduction of 340 MT of GHG emissions and the creation of 24000 new permanent jobs and 5,600 temporary jobs).

Other initiatives like the Electrification Financing Initiative (ElectriFI), the Africa Renewable Energy Scale-Up Facility (ARE Scale Up) and Climate Investor One (CIO) are described under "key achievements" of GPGC.

Under the envelope “**Women Economic Empowerment**” the initiative **Women's Financial Inclusion Facility** was signed with KfW (WFIF, 2018). The WFIF is premised on the idea that financial inclusion requires smart capital committed to innovation and gender diversity in order to unlock its full potential. Combining Women's World Banking's gender-lens investing experience with its expertise in designing and delivering women-centered market solutions and Leadership & Diversity programs, WFIF aims to achieve outperformance on women's financial inclusion and financial metrics for its portfolio companies and their customers, thereby helping close the stubborn gender gap. Built on the success of Women's World Banking's first gender-lens investment fund, WFIF is a \$100 million blended-finance vehicle that invests only in high-performing, inclusive financial service providers that demonstrate clear commitment to serving the women's market and to gender diversity in the workplace. These partners, which include MFIs, banks, non-bank finance companies, funds, insurance companies, business correspondent companies or holding companies, offer financial products and services to financially underserved people, especially women, in their markets. The EU contribution amounts at EUR 9 million (junior equity and technical assistance). The European Parliament provided EUR 1 million, too.

Under the envelope “**Support to Developing Countries for innovative Climate Finance**” the initiative **Cities and Climate in Africa** was signed with AFD (CICLIA, 2016).

DCI contribution to Trust Funds

In 2018, the DCI GPGC programme on migration and asylum contributed with EUR 29.5 million to the **European Union Emergency Trust Fund for stability and addressing the root causes of irregular migration and displaced persons in Africa**, while the DCI Food programme has contributed to EUR 10 million. **In 2017**, the DCI made a EUR 230 million contribution to the **European Union Emergency Trust Fund** for stability and addressing root causes of irregular migration and displaced persons in Africa. **In 2016** the contribution was of EUR 83 million. Out of this, EUR 25 million came from the GPGC Migration and asylum thematic programme, in particular to support cross-regional actions aligned with the 3 objectives of the thematic programme. A further EUR 23 million contribution to the Horn of Africa window came from the DCI Food programme, while EUR 25 million came from the PanAfrica programme for actions cutting across the three geographic windows, and EUR 10 million came from the DCI Food for the Sahel and Lake Chad window.

In 2018, the CSO-LA thematic programme contributed to the **Bêkou Trust Fund** with EUR 2.18 million and the Food programme also financed a EUR 3 million. **In 2017** EUR 14.7 million were contributed by the Migration and asylum to the Bêkou Trust Fund in order to support durable solutions to forced displacement in the Central African Republic, as part of commitments made during the donor conference for the Central African Republic of 17 November 2016. Since 2015, the CSO-LA contribution to the Bêkou Trust Fund has totalled EUR 26.8 million.

In 2017, a EUR 14.7 million transfer from the GPGC thematic programme on migration and asylum was made to the **Bêkou Trust Fund** in order to support durable solutions to forced displacement in the Central African Republic, as part of commitments made during the donor conference for the Central African Republic of 17 November 2016. In 2018, EUR 2.1 million transfer from CSO-LA thematic programme was made to the Bêkou Trust Fund, to be used to the benefit of CSOs. Since 2015, the CSO-LA contribution to the Bêkou Trust Fund has totalled EUR 26.8 million. The DCI Food programme also financed a EUR 3 million contribution to **TF Bêkou in 2018, as well as EUR 10 million of contribution to the TF Horn of Africa.**

In 2018, a EUR 10 million contribution from the DCI Middle East programme and a EUR 5 million contribution from the DCI GPGC migration and asylum programme was made to the **Regional Trust Fund in support of the Syrian crisis (Madad TF)** with a particular focus to support forcibly displaced persons in Iraq. **In 2017** EUR 10 million from DCI migration were transferred to IPA to be used for the Facility for Refugees in Turkey (FRIT) via the **Madad TF**. **In 2016**, EUR 20 million from the GPGC Migration and asylum were channelled through the Madad TF with the specific objective to support refugees, internally displaced persons, returnees and host communities, in particular in Lebanon, Jordan and Iraq.

HEADING 4: Global Europe**Partnership instrument for cooperation with third countries (PI)****Lead DG: FPI**

Associated DGs: EAC

I. Overview***What the programme is about?***

The Partnership Instrument for Cooperation with Third Countries (PI) is the EU's first instrument specifically designed to promote the Union's strategic interests worldwide by reinforcing its external strategies, policies and actions.

It has four main objectives:

1. offering policy support and responding to global challenges;
2. projecting the international dimension of Europe 2020;
3. enhancing market access and boosting trade, investment and business opportunities for EU companies;
4. promoting public diplomacy and academic cooperation.

The Partnership Instrument has been designed to advance and promote EU interests abroad by supporting the external dimension of EU policies, in particular the "Europe 2020" strategy, and by addressing major global challenges, both at bilateral and at multilateral level. The PI promotes alliance -building with a specific focus on EU's strategic partners. The PI also helps to improve market access and develop trade and business opportunities for EU companies through economic partnerships, business and regulatory cooperation. Finally, the PI is intended to enhance widespread understanding and visibility of the Union on the world scene by means of public diplomacy, education/academic cooperation & outreach activities.

The EU has numerous international agreements with partner countries all over the world, not matched by individual Member States, which gives it influence in virtually all fields of international relations. By combining the weight of all Member States acting within common policies and strategies, only the EU has the critical weight to respond to global challenges. The PI helps promoting EU norms and standards with a view to turning them into global standards.

EU added value of the programme

The EU has numerous international agreements with partner countries all over the world resulting in influence in virtually all fields of international relations. By combining the weight of all Member States acting within common policies and strategies, only the EU has the critical weight to respond to global challenges. The PI is in a unique position to promote EU norms with a view to turn them into global standards through international cooperation.

Implementation mode

The Service for Foreign Policy Instruments (FPI) is the lead service for the programme implementation. The Partnership Instrument operates under two different modes, depending on the specific circumstances of the action considered:

- 1) Direct management: The European Commission is in charge of all EU budget implementation tasks, which are performed directly by its departments either at headquarters or in the EU delegations.
- 2) Indirect management: Under indirect management, the European Commission entrusts budget implementation tasks to: partner countries (or to bodies designated by them); international organisations; development agencies of EU Member States; other bodies.

II. Programme Implementation Update***Implementation status (2016 -2018)***

In 2018, the adoption of the Annual Action Programme 2018 (AAP) as well as four individual measures and the timely contracting of actions under the AAP 2017 were the main policy and expenditure-related outputs for the PI. Additionally, the implementation and monitoring of actions under the AAPs 2014, 2015, 2016 and 2017 as well as the launch of the programming exercise for 2019 through the cluster modality were key efforts for PI implementation and planning.

The AAP 2018 was adopted following in-depth consultation on EU strategic policy priorities externally in two phases:

- the first phase of the AAP 2018 comprising Action Fiches 1-19 for a budget of EUR 81,900,000 was adopted on 4 July 2018;
- the second phase comprising Action Fiches 20-23 for a budget of EUR 26,900,000 was adopted on 27 November 2018.

Four individual measures were also adopted in 2018, for a total budget of EUR 13,500,000. Additional commitment appropriations worth EUR 4.6 million were granted to the instrument for the budgetary year 2018, which increased the total budget of the AAP 2018 plus the individual measures to EUR 126,900,000, of which EUR 9,150,000 was sub-delegated to other DGs/agencies (EACEA, EMPL, SCIC and TRADE). Out of the budget of EUR 117,750,000 managed by FPI, EUR 25,100,000 was already contracted in 2018. The remaining budget will be contracted by 31 December 2019.

All 22 stand-alone actions included in the AAP 2017 were committed and signed by 31 December 2018. Out of the total AAP 2017 budget of EUR 115,169,000 for which FPI was responsible for, EUR 115,087,000 (99.92% of level 1 commitment) was contracted. This result was obtained thanks to a concerted effort to maximize budget consumption by transferring unused funds from other projects (typically as a result of procurement procedures which lowered the initial cost estimate).

Key programme achievements to date (examples of programme success stories / generated EU value added)

In order to explain the concrete PI achievements in 2018, it is important to note that the instrument focuses on influencing processes through facilitation and support, and on increasing EU capacity to impact policy making. In this regard, the Mid-Term Review evaluation found evidence that the PI played an often critical enabling role through both strengthening and opening up areas for cooperation and dialogue. This catalytic effect of the instrument is reflected in a new Partnership Instrument intervention logic and a set of core indicators developed and adopted in 2016 and on which we provide data in this section⁵²⁶.

The indicators are divided into activity, output and outcome indicators. Various **activities** are implemented under the PI funded actions. These activities can be divided into three main categories:

- Exchanges, events, knowledge sharing
- Provision of expertise, technical assistance
- Promotion, outreach, engagement

Cumulative data (2014-2018) on core activity indicators are presented in the table below.

PI Activities implemented	Total recorded
A1: Total number of events organised and supported (aggregated)	2,315[1]
Number of visits, exchanges, study tours	103
Number of business missions	90
Number of technical meetings (to discuss a specific technical subject)	327
Number of group events (conferences, debates, workshops, seminars)	762
Number of training events	185
Number of outreach and advocacy (including networking events, cultural collaboration activities)	339
A2: Person-days of expertise or technical assistance provided	33,167
A3: Number of public/media/communication campaigns designed and implemented (aggregated)	183

Source: Partnership Instrument Monitoring System

The activities implemented under PI actions lead to delivery/production of a wide range of **outputs**, which can be grouped into different 4 main categories:

- Direct benefits of events (e.g. increased knowledge, understanding, awareness, networking, engagement)
- Knowledge-based products
- Outcome statements
- Advocacy, awareness raising products

Cumulative data (2014-2018) on **core output indicators** are presented in the table below.

PI Outputs delivered	Total recorded
OP1: Number of participants in an event	238 639
OP2: Percentage of participants who report having benefited from an event	87.25%
OP3: Number of EU companies that participated in an event	1 653
OP4: Percentage of EU companies which report having benefited from an event	63%
OP5: Number of outcome statements emanating from an event	74
OP6: Number of knowledge-based products developed	10 113
OP7: Number of communication products developed	6 231

Source: Partnership Instrument Monitoring System

Examples of actions that demonstrate the outcome:

⁵²⁶ The cumulative data for 2018 was collected based on inception, interim and final reports. The core indicators were developed in 2016 and training to implementing partners to use them has been organised between October 2017 and March 2018. This means that data was not always collected in the previous period and cannot be recreated ex post. Therefore, the cumulative data presented are an underestimate of the real achievements. At the same time, the figures for activities, outputs and outcomes for 2018 are markedly higher than those presented in the previous working programme statements: this is explained by the fact that previous figures were only partial and that collection of data for indicators is now done in full.

=> The action “**Support to the Implementation of the Paris Agreement (SPIPA)** with major economies” (AAP 2017) aims at supporting and encouraging partner countries to successfully executing their climate change mitigation and adaptation policies. The aim is to reduce their greenhouse gas emissions, adapting to the effects of climate change, and thus ultimately contributing to the long-term targets laid out in the Paris Agreement through their nationally determined contribution (NDC). Examples of how the PI project helped are: a) In India, the first ever workshop on greenhouse gas emission modelling took place in Delhi (March 23, 2018) with Indian authorities and think tanks; b) In South Africa, SPIPA was actively involved in a regional conference Adaptation Futures 2018 held in Cape Town (18-21 June 2018) which is the world’s premier biennial conference on climate change adaptation. In total, the Conference brought together more than 1300 scientists, practitioners, business leaders and policymakers from around the world to connect, learn and inspire actions and solutions on climate change adaptation.

=> The objective of **China Europe Water Platform (CEWP)**, AAP 2016) is to promote water policy dialogues, collaborative research and business development based on mutual interests and joint funding. It is of strategic importance for China and the EU to improve cooperation on management of water as a crucial natural resource in order to avert a future global water crisis and its potential impacts on social and economic development and stability. A concrete example of outcome is the CEWP Sixth High-level Dialogue that was organised in Beijing in November 2018. The theme of this year was "Water Governance for Green Growth and Circular Economy". A Cooperation Protocol on Sponge Cities was signed during that day, involving the Ministry of Infrastructure and Water Management of the Netherlands, Beijing Water Authority, the City of Changde and the Chinese Academy of Urban Planning and Design.

=> The Low carbon business action in Brazil and Mexico, phase 2 (AAP 2016) has been promoting decoupling economic growth and CO2 emissions in order to address global climate change as well as to improve market opportunities for leading EU businesses in the green-technology sector. While the first phase focused on signing Cooperation Partnership Agreements (CPAs) between companies in the EU and companies in Brazil and Mexico, the current action has been building on these partnership agreements. Following the evaluation of the concept notes, 42 CPAs from Mexico and 90 from Brazil were selected for receiving technical assistance, including financial viability modelling, legal advice, environmental impact, cost-benefit assessments and feasibility studies. Support is also being provided for access to finance, including drafting proposals and investment applications to be submitted to investment facilities and financial institutions.

=> The action “**International Urban Cooperation Programme**” (AAP 2015 and AAP 2018) implemented city-to-city cooperation between the EU and target countries in Asia and the Americas in the context of the New Urban Agenda and in support of EU regional policy engagement. Through the action, cities from Europe and other global regions are paired together, jointly committing to design and implement pilot projects that enhance sustainable development at the local and regional levels. To date, over [60 pairings](#) have been established between local governments through the programme. In addition, the action has been instrumental in taking forward EU climate leadership by putting in place national and regional covenants of mayors’ initiatives in support of city and local authority climate action. In Latin America, the programme has supported region-to-region cooperation on innovation for local and regional development.

=> The action “**International Digital Cooperation**” (AAP 2016) aims at developing a secure, right-based international digital sphere, conducive to a level playing field in terms of market access and business opportunities for EU companies. It consists of four thematic projects a) Personal Data Protection (notably based on the GDPR) b) ICT Standardisation c) Cyber Security (diplomacy and resilience) and d) Access to e-evidence. The project has successfully carried out activities in the field of a) Awareness raising and promotion of EU policy, standards and best practice in the public sector and in private sector, think tanks and academia; b) Development of common approaches based on existing best practice; c) Legislative support; d) Institutional capacity building for law enforcement and judiciary; and e) Building networks.

=> The Partnership Instrument supports several projects on cooperation on civil aviation matters (in China AAP 2014; South Asia AAP 2015; South-East Asia and Latin America AAP 2017). These projects develop and support EU aviation interests around the world in line with the Europe 2020 strategy and the European Commission’s Aviation Strategy for Europe, by strengthening institutional links, promoting regulatory harmonisation, addressing capacity limitations and supporting environmental protection and climate action. It operates by promoting EU policy, standards and technology in order to provide a more compatible and open market for the EU aviation industry across the globe.

=> The EU Gateway | Business Avenues programme (AAP 2014 and 2015) has established a common monitoring methodology for assessing its contribution to the market entry to third markets. Since 2016, 54 business missions to China, Japan, Korea and South East Asia were conducted. In total 2,700 European companies participated in the programme and engaged into 54 B2B missions in 9 target industrial and services sectors.

=> The **Public Procurement Initiative** (AAP 2014) has developed a novel methodology to collection and assessment of government procurement data in third countries. This methodology has produced data from Australia and Brazil and will be applied in the following trading partners countries: China, India, Indonesia, Thailand, New Zealand. This data feeds into the strategy for trade negotiation to ensure that focus is on sectors with high potential for European industry in the respective trade agreements.

=> Under the **Policy Support Facility**, the EU supports the organisation of High-Level Seminar on International Nuclear Cooperation and Governance targeting Iranian policymakers. Three seminars have been held to date, in 2017 and 2018. These seminars make an important contribution to the EU’s implementation of the Joint Comprehensive Plan of Action of July 2015 addressing Iran's nuclear activities.

=> Under the action "**EU Policy and Outreach Partnership**" (AAP 2015), a high brand awareness of the EU has been developed among targeted audiences in South-East Asia, such as the Ocean Governance short stories competition among young writers in Indonesia, and in UAE through a dedicated series of activities under the theme 'Sheikh Zayed and Europe: A Journey Exhibition'.

=> Under the action "**Cultural Diplomacy Platform**" (AAP 2015) increased mutual understanding through intercultural dialogue and facilitated future cooperation among EU cultural operators and the EU strategic partner countries was achieved through the organisation of the third edition of the Global Cultural Leadership Training and the EU literature prize winners' participation to the Tokyo international book fair; as well as a global conference on the international aspects of the European Year of Cultural Heritage.

=> In 2018, several actions dedicated to Public Diplomacy efforts were implemented in South and Central America, India, Japan, China, thus contributing to build mutual trust and understanding between the EU and the partner country, while enhancing the ability of the EU to engage with target audiences. Examples of successful activities are: Journalist Training in Argentina, EU Simulation in Brazil, Conference on the crisis of multilateralism and the response from the European Union and Latin America, Roadshow and Diplomatic Training in Chile, EU-China International Literary, symposia on EU and Japanese geographical indications systems, Climate Diplomacy Week and Erasmus alumni networking activities in Mexico, European Higher Education Virtual Fair in India. Under the 'civil society engagement', grants were awarded to CSO organisations in Canada and in Japan in view of establishing or enhancing dialogues between civil society actors and local, national, regional or international institutions on policy areas of common interest to the EU and its partner countries.

Relevant findings of evaluation and/or programme related studies' (if any)

Besides the PI Mid-Term Review Evaluation Report of 2017⁵²⁷, a mid-term evaluation of the PI funded programme concerning International Urban Cooperation (IUC) was carried out in 2018. The IUC programme consists of three components: City-to-city cooperation on sustainable urban development; Sub-national action under the Global Covenant of Mayors initiative; and Inter-regional cooperation on innovation for local and regional development (in Latin America only). The programme is global and is implemented through 8 individual contracts.

Overall, there are no other initiatives that would compare to the IUC programme in terms of scale and the EU level is considered the most appropriate for this action. **The EU adds value through its bilateral dialogue with national authorities**, which is sometimes crucial to trigger action, demonstrating its **political leverage**. Stakeholders recognise **the EU's leadership and expertise in the different policy areas covered by the IUC programme, but also EU cities' experience**. In addition, the PI is the only instrument available to support this type of foreign policy action in countries like Canada or Japan.

For the remainder of the programme implementation, the evaluation makes the following recommendations:

- Finalise the monitoring and reporting architecture, including a tracker of the changes to the terms of reference for each contract;
- Strengthen the tools for knowledge-sharing;
- Make the steering more strategic to enhance the coherence of the programme;
- Enhance certainty and visibility for external stakeholders;
- Enhance the sustainability of the programme and the financial implementation capacity of external stakeholders;
- Improve the dissemination of information on the programme and individual contracts;
- In the long term, reconsider the rationale behind the existence of a single programme including three components. Even if topics are related, the differences in the objectives and approach have translated into component-specific implementation.

In 2019, a major effort will be undertaken in terms of evaluation, with 16 different exercises planned and budgeted for. The results of these evaluations will feed into the programming of the AAP 2020 as well as into the discussion on the future financial architecture of external action.

Information about forthcoming implementation (2019-2020)

The PI Annual Action Programme is adopted in two phases (i.e. around April and October each year) to allow for increased flexibility, in spring and in autumn. Currently, 15 actions are being considered for inclusion in the first phase of AAP 2019, which is framed by the EU Global Strategy, the Sustainable Development Goals and the 10 Commission Priorities in addition to the PI multi-annual framework. The programming exercise is conducted through a cluster approach involving close cooperation with the EEAS, EU Delegations and Commission services⁵²⁸ based on initial strategic reflections provided by the EU Delegations. The main lines of action currently being considered for the AAP 2019 are: climate/energy action; trade and market access; digital; peace and security; as well as public and culture diplomacy.

Outlook for the period 2021-2027

In the future MFF, the activities currently financed under the Partnership Instrument will be continued under the proposal for a Regulation of the European Parliament and of the Council, establishing the Neighbourhood, Development and International Cooperation Instrument (NDICI), COM(2018)460 final. Activities will be financed partly under the envelope "Rapid response

⁵²⁷ https://ec.europa.eu/europeaid/mid-term-evaluation-partnership-instrument-pi-draft-report_en

⁵²⁸ For example, DG CLIMA, DG EAC, DG ENV, DG ENER, DG GROW, DG HOME, DG MARE, DG MOVE and DG TRADE.

actions” (Art. 6.c of NDICI, notably to address foreign policy needs and priorities), partly under the envelope “Thematic programmes” (Art. 6.b of NDICI), and partly under the envelope “Geographic programmes” (Art. 6.a of NDICI).

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 234/2014 of the European Parliament and of the Council of 11 March 2014 establishing a Partnership Instrument for cooperation with third countries	2014 - 2020	954,8

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	DB2020	
Administrative support	4,3	3,4	4,8	5,0	5,4	5,8	6,1	34,8
Operational appropriations	115,4	114,4	122,4	133,0	139,4	148,2	156,1	928,9
Executive Agency	0,3	0,2	0,2	0,2	0,1	0,0		1,0
Total	119,9	118,0	127,5	138,2	144,9	154,0	162,3	964,7
<i>Of which contribution to Erasmus+</i>	<i>8,2</i>	<i>11,7</i>	<i>14,7</i>	<i>15,4</i>	<i>11,5</i>	<i>12,5</i>	<i>13,7</i>	<i>87,8</i>

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	144,858	99,96 %	117,008	99,53 %	149,004	8,89 %	91,105	26,87 %
Authorised appropriations (*)	147,236	98,97 %	120,347	98,98 %	151,793	8,93 %	92,345	26,69 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The Partnership Instrument shall support measures that respond in an effective and flexible manner to objectives arising from the Union's bilateral, regional or multilateral relationships with third countries and address challenges of global concern, or ensure an adequate follow-up to decisions taken at multilateral level.

Indicator 1: Number of new relevant instruments and / or negotiation processes launched / on-going with EU's strategic partners, regional organisations and at multilateral level

Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
Relevant existing instruments (e.g. agreements, declarations, action plans) and negotiation processes ongoing with EU's strategic partners, regional organisations and at multilateral level	0	2	4	9		10

* Data sources: PI website: http://ec.europa.eu/dgs/fpi/what-we-do/partnership_instrument_en.htm

As regards the indicators presented in this section, latest data available are provided. It is to be noted that PI can contribute to most indicators only in a long-term perspective, through the processes, dialogues and cooperation that are enabled through PI cooperation. Therefore, the PI core outcome indicators introduced in 2016 are considered to provide a more realistic and relevant information on PI performance. PI actions fund activities and deliver outputs in order to achieve outcomes in terms of influence over (often political) processes. Some of the main outcomes are measured by the newly developed PI outcome indicators (see box hereunder).

Core PI outcome indicators : The aim of outcome indicators is to measure the influence which the action is having on some kind of process or on behaviour of the target groups. Process" is used as a generic term for any line of action, position, policy development in a partner country or in a mutual relationship.

PI actions aim to influence or initiate some processes (outcome), often political, in order to create enabling conditions for a change (impact). Normally there will be a process under way, or which needs to be developed, and which may ultimately lead to the desired change in the longer term. This process may need to be initiated, or moved forward in some way, or perhaps enhanced to improve the chances of the action contributing to a desired impact. The outcome that the actions aim to contribute to is that the process is indeed improved which in the longer term may, other things being equal, lead to some impact such as a strategic partnership, or an agreement on migration, or a policy having the potential to contribute to the reduction of greenhouse gas emissions, or improved options for trade, or a better understanding of the EU and its place in the world.

The "instruments" counted in the table above consist mainly of agreements, declarations and action plans. The EU has to date signed Strategic Partnership agreements with 10 countries (Brazil, Canada, China, India, Japan, Mexico, the Republic of Korea, the Russian Federation, South Africa and the U.S.A.).

In the framework of the Strategic Partnership agreement, or in addition to it, the EU often concludes bilateral agreements with these countries. Bilateral agreements traditionally contain three pillars: cooperation, trade and economic relations and political dialogue. These agreements vary in scope, content and level of ambition/engagement e.g. Free Trade Agreements, Partnership and Cooperation Agreements, Association Agreements, visa liberalisation agreements. The PI will facilitate the implementation of such agreements, which are often materialised through Memoranda of Understanding, letters of intent, joint strategies and action plans.

Information on developments in the negotiation and conclusion of these processes will be obtained directly from EU internal sources (i.e. EEAS and Commission services involved) and from data sources relevant for the strategic partners, including relevant websites.

Specific objectives

Specific Objective 1: To support the Union's bilateral, regional and inter-regional cooperation partnership strategies, by promoting policy dialogues and by developing collective approaches and responses to challenges of global concern.

Indicator 1: Progress made by key partner countries in the fight against climate change or in promoting the environmental standards of the Union, as measured by the following sub-indicators:

The specific objective 1 is reflected by five core PI outcome indicators. Values captured for these indicators demonstrate that the instrument has already delivered important results (see underneath).

PI Outcomes (cumulative 2014-2018) ⁵²⁹	Number
OC ⁵³⁰ 1: Number of processes related to state-level and sub-state level (bilateral, regional, multi-lateral) partnership strategies and policy dialogues which have been influenced.	95
OC2: Number of processes related to non-state level partnership/agreements which have been influenced	68
OC3: Number of processes related to partner country approaches to challenges of global concern which have been influenced.	28
OC4: Number of processes related to partner country practices on challenges of global concern which have been influenced	7
OC5: Number of processes related to the positions partner countries take in the run-up to or during regional/international fora which have been influenced	2

Sub-indicator 1a - Operating Emissions Trading Schemes for greenhouse gas mitigation (ETS) outside the EU/EEA (at city, regional, country or multi-country level)

Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
15	18	20	21	22	24	26
Actual results						
	16	18	20	24		

* Data source: <https://icapcarbonaction.com> – International Carbon Action Partnership (ICAP), Status Report –annual report

Baseline data – ICAP Status Report 2015 (providing data for 2014); Data for 2015 – ICAP Status Report 2016;

Data for 2016 – <https://icapcarbonaction.com> – interactive map; Data for 2017 – <https://icapcarbonaction.com>;

Data for 2018– <https://icapcarbonaction.com> – interactive map

Sub-indicator 1b - Share of renewables in total energy production in the 9 strategic partners

Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
	Increase in share %	Increase in share %	Increase in share %	Increase in share %	Increase in share %	Increase in share by at least 10% in each strategic partner
Actual results						
Brazil: 45% Canada: 10% China: 10% India: 38% Japan: 72% Republic of Korea: 8% Mexico: 8% Russian Federation: 1% USA: 8%	Brazil: 43% Canada: 10% China: 10% India: 38% Japan: 76% Republic of Korea: 8% Mexico: 8% Russian Federation: 1% USA: 7%	Brazil: 43% Canada: 10% China: 11% India: 37% Japan: 60% Republic of Korea: 8% Mexico: 9% Russian Federation: 1% USA: 8%**	Data not yet available**	Data not yet available**		

⁵²⁹ See footnote no. 1

⁵³⁰ "OC" stands for Outcome.

* Data source: <http://energyatlas.iea.org/?subject=-1076250891> (Data for baseline (2014) extracted on 27 January 2017. Last data available 2015)

** The data will be available 3 years after the reference year. The data for 2017 will be available at the beginning of 2020.

Sub-indicator 1c - CO2 emissions from fuel combustion in the 9 strategic partners						
Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
20979,55 Mt CO2	Reduction by 1%	Reduction by 2%	Reduction by 3%	Reduction by 4%	Reduction by 5%	Reduction by 6%
	Actual results					
	1,02%	2,37%	n.a. yet**	n.a. yet **		

* Data source: <http://energyatlas.iea.org>. Last data available 2016

** The data will be available 3 years after the reference year. The next set of data will be available by the beginning of 2020.

Sub-indicator 1d - Number of local and regional authorities signing the Covenant of Mayors						
Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
6 270	-	7 000	7 600	8 100	9 000	4 000 new cities in at least 30 countries have joined the cooperation in the field of sustainable energy (Global Covenant)
	Actual results					
	6 750	7 193	7 747	7 755		

* Data source: http://www.covenantofmayors.eu/index_en.html, data for 31/12 of each year provided directly by the Covenant of Mayors Office.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Actions funded in the field of global challenges and policy support under the Annual Action Programme*	19 05 01	10	54,9

* The precise number of actions and budget will be confirmed upon adoption of the Annual Action Programme.

Output		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Actions funded in the field of global challenges and policy support under the Annual Action Programme	F	7	7	7	8	8	10	8
	P	8	9	11	8	15		

Specific Objective 2: Implementing the international dimension of "Europe 2020 - A strategy for smart, sustainable and inclusive growth".

Indicator 1: Uptake of the "Europe 2020" strategy by key partner countries, as measured by the following sub-indicators:

The Specific Objective 2 is reflected by two core PI outcome indicators. The data collected demonstrate that the PI is effective especially in influencing partner country approaches that are beneficial to the achievement of the Europe 2020 strategy (7 processes). To date, one practice of a partner country has been influenced and this number is expected to increase in the future.

PI Outcomes (cumulative 2014-2018)	Number
OC6: Number of processes related to partner country approaches beneficial to the achievement of the Europe 2020 strategy which have been influenced	13
OC7: Number of processes related to partner country practices beneficial to the achievement of Europe 2020 strategy which have been influenced	1

Sub-indicator 2a - Number of cities that have signed new bilateral or multilateral agreements on sustainable urban development						
Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
0	0	6	25	47	64	At least 84 cities in at least 7 strategic partners
	Actual results					
	0	0	30	60		

* Data source: PI monitoring reports

The progression over the years is cumulative. The start of PI action supposed to contribute to this indicator was postponed and implementation started only in 2017. No performance information is available yet.

Sub-indicator 2b - Number of regions that have signed new bilateral or multilateral agreements on innovation						
Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
0	0	6	8	11	15	At least 18 regions /provinces worldwide
	Actual results					
	0	0	0	13		

* Data source: PI monitoring reports

The progression over the years is cumulative. The start of PI action supposed to contribute to this indicator was postponed and implementation started only in 2017. No performance information is available yet.

Sub-indicator 2c - Number of international agreements on Migration and Mobility signed with the strategic partners						
Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
15	15	15	17	17	19	20
	Actual results					
	15	15	15	15		

* Data source: <https://myintracomm.ec.europa.eu/dg/home/policy/legal/Pages/International-agreements.aspx>

Sub-indicator 2d - Average worldwide level of implementation of international safety standards in civil aviation						
Baseline 2014*	Milestones					Target 2020
	2015	2016	2017	2018	2019	
62%	62%	62%	62%	63%	63%	Increase by at least 5%
	Actual results					
	63%	n.a.	64,7%	65,51%		

* Data source: Based on the assessment done by the Universal Safety Oversight Audit Programme (USOAP) and available through International Civil Aviation Organization (ICAO) annual Safety Reports https://www.icao.int/safety/Documents/ICAO_SR_2018_30082018.pdf

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Actions funded in the field of global challenges and policy support under the Annual Action Programme*	19 05 01	2	20

* The precise number of actions and budget will be confirmed upon adoption of the Annual Action Programme.

Output	Number of outputs foreseen (F) and produced (P)							
	2014	2015	2016	2017	2018	2019	2020	
Actions funded in the field of global challenges and policy support under the Annual Action Programme	F	3	2	3	3	3	5	3
	P	5	3	4	6	4		

Specific Objective 3: Improving access to third country markets and boosting trade, investment and business opportunities for European companies, while eliminating barriers to market access and investment, by means of economic partnerships, business and regulatory cooperation.

Indicator 1: EU share in foreign trade in goods and services of 9 strategic partners

The Specific Objective 3 is about improving conditions for accessing partner country markets and support economic partnerships.

Four core PI outcome indicators reflect the goals pursued under this specific objective and show 6 relevant results. There have been 4 processes influenced as regards partner country practices on trade, investment and business and 7 processes influenced related to the removal of barriers to market access, investment and business. Fully 10 processes concerning the negotiation, implementation or enforcement of EU trade and investment agreements with partner countries have been advanced. Finally, 7 out of 10 companies acknowledged a positive change in the business, trade and investment climate.

PI Outcomes (cumulative 2014-2018)							Number ⁵³¹
OC8: Number of processes related to partner country practices on trade, investment and business which have been influenced							4
OC9: Number of processes related to the removal of barriers to market access, investment and business which have been influenced							7
OC10: Number of processes related to the negotiation, implementation or enforcement of EU trade and investment agreements with partner countries which have been advanced							10
OC11: Percentage of EU companies which acknowledge a positive change in their perception of the business, trade and investment climate in partner countries							69%

Baseline 2013*	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2010: 18,1%	Maintain share	Maintain share	Maintain share	Maintain share	Possible increase in share	Possible increase in share	Overall increase in share
2011: 17,8%							
2012: 17,4%	Actual results						
2013: 17,0%							

⁵³¹ The numbers recorded for OC8 and OC10 are lower than the last year. This is due to an additional quality review of the evidence of achieved outcomes performed during the latest data collection. This quality review led to some revisions as to under which precise indicator the outcome is recorded and in some cases also to a stricter interpretation which resulted in the decrease in number of outcomes previously reported.

	16,7%	17,3%	17,6%	17,7%	Data not yet available		
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* EU share in Brazil, Mexico, US, Canada, Russian Federation, India, China, Japan and Republic of Korea total foreign trade in goods and services (imports + exports) (N.B.: these figures don't measure these countries' share in EU foreign trade). Data for all values extracted on 22 January 2018. As from 2010, the reporter is EU-28 for both trade in goods and trade in services.

As from 2010, the data for both trade in goods and trade in services is calculated according to BMP6 (Balance of Payments and International Investment Position Manual) methodology.

Data source: COMEXT/IMF (<http://ec.europa.eu/eurostat/web/international-trade/data/database>) for trade in goods - first data published approximately in July of year n+1. WTO/EUROSTAT for trade in services - first WTO data published in April of year n+1, preliminary EUROSTAT data published approximately in June of year n+1 and complete EUROSTAT data published approximately in December of year n+1.

Indicator 2: EU investments flows from/to 9 strategic partners

Baseline 2013*	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
EU Foreign Direct Investment - Inward flows: 442 billion EUR - Outward flows: 421,6 billion EUR	Maintain FDI flows	Maintain FDI flows	Maintain FDI flows	Maintain FDI flows	Possible increase in FDI flows	Possible increase in FDI flows	Increase FDI flows in parallel with global economic growth
	Actual results						
	- Inward flows: 44,9 billion EUR - Outward flows: 33,0 billion EUR	- Inward flows: 421,7 billion EUR - Outward flows: 492 billion EUR	- Inward flows: 12,1 billion EUR - Outward flows: 79,6 billion EUR	- Inward flows: 142,6 billion EUR - Outward flows: 109 billion EUR	Data not yet available		

** Until 2012 the reporter was the EU-27 and the data were calculated according to BMP5 (Balance of Payments and International Investment Position Manual) methodology. The figures as from 2013 use the reporter of EU-28 and are calculated according to BPM6. Data for all values extracted on 11 January 2018. Data source: EUROSTAT (http://ec.europa.eu/eurostat/statistics-explained/index.php/Foreign_direct_investment_statistics), preliminary data for selected countries published in June of year n+1; data with complete geographical breakdown are foreseen in December of year n+1. Note: Foreign direct investment (FDI) flows are highly volatile. The sharp decrease in flows in 2014 is mainly due to two-way drop of FDI with the USA.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Actions funded to support and increase EU's position on the world scene in terms of trade and foreign investment	19 05 01	5	40

* The precise number of actions and budget will be confirmed upon adoption of the Annual Action Programme.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Actions funded to support and increase EU's position on the world scene in terms of trade and foreign investment	F	5	5	5	4	4	4	4
	P	5	5	6	2	7		

Specific Objective 4: Enhancing widespread understanding and visibility of the Union and its role on the world scene by means of public diplomacy, people to people contacts, education/academic/think tank cooperation and outreach activities to promote the Union's values and interests.

Indicator 1: EU visibility

The specific objective 4 is about enhancing and widening understanding and visibility of the EU and of its role on the world scene.

Three core PI outcome indicators reflect the goals pursued under the specific objective. Indicators OC13 needs to be collected via surveys around 6 months after participation in an event in order to measure a longer-term change. Since this indicator was added only in autumn 2017 and they were asked to integrate the indicators into their monitoring systems only between October 2017 and March 2018, the implementing partners did not commonly collect such information. It is expected that data will be available for the next reporting exercise.

PI Outcomes (cumulative 2014-2018)	Number
OC12 Percentage of participants targeted by outreach and advocacy events who acknowledge a positive change in their perception of the EU and/or international policies and standards	91%
OC13 Percentage of participants targeted by outreach and advocacy events who acknowledge having engaged further on the topic on their own initiative as a result of their exposure to an event	76,5%
OC14 Number of articles published in print and/or digital media about an event	918

Baseline	Milestones						Target 2020
	2014	2015	2016	2017	2018	2019	
See result 2015	n/a				Maintain high visibility in Strategic Partner Countries (SPC) where EU is highly visible and improve where less visible.		Maintain high visibility in SPC where EU highly visible and improve

		Actual results				where less visible.
n/a	Brazil – Visible 93%, Not 7% Canada – Visible 87%, Not 13% China – Visible 95%, Not 5% India – Visible 93%, Not 7% Japan – Visible 76%, Not 24% Mexico – Visible 97%, Not 3% Russia – Visible 93%, Not 7% South Africa – Visible 85%, Not 15% Republic of Korea – Visible 92%, Not 8% USA – Visible 88%, Not 12%	n/a	n/a	Results not available yet		

* Measured through public opinion poll in 10 Strategic Partner Countries (Brazil, Canada, China, India, Japan, Mexico, Russia, South Africa, Republic of Korea, and USA). The results of the poll is not available to public. This indicator will not be measured annually. The next set of data will be available in 2020.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Education / academic cooperation (covered by a PI-specific "Erasmus +" Multi-annual Indicative Programme)	19 05 20	1	3,5
Actions funded in the area of public diplomacy, people to people contacts and outreach activities	19 05 01	1	24,0
Total		2	27,5

* The precise number of actions and budget will be confirmed upon adoption of the Annual Action Programme.

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Education / academic cooperation	F	1	1	1	1	1	1	1
	P	1	1	1	1	1		
Actions funded in the area of public diplomacy, people to people contacts and outreach activities	F	-	-	At least 7	3	2	3	2
	P	1	1*	1*	1*	1*		

* For public diplomacy, formally only one action fiche is part of AAP 2015, 2016, 2017 and 2018. Nevertheless, each action fiche has contained several specific actions (respectively, 13, 7 and 5 besides 1 action in the field of education/academic cooperation).

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 priorities

Priority	Budget 2019 (EUR million)	DB 2020 (EUR million)
Europe 2020	32	37,5

One of the specific objectives of the PI is to implement the international dimension of the Europe 2020 Strategy, by facilitating the reduction of greenhouse gas emissions, increasing energy efficiency and promoting the use of energy from renewables at the global level. The estimate for 2019 corresponds to planned projects of AAP 2019 under Specific Objectives 1 and 2 that are considered to contribute to the Europe 2020 Strategy based on the above description. The estimate for 2020 corresponds to the provisionally foreseen projects of AAP 2020.

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Specific objectives 1, 2 and 3	23,5	35,0
Total	23,5	35,0

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
35,2	22,3	32,9	26,9	26,5	23,5	35,0	202,3

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

The estimate for 2019 corresponds to the planned projects of AAP 2019 under Specific Objectives 1, 2 and 3 that are considered according to Rio Markers to have main or significant objectives linked to climate change mitigation or adaptation. The estimate for 2020 corresponds to the provisionally foreseen projects of AAP 2020.

Contribution to financing biodiversity

Relevant objective/output	Budget 2019	DB 2020
Specific objective 1	5,0	11,1
Total	5,0	11,1

The estimate for 2019 corresponds to planned projects for AAP 2018 under Specific Objective 1 that are considered according to Rio Markers to have main or significant objectives linked to biodiversity conservation. The estimate for 2019 corresponds to the (provisionally) foreseen projects of the AAP 2019.

Programming biodiversity

2014-2018					2019 estimate	2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
0,4	7,0	6,36	18,5	9,8	5,0	11,1	58,16

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Gender mainstreaming

In 2018, the PI supported the implementation of the Gender Action Plan 2016-2020. In the context of the PI AAP 2018, 2 actions directly addressing the GAP 2016-2020 thematic priorities "Economic, Social and Cultural Rights" and "Voice and Participation" were being implemented while 1 action was adopted under the PI AAP 2018.

The actions "**Win-Win: Gender Equality Means Good Business in Latin America**", "**We Empower in G7**", and "**We Empower Asia**" are implemented in partnership with UN Women and ILO. These projects engage private sector companies, women business networks, women entrepreneurs to foster women's economic empowerment and exchange good practices with a view to reduce inequalities and strengthen economic and societal resilience. The projects promote the adoption at global level of the Women Empowerment Principles (WEPs) and focus on specific government practices such as gender-sensitive public procurement or capacity building for women entrepreneurship.

The action "**Cooperation in the implementation of the Russian Federation National Action Strategy for Women**" implemented by the Council of Europe, was contracted to strengthen the participation of key stakeholders in the process of Gender policy implementation and oversight with particular attention to public and political participation of women and prevention of domestic violence and violence against women and girls.

The PI gender facility was used to support gender mainstreaming across all PI areas and actions and in particular:

- to train a total of 46 staff members (in the Americas, Asia-Pacific and Russia);
- to support PI ongoing actions (ranging from gender in free trade agreements, gender in the field of energy, to women's economic empowerment);
- to integrate gender considerations in 11 new PI actions during the programming phase of the PI AAP 2019,
- to provide 3 specific coaching sessions, and to develop gender-sensitive thematic guidance notes on 6 PI priority themes (Economic Diplomacy, Environment, Climate Change, Energy, International Digital Cooperation, Circular Economy), including the elaboration of gender sensitive indicators in the framework of the PI monitoring system.

In 2018, 13 contracted actions reported a G-Marker 1 (14,71%) and 5 contracted actions reported a G-Marker 2 (2,98%). In addition, all PI actions identified in 2018 included meaningful gender considerations. This data is provided in line with Objective 5.3.2 of the EU Gender Action Plan 2016-20⁵³².

5. Programme contribution to the Sustainable Development Goals

The Partnership Instrument contributes to the achievement of the following SDGs:

- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all (SDG 4)
- gender equality and the empowerment of women and girls under SDG 5
- Ensure availability and sustainable management of water and sanitation for all (SDG 6)
- contributing to ensuring access to affordable, reliable, sustainable and modern energy for all under SDG 7
- promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (SDG 8)
- Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (SDG 9)
- contribute to the implementation of the New Urban Agenda (inclusive, safe, resilient and sustainable cities) (SDG 11)
- ensure sustainable consumption and production patterns (SDG 12)
- contributing to taking urgent action to combat climate change and its impacts under SDG 13
- Conserve and sustainably use the oceans, seas and marine resources for sustainable development (SDG 14)
- Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss (SDG 15)
- Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels (SDG 16)
- Strengthen the means of implementation and revitalize the global partnership for sustainable development (SDG 17)

⁵³² Transforming the Lives of Girls and Women through EU External Relations, 2016-20 – SWD(2015) 182 final of 21/09/2015

HEADING 4: Global Europe

European Instrument for Democracy and Human Rights (EIDHR)

Lead DG: DEVCO

Associated DGs: FPI

I. Overview

What the programme is about?

The EIDHR is a programme designed to help civil society to become an effective force for political reform and defence of human rights. Building on its key strength, which is the ability to operate without the need for host government consent, the EIDHR is able to focus on sensitive political issues and innovative approaches and to cooperate directly with local civil society organisations which need to preserve independence from public authorities, providing for great flexibility and increased capacity to respond to changing circumstances.

The programme aims at enhancing the protection, promotion, implementation and monitoring of human rights and fundamental freedoms, mainly through support to relevant civil society organisations, human rights defenders and victims of repression and abuse. At the same time, the EIDHR works towards consolidation of democracy in third countries, by enhancing participatory and representative democracy, strengthening the overall democratic cycle, the rule of law and improving the reliability of electoral processes. The EIDHR views the human rights and democracy agendas as intrinsically interlinked.

The EIDHR is intended as a 'niche' instrument particularly geared towards addressing the most difficult human rights situations and protecting human rights and democracy activists at risk, supporting some of the selected key human rights actors and processes, and acting in areas where the EU has a special interest and offers added value (e.g. fight against the death penalty, promoting sound electoral processes).

The EIDHR-financed Election Observation Missions (EU EOMs) have become an important flagship of EU foreign policy. Furthermore, EOMs constitute an example of inter-institutional cooperation between the European Commission, the European External Action Service (EEAS) and the European Parliament.

EU added value of the programme

Given its accomplishments in conflict resolution, peace building and the creation of prosperity, the EU is in an excellent position to deliver on external action, on behalf of and with its Member States. It is well placed to take on the role of a global leader on behalf of its citizens, in particular in its support and promotion of democracy and human rights. European added value is much larger than suggested by purely balance sheet approach: contributing to peace building worldwide, assisting the world's poorest people and supporting democracy and respect for human rights are indisputable demonstrations of how the EU adds value through its work every day.

The EIDHR delivers help worldwide, including the world's most remote areas, hereby enhancing the strategic reach of Member States, especially in cases when their presence is limited and therefore the capacity to act is reduced. The EIDHR is also designed to act primarily in most difficult and restrictive human rights contexts and in those areas where the EU as a whole has a special interest and offers added value, such as the fight against the death penalty, torture or impunity or promoting the EU founding values of democracy and rule of law. The EIDHR key strength, which is the ability to operate without the need for host government consent and to cooperate directly with local, scattered or disenfranchised Civil Society Organisations needing to preserve independence from public authorities, has generated high EU added value, making EU intervention in these difficult contexts less "EU State oriented" and more neutral.

Election Observation Missions (EOMs) are highly visible demonstration of EU's commitment in supporting democratisation and promoting respect for human rights across the world. EOMs are led by a Chief Observer, who is a Member of the European Parliament. In addition to an EU EOM, a Delegation of the European Parliament composed of MEPs could be deployed to the partner country to observe the Election Day fully embedded in the EOM. The European Parliament is consulted on the annual list of priority countries for election observation. The EU Member States also play a crucial role as they are, via their respective Focal Points for election observation, responsible for the pre-selection of the EU Observers. Member States are also consulted on the establishment of the yearly priority list for election observation.

Implementation mode

Directorate-General for International Cooperation and Development (DG DEVCO) is the lead DG for the programme implementation. The EIDHR delivers assistance mainly through grants, majority of which are awarded based on call for proposals and are in direct management mode. A smaller portion of the EIDHR grants are implemented in indirect management. To a limited degree, the EIDHR uses also procurement (service contracts) to deliver on its objectives. The absolute majority of implementing partners are international and national civil society organisations (more than 70%).

Approximately 25% of the EIDHR budget is dedicated to the Election Observations missions that are managed through service contracts using specific Framework Contract.

II. Programme Implementation Update

Implementation status (2016-2018)

The EIDHR has been executed as planned and all activities of the 2016 and 2017 budget have been carried out or are currently ongoing, as well as the activities of the 2018 budget that were planned to start in 2018.

Strategically, the period has been framed by two Multiannual Indicative Programmes (MIP): MIP 2014-2017⁵³³ and MIP 2018-2020.⁵³⁴ The actions to be implemented were set out in the Multiannual Action Programme 2016-2017⁵³⁵, the Special Measure 2018⁵³⁶ and the Multiannual Action Programme 2018-2020⁵³⁷. The EOM activities are adopted annually through work programmes. The programme maintained worldwide coverage, a key added-value of the EIDHR, with actions regrouped in five axes of work, corresponding to the specific objectives of the instrument:

1) Reinforcing the EU capacity to address the most difficult situations, to react quickly to human rights emergencies and to support Human Rights Defenders in situations where they are most at risk.

Under this axe, a comprehensive EU Human Rights Defenders Mechanism addressing the situations faced by human rights defenders at risk worldwide (EUR 19.95 million) has been established; the Human Rights Crises Facility (EUR 3.5 million per year) designed to address countries and urgency situations where human rights and fundamental freedoms are most at risk and where disrespect for those rights and freedoms is particularly pronounced and systematic has been set up; and the EIDHR Emergency Fund allowing rapid support through targeted low-value grants to individual human rights defenders in emergency situations (EUR 4.3 million) has been maintained.

2) Supporting civil society organisations in promoting human rights priorities of the European Union.

Under this priority, more than 1000 civil society initiatives have been supported worldwide through the EIDHR Country-Based Support Scheme (EUR 155 million) In addition, annual Global Calls for proposals (EUR (EUR 80 million) covering the main EU priorities in the field of human rights and allowing for a more long-term response, have been implemented.

3) Supporting democracy

In 2016-2018, the EIDHR democracy initiative accompanying the EU Democratic Pilot Exercise under the EU Strategic Framework and Action Plan on Human Rights and Democracy was enriched by an umbrella programme Media4Democracy, supporting the EU Delegations in their work on the media and access to information (EUR 4.4 million in 2016) and a programme to support political parties (EUR 4.4 million in 2017) focusing on the participation of women and intra-party governance systems and inter-party dialogues. In 2018, the programme 'INTER PARES' targeting the capacity of parliaments (EUR 5 million) was added in. In addition, the EIDHR global call for 2018 for the first time also includes a specific lot on Democracy (EUR 5 million). The aim of the lot is to support civic activism and participation by leveraging digital technologies.

4) Contributing to increasing transparency and trust in the electoral process by means of Electoral Observation Missions (EOMs).

During the period 2016-18, 23 fully-fledged EOMs, 28 Exploratory Missions, 27 Election Expert Missions, and 10 Election Follow-Up Missions were deployed. Total of 113.1 million was committed for EOMs and related supporting services.

5) Strengthening some of the international, regional and national actors and mechanisms that are key for the promotion of human rights and the rule of law worldwide;

Support has been provided to key human rights players, such as the UN Office of the High Commissioner for Human Rights (OHCHR), the International Criminal Court (ICC), the European Network of National Human Rights Institutions (ENNHRI), or the 'Global Campus' higher education network and its seven regional university networks.

Key achievements

According to the mid-term review of the EIDHR (for 2014-2017 period), the EIDHR has been successful in delivering on its objectives and has been an enabling, flexible and responsive instrument. The EIDHR key added-values have been the independence of action and worldwide coverage, allowing interventions in the most difficult country situations and without the consent of the host governments, creating synergies and complementarity where other instruments and donors cannot or do not act. It has been able to address human rights and democracy challenges, even in the most difficult environments – confirming that EIDHR remains more than ever relevant to the political priorities of the EU.

The EIDHR is also judged generally efficient thanks to a relatively low level of administrative expenditure and its essential, in-built flexible tools (e.g. direct support to human rights defenders, direct small grants, working with informal partners, sub-granting). An important part of the EIDHR instrument (65%) is implemented by our EU Delegations worldwide.

Some of the key achievements have been:

- **Support to Human Rights Defenders at risk**

⁵³³ Commission Implementing Decision C(2014) 7529 final of 21.10.2014

⁵³⁴ Commission Implementing Decision C(2018) 6409 final of 5.10.2018

⁵³⁵ Commission Implementing Decision C(2015)8548 final of 7.12.2015

⁵³⁶ Commission Implementing Decision C(2018) 5123 final of 10.8.2018

⁵³⁷ Commission Implementing Decision C(2018) 6798 final of 19.10.2018

The EIDHR support to human rights defenders (HRD) at risk is the basis for the EU world leadership in HRD support. The EIDHR provides emergency grants, physical/digital protection, legal and medical support, urgent relocation/sheltering, training or permanent (24h/7) helpline for human rights defenders at risk. Two projects in particular have contributed to this achievement: 1) ProtectDefenders.eu, the first EU comprehensive HRD Mechanism set up in 2015, extended in 2018, with an unprecedented budget of EUR 19.95 million over four years and bringing together a consortium of 12 independent civil society organisations specialised in HRD protection with worldwide coverage; and 2) EU Emergency Fund for HRDs at Risk (EUR 4.3 million) providing fast emergency grants of up to EUR 10,000 to human rights defenders under threat. Between 2014 and 2018 4.485 HRDs at risk were supported by these two programmes, in 2018 alone, there were more than 1 300 HRDs (1 200 in 2017)..

The EIDHR Human Rights Crises Facility (EUR 3.5 million per year) was set up in 2014, in order to provide a flexible funding modality to respond to situations where there is a serious lack of fundamental freedoms, where human security is most at risk, where human rights organisations and defenders work in exceptionally difficult conditions and/or where the publication of a call for proposals would be inappropriate. In 2016-2018 period, a total of 15 projects have been supported in the Enlargement region, the Eastern and Southern Neighbourhood, Central Asia, Middle East, Sub-Saharan Africa, and Asia (details of grants and countries of operation are confidential).

- **Support to the key EU human rights priorities**

The EIDHR system of call for proposals at country level and annual global calls for proposals managed at Headquarters' level have provided for continued support to civil society working on a broad range of subjects, including human rights in most restrictive environments, human dignity, discrimination, economic, social and cultural rights, and democracy-related issues.

Between 2014 and 2018, over 1.250 contracts were concluded by our Delegations, implementation is guided by the Human Rights and Democracy Country Strategies, Priorities most worked are amongst other : women and children rights, democracy (election observation, freedom of expression, ...) and anti-discrimination

At Headquarters last year, following the call launched in 2017, 27 grants were concluded for the overall value of EUR 25 million to support HRDs in the area of land-related rights, fight against extrajudicial killings and enforced disappearances, combating forced labour and modern slavery, support to the rights of persons with disabilities, and freedom of religion or belief. The area of work of these contract covers mainly Asia, Africa and Latin-America.

The EIDHR global calls for proposals allows the EU also to continue holding the world's leadership in the fight against the death penalty. In 2016-2018, four projects on the abolition of the death penalty for an overall value of EUR 4.5 million were put in place, countries targeted by the different actions are DRC, Cameroon, Somalia, Kenya, Malaysia, Indonesia, China, Tunisia, Egypt, Morocco and United States. This portfolio was further strengthened in 2018 by a contribution of EUR 750 000 to the 7th World Congress Against the death penalty which took place in Brussels in 2019 and attracted 1.500 participants . Two countries (Guinea, Congo) announced they will ratify the second Optional Protocol to the International Covenant on Civil and Political Rights, aimed at abolishing the death penalty and Burkina Faso will adopt a new Constitution which foresees the abolishment of the death penalty. Furthermore, additional EUR 7 million has been allocated for the fight against the death penalty under a global call for proposals launched in 2018 (expected contracting in 2019).

- **Support to Democracy**

'Supporting Democracy' (EUR 4.6 million) programme, under the umbrella of the Democracy Initiative, focuses on support to the EU Delegations in the areas of civil society participation in democratic processes. Achievements so far include the Citizen Observers Forum in 2016, bringing together 250 domestic observer organisation from all over the world, facilitating peer to peer exchanges and promoting the Declaration of Global Principles for Electoral Observers, training domestic observers in Afghanistan, Democratic Republic of Congo, Lebanon, Madagascar, Maldives, and the launch of an annual worldwide 'EU4Democracy' campaign promoting EU support to democracy in partner countries. In 2018, the "EU4Democracy" focused on civic activists, which use new technologies to promote democracy and six "CivicTech" prizes were awarded to projects selected from over 100 applications.

The EIDHR-funded 'V-DEM' is one of the largest democracy indicators-related data collection efforts with a database containing over 18 million data points. In 2016, V-Dem received the most prestigious award for comparative datasets in political science: the Lijphart/Przeworski/Verba Best Dataset Award presented by the American Political Science Association. In 2018, V-DEM produced two reports: one on shrinking space in Southern-Eastern Africa and South-Eastern Asia, and one on the topic of women political empowerment.

- **EU Election Observation Missions (EOMs)**

EU Election Observation Missions (EOMs) followed the objectives, principles and methodology of electoral observation based on over two decades of operational experience with a view to encouraging professionalism and transparency in electoral management, discouraging irregularities and abuse, and inspiring public confidence in the electoral process. Therefore, the key programme achievements lie in their contribution to the consolidation of democracies in third countries by improving the reliability of electoral processes and in the implementation of a methodology considered as one of the most modern among those used internationally. This methodology is based on a comprehensive and systematic observation of the electoral process including *inter alia* the conduct of public and private media as well as issues linked to campaign financing.

In terms of achievements based on programme indicators, in 2018, 9 fully-fledged Election Observation Missions (EOMs) (in Sierra Leone, El Salvador, Paraguay, Tunisia, Lebanon, Pakistan, Zimbabwe, Mali and Madagascar) and 4 Election Follow-Up Missions (EFM) (in Jordan, Uganda, Burkina Faso and Haiti) were deployed. The EFMs were headed by the former Chief Observer

(MEP) and included a limited number of electoral experts and staff from EEAS and European Commission with a view to assessing the implementation of recommendations made by previous EOMs. These recommendations are included in the EOM's final report and refer to possible improvements in the electoral process (i.e. through assistance to the electoral commission and / or changes in the electoral legislation etc.). The EFM tries to give fresh impetus to the debate **between** the major electoral stakeholders (authorities, political parties and civil society) on the recommendations and **future or current** electoral reform. Along with the EFMs, two studies were carried out also to assess the implementation of the recommendations in-depth.

In 2018 also, 10 Exploratory Missions were carried out, several of these aimed at preparing missions for the following year 2019. Exploratory missions are decisive to assess the usefulness, advisability and feasibility of the deployment of a fully-fledged EOM. Thus total of 33 electoral missions comprising over 800 international mission staff were deployed.

In addition to the EOMs, the European Commission deployed 10 Election Expert Missions (EEM) to assess electoral processes. The conclusions from these missions contributed to the shaping of the Union's political position on developments in the country concerned. They also created significant inputs for the political dialogue of the Union with the authorities of the partner country.

Priorities were decided in the light of the calendar of elections, political developments and available resources. A particular emphasis was placed on the role and impact of the EU EOM recommendations to ensure that issues raised are mainstreamed in the EU's political dialogue with the country concerned in the framework of a continuous follow-up process.

- **Support to targeted key actors and processes**

Despite increasing attacks against the international human rights system and the international justice system, the EIDHR has continued to staunchly support the key institutions, including the International Criminal Court (ICC) (EUR 1 million per year) and the UN Office of the High Commissioner for Human Rights (OHCHR) (approx. EUR 4.5 million per year). According to the mid-term review evaluation of EIDHR, especially the support to the ICC underlines the continued relevance of the EIDHR to evolving and emerging challenges.

'Global Campus for Human Rights and Democracy' (approx. contribution of EUR 5 million a year) is a unique global network of more than 100 universities teaching and promoting human rights and democracy. Supported by the EU from its beginnings, the Global Campus confers masters degrees in human rights and democracy on more than 250 students a year, covers seven regions in the world and represents a beacon of excellence in human rights and democracy education. The 7th region (Arab region) was included in 2017.

Continued support to the Global Alliance of National Human Rights Institutions (GANHRI) and its four regional networks (Africa, Europe, Asia and Latin-America) of National Human Rights Institutions (NHRIs) (EU contribution 3,75 million EUR 2019-21) is strategic and timely: the advice and support these networks provide to individual NHRIs in core mandate areas allow for a more strategic, relevant and impactful engagement of NHRIs at global, regional and national levels. The three-year targeted programme will be managed by the Danish Institute for Human Rights as mandated by GANHRI and will build on the results of the previous programme which ran from 2015-2019 which provided much needed training and capacity building opportunities, exchange and communication platforms, institutional development and rapid support for NHRIs in distress through re-granting-

Evaluation/ Studies conducted

The Staff Working Document⁵³⁸ on the Evaluation of the EIDHR accompanying the Mid-term review report⁵³⁹ of the External Financing Instruments (Report from the Commission to the European Parliament and the Council, COM (2017)720) was adopted by the College in December 2017.

The mid-term review was generally positive, confirming that the EIDHR was successful in fulfilling its planned objectives and has overall proven to be "fit for purpose". It has remained an enabling, flexible and responsive "niche" instrument (thanks to its focus on the most pressing and emerging human rights and democracy challenges), able to operate where the others do not or cannot. It has been able to address both well-identified and emerging human rights and democracy challenges, even in the most difficult environments – confirming that EIDHR remains more than ever relevant to the political priorities of the EU.

Forthcoming implementation (2019-2020)

Implementation in 2019/2020 will be guided by the EIDHR Multiannual Action Programme 2018-2020⁵⁴⁰, and the annual action programmes for EOMs⁵⁴¹.

The MAAP 2018-2020 provides for a pragmatic combination of targeted projects and calls for proposals, to be managed by both Headquarters and Delegations. Global, regional and local actions will allow maintaining a largely comprehensive and coherent implementation involving all actors: civil society (main target) as well as international and regional organisations, media, but also newly targeted actors, such as political parties or the private sector. The following activities are planned in 2019:

1. Renewal of the EU Human Rights Defenders Mechanism through a call for proposals (foreseen EUR 15 million) and the EU Emergency Fund for HRDs at Risk (EUR 4 million)

⁵³⁸ Commission Staff Working Document: Evaluation of the European Instrument for Democracy and Human Rights, SWD(2017) 604 final of 15 December 2017 https://ec.europa.eu/europeaid/sites/devco/files/swd-mid-term-review-eidhr_en_0.pdf

⁵³⁹ Report from the Commission to the European Parliament and the Council: Mid-term review report of the External Financing Instruments, COM(2017) 720 final

⁵⁴⁰ Commission Implementing Decision C(2018) 6798 final of 19.10.2018

⁵⁴¹ Commission Implementing Decision C(2018)8256 of 11.12.2018

2. Approximately 200 local calls for proposals managed by EU Delegations via Country-based Support Schemes (EUR 84.7 million and EUR 86.3 million);
3. Finalisation of a global call for proposals to support the LGBTI human rights defenders, fight against the death penalty and civic activism by leveraging new technologies (EUR 22 million) and launching of a second global call for proposals for new human rights priorities (planned EUR 18.million);
4. A facility for direct awards to finance actions in the most difficult situations where the publication of a call for proposals would be inappropriate (EUR 3.5 million);
5. A voluntary contribution to the general budget of the United Nations Office of the High Commissioner for Human Rights (UN OHCHR) (EUR 4.55 million)
6. One targeted project to support the International Criminal Court (ICC) (foreseen EUR 1 million).
7. One targeted grant to support the international network of the National Human Rights Institutions (EUR 3.75 million)
8. One grant to support a global and regional networks of universities providing human rights and democracy postgraduate education worldwide (EUR 4.75 million).
9. Three targeted projects to give support to the regional human rights mechanisms: the Inter-American Commission for Human Rights, the Inter-American Court for Human Rights, the Venice Commission (EUR 2.25 million)
10. Procurement to support the implementation of the EU Guidelines on Human Rights dialogues (foreseen EUR 300,000)

As for Election Observation Missions, in 2019, it is expected that 18 electoral processes and democratic cycles will be supported, observed and followed-up by means of EOMs, Election Assessment Teams (EATs) and EEMs proposing recommendations to the host country, as well as EFMs and studies. Some of these missions may be deployed in a volatile security environment, as was the case in previous years. FPI will take necessary measures to mitigate the security risks. Particular attention will be paid to the follow-up of EOM recommendations with a view to extending this work beyond the formal EFMs and mainstreaming recommendations into the EU's regular bilateral dialogue with the partner countries in line with the recommendations of the Court of Auditors' report of 2017. As is the case every year, in the autumn of 2019, the EEAS will draw up a list of electoral priorities for the deployment of electoral missions in the course of 2020. Further to an internal consultation with the geographic divisions, the EEAS electoral division (Global.3) will compile a first list of electoral priorities in partner countries, also taking into consideration FPI's forecast on their financial cost. Subsequently, the Member States will be consulted at the level of Political and Security Committee and the European Parliament at the level of the Democracy and Elections Group (DEG). The High Representative of the Union for Foreign Affairs and Security Policy / Vice-President of the Commission will endorse the final list at the end of 2019 or at the very beginning of 2020. The list will be reviewed mid-term of 2020 to take into consideration eventual changes.

Outlook for the period 2021-2027

It is proposed, that under the Multiannual Financial Framework for the 2021-2027, the future Neighbourhood, Development and International Cooperation Instrument (NDICI - COM(2018) 460 final), which will streamline ten instruments (among them the DCI, the EIDHR, the IcSP and the INSC), into one broad instrument.) will integrate the EIDHR, by supporting interventions in the area of human rights and democracy in third countries in both its geographic and thematic pillars (a specific thematic action on Human Rights and Democracy is foreseen). The proposal is also designed to support civil society as an effective force for political reform and defence of human rights.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application		Reference Amount (EUR million)					
Regulation (EU) No 235/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for democracy and human rights worldwide	2014 - 2020		1 332,8					
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	11,0	10,4	10,6	10,8	11,0	11,3	11,6	76,9
Operational appropriations	173,2	161,4	160,2	173,7	177,1	185,3	189,7	1 220,6
Total	184,2	171,9	170,8	184,5	188,1	196,7	201,3	1 297,4

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	188,140	99,93 %	187,414	98,25 %	196,658	81,65 %	156,311	18,58 %
Authorised appropriations (*)	189,147	99,88 %	190,838	97,85 %	196,741	81,61 %	159,528	19,04 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Enhancing the respect for and observance of human rights and fundamental freedoms, as proclaimed in the Universal Declaration of Human Rights and other international and regional human rights instruments, and strengthening their protection, promotion, implementation and monitoring, mainly through support to relevant civil society organisations, human rights defenders and victims of repression and abuse.

Indicator 1: Level of implementation of United Nations Universal Periodic Review* recommendations which have been accepted by states in percentage

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
33,7%**	33,8%	33,9%	34,2%	34,5%	34,8%	35%	35,3%
	Actual results						
	48% ***	64,7%****	55%*****	63,8%****	n.a.		

* These data are monitored by the UN OHCHR and the UNHRC. Reports can be found through UN OHCHR web site.

** Data from all developing countries; source: http://www.upr-info.org/sites/default/files/general-document/pdf/-david_frazier_paper_upr_implementation_2011-2.pdf.

*** at mid-term review of the 1st UPR cycle, data from UPR-info : http://www.upr-info.org/sites/default/files/general-document/pdf/2014_beyond_promises.pdf

**** Data retrieved from <https://www.upr-info.org/database/>

***** of accepted recommendations of the first UPR cycle were either partly or fully implemented, data from UPR-info: https://www.upr-info.org/sites/default/files/general-document/pdf/2016_the_butterfly_effect.pdf

General Objective 2: Supporting, developing and consolidating democracy in third countries, by enhancing participatory and representative democracy, strengthening the overall democratic cycle, in particular by reinforcing an active role for civil society within this cycle, the rule of law and improving the reliability of electoral processes, in particular by means of election observation missions.

Indicator 1: Number of electoral processes and democratic cycles supported, observed, and followed

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
20	25	25	25	25	25	25	175 (25 per year)
	Actual results						
	24	25	36	35*	33**		

This indicator builds on the number of electoral process at national level that have been established by partner countries' own constitutional calendars.

* Electoral assistance was provided in Comoros, Seychelles, Cameroon, Gabon, Peru, Congo (Democratic Republic of the), Uruguay, Fiji, Mali, Madagascar, South Africa, Botswana, Georgia, Moldova, Armenia, Montenegro.

** This covers 33 electoral missions, plus 6 electoral assistance programmes, and additional complementary activities in two other countries.

Electoral processes and democratic cycles supported, observed and followed include:

- EU Election Observation Missions (EOMs): fully-fledged election observation missions;
- EU Election Assessment Team missions (EATs): limited observation or assessment missions in countries with particularly difficult security situations;
- EU Election Expert Missions (EEMs): small-scale missions composed of electoral experts of assessment of the election process;
- Complementary activities (studies) which started in 2017: In addition to the electoral missions, preparation of a study or conducting a desk review on an electoral issue and any other activities linked to electoral missions;
- Electoral assistance (e.g. technical assistance, provision of voting material and equipment, support to the registration of political parties and/or of voters, support to civil society organisations in areas such as voter and civic education or training of local observers, media monitoring, training of journalists, etc.).

The first four items are counted in Indicator 1 of Specific Objective 4 below.

Specific objectives

Specific Objective 1: Support to Human Rights and Human Rights Defenders in situations where they are most at risk.

Indicator 1: Number of Human Rights Defender individuals who have received EU support (being protected politically, legally and/or physically and pulled out of their position of abuses)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
230	300	300	300	1200*	1200*	1200*	1200*
	Actual results						
	421	258	1181	1231	1394		

Source: CSO networks and small grants allocated.

* Milestones and target were updated based on ongoing experience following the strengthened EU support to Human rights and Human Rights Defenders (HRDs) at risk under the 2014-2020 instrument and the ever more shrinking space for civil society worldwide that turns into an increasingly number of requests for HRDs protection.

In 2015, at least 258 human rights defenders at risk were supported by the EIDHR (without counting human rights defenders supported by projects financed via global or local calls for proposals for which no data collection exists yet, including for confidential reasons). **In 2016**, at least 1,181 human rights defenders at risk were supported by the EIDHR under the Emergency Fund, the new mechanism ProtectDefenders.eu and Headquarters-managed projects (without counting human rights defenders supported by projects financed via global or local calls for proposals for which no data collection exists yet, including for confidential reasons). **In 2017**, at least 1 231 human rights defenders at risk were supported by the EIDHR under the Emergency Fund, the ProtectDefenders.eu mechanism and Headquarters-managed projects (without counting human rights defenders supported by projects financed via EIDHR Crises Facility and global or local calls for proposals for which no data collection exists yet, including for confidential reasons.). **In 2018**, at least 1 394 human rights defenders at risk were supported by the EIDHR under the Emergency Fund, the ProtectDefenders.eu mechanism and Headquarters-managed projects (without counting human rights defenders supported by projects financed via EIDHR Crises Facility and global or local calls for proposals for which no data collection exists yet, including for confidential reasons).

Indicator 2: Number of crisis response projects implemented under the EIDHR							
Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
10	15	15	15	15	15	15	15*
	Actual results						
	15**	8	17	27	20 ⁺		

*Target set on the basis of our experience from the last programming period. Target set on the basis of our experience from the last programming period

In 2014 : 9 in country projects (most difficult situations as Belarus, Syria, Ukraine) and 6 global projects were deployed offering a global coverage and compiling a mix of in-country and multi-country projects (most difficult type of HR violation and/or categories of defenders at risk) activities. **In 2015**: at least 6 in-country projects under the EIDHR Crises Facility and 2 global projects (EIDHR Emergency Fund and the grant to the EU Comprehensive HRDs mechanism Protectdefenders.eu). **In 2016**: at least six projects, four in countries and two regional, under the EIDHR Crises Facility and eleven projects under the Country Based Support Scheme. **In 2017** : four country-specific projects under the EIDHR Crises Facility, one global project and 22 projects under the Country Based Support Scheme (e.g. Syria, Turkey, Philippines, Ethiopia, Yemen). **In 2018** : five country-specific projects under the EIDHR Crises Facility and an estimated number of 15 projects under the Country Based Support Scheme (e.g. Syria, Congo, Philippines, Ethiopia, Yemen).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Projects related to situation where Human Right Defenders are most at risk	21 04 01	30	42					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Projects related to situation where Human Right Defenders are most at risk	F	52	52	52	30	30	30	30
	P	86	18*	26*	31*	19		

* A more streamlined, less labour-intensive system has been adopted to channel the grants to beneficiaries resulting to less contracts for a higher number of human rights defenders supported.

Specific Objective 2: Support to other priorities of the Union in the fields of human rights

Indicator 1: Number of EIDHR projects in line with EU Guidelines*							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
150	250	250	250	250	180***	180	250
	Actual results						
	271	332	132**	186**	140		

*http://eeas.europa.eu/human_rights/guidelines/index_en.htm

** The increase in the average size of contracts is the main explanation relating to the decrease in the number of contracts.

*** Milestone has been revised in order to reflect the reality of increased average size of contracts. This does not affect expenditure.

EU guidelines are not legally binding, but because they have been adopted at ministerial level, they represent a strong political signal that they are priorities for the Union. Guidelines are pragmatic instruments of EU Human Rights policy and practical tools to help EU representations in the field better advance our Human Rights policy. They also serve as priorities for defining activities in order to put into practice the political orientation.

There are 11 Human Rights Guidelines the EIDHR is delivering on:

1. Death penalty (2013)
2. Torture and other cruel, inhuman or degrading treatment or punishment (2012)
3. EU Guidelines on the promotion and protection of freedom of religion or belief (2013)
4. Guidelines to promote and protect the enjoyment of all Human Rights by lesbian, gay, bisexual, transgender and intersex (LGBTI) persons (2013)
5. Human Rights dialogues with third countries (2009)
6. Children and armed conflict (2008)

- 7. Human Rights defenders (2008)
- 8. Promotion and Protection of the Rights of the Child (2008)
- 7. Violence against women and girls and combating all forms of discrimination against them (2008)
- 10. International Humanitarian Law
- 11. EU Human Rights Guidelines on Freedom of Expression Online and Offline

Indicator 2: Number of Human Rights victims benefitting from EIDHR projects

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
3000	4000	4000	4000	4000	4000	4000	4 000*
	Actual results						
	n.a. **	n.a. **	n.a. **	n.a. **	n.a. **	n.a. ***	

*Target set based on experience from the previous programming period.

** Data not available as there is no data collection tool available.

*** Data not available but a new indicator has been added to the EU Results Framework in 2018 (Number of victims of human rights violations directly benefitting from services funded by the EU, output indicator 2.26 for SDG 16).

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Projects	21 04 01	180	55					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Projects	F	250	250	250	250	180*	180	180
	P	271	332	132	186	140		

*The lower number of projects reflects the increasing average size of contracts as well as a slight shift towards objective 1 after the EIDHR mid-term review.

Specific Objective 3: Support to Democracy.

Indicator 1: The percentage of countries belonging to the Democracy Pilot Countries which have improved their V-DEM Electoral Democracy Index*

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
0 %	15 %	30 %	50 %	65 %	75 %	90 %	100 %
	Actual results						
	Not available	41,6%	42,9	60%**	***		

*Source: The V-DEM Electoral Democracy Index can be found at V-DEM net (<https://v-dem.net/about>).

** This percentage includes both the 1st and 2nd generation of Pilot Countries, in total 13 countries

*** Will only become available in April 2019

V-DEM for Varieties of Democracy is a new approach to conceptualizing and measuring democracy. It is a collaboration among more than 50 scholars worldwide which is co-hosted by the Department of Political Science at the University of Gothenburg, Sweden, and the Kellogg Institute at the University of Notre Dame, USA

Indicator 2: The percentage of actions of the democracy support action plans implemented

Baseline	Milestones foreseen						Target 2020
	2014*	2015*	2016	2017	2018	2019	
0	0	0	15 %	25 %	45 %	60 %	100 %
	Actual results						
	0	0	25%	30%**	35%**		

*Democracy action plans were adopted during 2015 and thus their implementation has started in 2016.

** Democracy action is increasingly driven by other initiatives - such as HRD country strategies, and EOM recommendation follow up plans - thus DAP implementation does not provide a fully representative indicator.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Projects	21 04 01	40	30					
Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Projects	F	160	160	110	50*	40*	40*	40*
	P	140	115*	44**	34*	56		

*Based on actual trends and increased average size of contracts.

** Increasing number of democracy support actions are taking place in most difficult circumstances (e.g. support to media and journalists under threat, lifeline support to civil society organisations) and have thus been rated as crisis response projects (i.e. Objective 1, indicator 2). This trend is likely to continue in the future.

Specific Objective 4: EU Election Observation Missions

Indicator 1: Number of electoral processes and democratic cycles supported, observed, and followed by means of Election

Observation Missions, Election Assessment Teams and Election Experts Missions proposing recommendations to the host country							
Baseline 2010-2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	19	21	22	23	18	18	23
17	Actual results						
	17 (7 EOMs, 1 EAT, 9 EEMs)	16 8 EOMs, 8 EEMs	16 7 EOMs, 9 EEMs	19 7 EOMs, 8 EEMs, 4 studies	21 9 EOMs, 10 EEMs, 2 studies		

The indicator takes into consideration the:

- EU Election Observation Missions (EOMs): fully-fledged election observation missions;
- EU Election Assessment Team missions (EATs): limited observation or assessment missions in countries with particularly difficult security situations; During the period 2015 – 2018 no EATs have been deployed. It has been decided either to deploy a fully-fledged EOM or an EEM
- EU Election Expert Missions (EEMs): small scale missions composed of electoral experts of assessment of the election process;
- The studies or desk reviews on an electoral issue and any other activities linked to electoral missions that started in 2017.

The indicator, however, does not take into account the Exploratory Missions, which aim at preparing EOMs and assess the usefulness, advisability and feasibility of the fully-fledged EOM. In 2018, 10 Exploratory Missions were carried out.

The total number of processes observed and assessed by the EU depends on:

- the political agenda as defined by the High Representative/Vice President,
- the changes (postponements/cancellations) of the corresponding electoral calendars/processes,
- the annual budget available,
- the EU capacity to deploy electoral missions in view of the operational and security conditions in the countries concerned.

The number of electoral missions is important "per se" because election observations contribute to strengthening democratic institutions, build public confidence in electoral processes and help deter fraud, intimidation and violence. Election observation also serves to reinforce other key European Union foreign policy objectives most notably to enhance security and development in partner countries and to support them in improving governance and capacity-building.

Indicator 2: Number of Election Follow-up Missions (post-election expert missions) deployed in countries after an Election Observation Mission to assess the implementation of recommendations.

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
	2	3	4	4	5	5	8
2: Bolivia and Mozambique	Actual results						
	2: Nigeria and Democratic Republic of Congo	3: Paraguay, Cambodia and Honduras	3: Madagascar, Kenya, Pakistan	4: Peru, Malawi, Nigeria, Maldives	4: Jordan, Uganda, Burkina Faso, Haiti		

The aim of Election Follow-up Missions is to take stock of the state of implementation of the EOM/EAT recommendations. EFMs are conducted within a period of 2 to 3 years into the electoral cycle (which starts with the initial EOM/EAT mission). They serve to deepen the dialogue with partner countries on the recommendations, but also open up space for wider political dialogue on the governance and rule of law in partner countries. EFMs have been implemented since 2013. The target for 2020 will be difficult to reach since there will be many important elections that will absorb the Human Resources capacities and budget.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. EU Election Observation Missions and EU Election Assessment Team Missions	19 04 01	8	43,9
2. EU Election Expert Missions	19 04 01	10	3
3. Follow-up missions	19 04 01	5	1,5
Total			48,4

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. EU Election Observation Missions and EU Election Assessment Team Missions	F	8	9	10	11	12	8	9
	P	8	8	7	7	9		
2. EU Election Expert Missions	F	11	12	12	12	8	10	10
	P	9	8	9	8	10		
3. Follow-up missions	F	2	3	4	4	5	5	6
	P	2	3	3	4	4		

Specific Objective 5: Support to targeted key actors and processes, including international and regional human rights instruments and mechanisms.

Indicator 1: Number of States that have signed and ratified international & regional Conventions and related optional Protocols

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
5	10	10	10	10	10	10	10*
	Actual results						
	34	53	49	27	24		

Source: OHCHR Treaty Bodies.

* Target set on the basis of our experience from the last programming period

In 2017, 27 countries have ratified one of the 18 International Human Rights Treaties or related optional Protocols (<http://indicators.ohchr.org/>) In 2018, 24 countries have ratified one of the 18 International Human Rights Treaties or related optional Protocols (<https://tbinternet.ohchr.org/SitePages/MonthlyReport.aspx>)

Indicator 2: Number of key actors supported, in particular international, regional and national organisations

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
10	15	15	15	15	15	15	15*
	Actual results						
	15	11	10	15	15		

Source: OHCHR, HR CSO and networks.

*Target set on the basis of our experience from the last programming period

In 2014 : 15 key actors : OHCHR - Office of the High Commissioner for Human Rights, EIUC - European Inter-University Centre for Human Rights and Democratisation, National Human Rights Institutes, ICC - International Criminal Court, International Organization for Migration. **In 2015** 11 key actors were supported: European Inter-University Centre for Human Rights and Democratisation (7 stakeholders), IOM - International Organization for Migration, OHCHR - Office of the UN High Commissioner for Human Rights, UNICEF and indirectly the African Union. **In 2016**: 10 key actors were supported : European Inter-University Centre for Human Rights and Democratisation (7 stakeholders), ILO - International Labour Organization, OHCHR - Office of the UN High Commissioner for Human Rights, UNHCR – the UN Refugees Agency. **In 2017** 15 key actors were supported : Global Campus of Human Rights Education/European Inter-University Centre for Human Rights and Democratisation (7 stakeholders), ILO - International Labour Organization, OHCHR - Office of the UN High Commissioner for Human Rights, ICC - International Criminal Court, the Global Alliance of National Human Rights Institutions (GANHRI), and four regional NHRI secretariats (5 stakeholders). Support has also been given to the participation of civil society in key processes, e.g. in human rights negotiations, dialogues, etc. **In 2018**, at least 15 key actors were supported: Global Campus of Human Rights Education/European Inter-University Centre for Human Rights and Democratisation (7 stakeholders), ILO - International Labour Organization, OHCHR - Office of the UN High Commissioner for Human Rights, ICC - International Criminal Court, the Global Alliance of National Human Rights Institutions (GANHRI), and four regional NHRI secretariats (5 stakeholders). Support has also been given to the participation of civil society in key processes, e.g. in human rights negotiations, dialogues, etc.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Support to UN OHCHR	21 04 01	1	4.55
Support to EIUC/ Network	21 04 01	7	4.7
Support to ICC	21 04 01	1	1.0
Other	21 04 01	5	3.75
Total		15	14

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Support to UN OHCHR	F	2	2	2	2	2	2	2
	P	4	2	2	2	2		
Support to EIUC/ Network	F	7	7	7	7	7	7	7
	P	7	7	7	7	7		
Support to regional mechanism	F	1	1	1	1	1	1	1
	P	1	5	1	1	0		

Justification of changes to the financial programming and/or to the performance information

Considering the results of the mid-term review of the instrument and the fact that the new 2018-2020 Multiannual Indicative Programme for the EIDHR, no changes in the financial programming and/or to the performance information (by specific objective) have occurred.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Support to environmental human rights defenders	5,0	5,0
Total	5,0	5,0

Programmation climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
5,0	5,0	5,0	10,0	5,0	5,0	5,0	40,0

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Consolidated and updated comparable information for the annual expenditures adopted, estimated or programmed for the 2014-2020 programming period (totals by programme in EUR Million). In 2017, the increase in budget is justified by a lot of the global call for proposals that was specifically addressed to Human Rights Defenders active in the field of land and environmental issues (evaluation ongoing, contracts to be concluded in 2018).

Gender mainstreaming The EIDHR implementation follows a gender-responsive right-based approach. In 2018, 100 % of contracted EOM actions reported a G-Marker⁵⁴². This data on the Gender Marker is provided in line with Objective 5.3.2 of the EU Gender Action Plan 2016-2020⁵⁴³. European Commission also consistently ensures a gender balance in the selection of (1) Core Team experts, (2) Observers and (3) participants in training. In 2018, 49% of core team member were women (42.9% in 2017); 50% of all observers were women (48.8% in 2017); and of the total number of 55 trainees from 28 Member States, 64% were women (54% in 2017 and 52.7% in 2016). This data is provided in line with Objective 17.4 of the EU Gender Action Plan.

5. Programme contribution to the Sustainable Development Goals

SDG 10 Reduce inequality within and among countries: Human rights norms are the basis for almost all SDGs and thus the EIDHR -with its focus on human rights, gender equality, vulnerable groups, economic, social and cultural rights, and the protection of HRDs, the EIDHR is contributing to achieving the Sustainable Development Goals (SDGs) in the 2030 Agenda. several SDGs make an explicit link - in particular SDG 16, SDG 10 and SDG 5 –

In fact, with the recognition in the EIDHR that democracy and human rights are inextricably linked and mutually reinforcing while the SDGs are rather silent on democracy, the EIDHR even goes beyond the SDGs to some extent. In addition, the EIDHR focus on promotion of the rights-based approach to development (RBA) is fully in line with the paradigm shift the 2030 Agenda implies as to the interdependence of human rights with development and with peace and security. Indeed, the EIDHR contributes towards “a world of universal respect for equality and non-discrimination” between and within countries, including gender equality, by reaffirming the responsibilities of all States to “respect, protect and promote human rights, without distinction of any kind as to race, colour, sex, language, religion, political or other opinions, national and social origin, property, birth, disability or other status” (SDG Goal 10). Moreover, the SDG goals and targets aim to “leave no one behind” and “reach those furthest behind first” (para 4), which is completely in line with the EU’s EIDHR priorities.

Moreover, EIDHR contributes to the EU-specific framework in support of the SDG implementation, the European Consensus for Development, in particular to its three areas: (i) People - Human development and dignity, (ii) Peace – Peaceful and inclusive societies, democracy, effective and accountable institutions, rule of law and human rights for all, and (iii) Partnership

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: In 2018 the EU reaffirmed its unconditional support to the implementation of SDG 16 worldwide through a variety of interventions funded under thematic and geographic EU external financing instruments. Examples include five projects aiming to strengthen the capacities of political parties in terms of women participation, multi-party systems, and inter-party dialogues. The technical assistance facility ‘Media4Democracy’ continued to support the EU Delegations in their efforts to promote freedom of expression and developed a guide “Supporting Access to Information - A practical Guide for EU Delegations”. Direct support continued to the International Criminal Court, as well as civil society organisation supporting its operation. Furthermore, several projects focused on ending all forms of violence, trafficking and sexual exploitation of children. Support also continued to the Global Campus, a unique global network of universities providing education and research on democracy and human rights.

SDG 17 Strengthen the means of implementation and revitalize the global partnership: EIDHR contributes towards “a world of universal respect for equality and non-discrimination” between and within countries, including to an enabling international environment (in Goal 17 and throughout the framework). Under the EIDHR projects are funded that contribute to the right of all peoples to self-determination and the right to privacy. Due to the global scope of the instrument, EIDHR vastly contributes to strengthening partnership worldwide among multilateral organisations and civil society. The great variety of local and international organisations funded under EIDHR underpins this. Goal 17 and many of the international targets under each goal address issues that are related to duties of international cooperation and the right to development.

⁵⁴² Methodology for calculation of the amounts: 28.7 % of [operational chapter 21 04]. The percentage is calculated based on the 2014 statistics on OECD 40% of gender marker "1" (= gender equality is "significant objective" in the programme or project, meaning at least it has been mainstreamed) and 100% of gender marker "2" (= gender equality is "main objective" in the programme or project).

⁵⁴³ "Transforming the Lives of Girls and Women through EU External Relations, 2016-20 – SWD(2015) 182 final of 21/09/2015

HEADING 4: Global Europe

Instrument contributing to Stability and Peace

Lead DG: FPI

Associated DGs: DEVCO

I. Overview

What the programme is about?

The Instrument contributing to Stability and Peace (IcSP) is one of the EU's main instruments in the areas of crisis response, conflict prevention, peace-building and crisis preparedness, and in addressing global and trans-regional threats. It came into force in 2014, replacing the Instrument for Stability (IfS) and several earlier instruments that focused on drugs, landmines, displaced people, crisis management, rehabilitation and reconstruction. The IcSP provides quick, short-term support in countries or regions where a crisis is emerging or unfolding, as well as longer-term support to conflict prevention, peace-building and crisis preparedness activities as well as activities addressing global and trans-regional threats and emerging threats. Its activities complement those of the European Union's geographical and other thematic instruments. The actions of the IcSP are structured around three operational articles in its regulation: Article 3 - Assistance in response to situations of crisis or emerging crisis to prevent conflicts - consumes 70% of the financial envelope and is non-programmable; Article 4 activities – Assistance for conflict prevention, peace building and crisis preparedness – consumes 9% of the financial envelope and are programmable; finally, Article 5, which is implemented by DG DEVCO, covers the third objective of the instrument - Assistance to address global and trans-regional threats – and is also subject to programming.

EU added value of the programme

The Treaty on the European Union, under Article 21, has defined common overarching principles and objectives for the Union's external action, such as to "*preserve peace, prevent conflicts and strengthen international security*". Responding to this particular challenge requires a collective effort based on strong partnerships with states, civil society actors, multilateral and regional partners. As a global player, the EU has credibility due to its value-based positions that provide a competitive advantage to intervene in many conflict areas to avoid escalation or to offer assistance in preventing conflicts. Through an integrated approach with other EU instruments as well as through close coordination and cooperation with EU Member States active in crisis response and peace-building activities the EU not only increases the coherence of the response, it also provides the EU with more leverage to make an impact on actors and developments on the ground. Synergies and close cooperation with EU and international donors are required to make scarce resources in this sector reach further.

Implementation mode

Service for Foreign Policy Instruments (FPI) is the lead service for the programme implementation. The programme is implemented through direct (mainly through procurement of services) and indirect management with international organisations. The implementation of article 3 actions is predominantly decentralised to the five FPI Regional Teams (Bangkok, Beirut, Nairobi, Dakar, Brasilia) under the authority of the relevant EU Delegations. Management of Article 4 actions are for a large part managed centrally. Most contracts are grants under direct management mode, but around 31% of contracts are contribution agreements to UN or other international organisations under indirect management mode. Around 5% of contracts are signed with EU Member State implementing agencies.

The long-term component of the IcSP managed by DG DEVCO is primarily delivered through indirect and direct management, working with EU member state agencies, UN agencies or other partners such as Interpol. The largest Member State partner as concerns Article 5.1a of the Instrument is *Expertise France* (implementing app. 29% of the financial resources), followed by *FIIAPP* of Spain (15%), with other member states representing only approximately 5% in total. The engagement with the UN is at 16%, with Interpol at 6%, while civil society organisations are implementing approximately 10% of the actions.

II. Programme Implementation Update

Implementation status (2016-2018)

Throughout 2018, the Instrument contributing to Stability and Peace (IcSP) remained a key tool for EU diplomacy in crisis contexts and in its quest for conflict prevention, stability, conflict resolution and peace-building. All of the 42 new crisis response actions adopted during the year respond directly to EU political priorities. In addition, the newly adopted actions in Central African Republic, Mali and Somalia, as well as ongoing programmes in Afghanistan, Bosnia and Herzegovina, the Central African Republic and Ukraine, directly complement the work of CSDP missions, thereby contributing to the implementation of the EU Integrated Approach in response to conflicts and crises.

In 2018, a total of EUR 360 million was committed under the IcSP: EUR 254.1 million under the short-term crisis response component (Article 3), EUR 33.7 million under the structural peace-building component (Article 4) implemented by FPI and EUR 72.2 million was committed under the IcSP (Article 5).

- In accordance with the IcSP Regulation, the first objective under Article 3 - *Response to situations of crisis or emerging crisis* - is not programmable as the actions depend on developments in the international arena, in particular in terms of conflicts and crises. At least 70% of the financial envelope of the IcSP is allocated to this objective.⁵⁴⁴
- The second objective under Article 4 - *Assistance for conflict prevention, peace building and crisis preparedness* (9%⁵⁴⁵ of the overall financial envelope), and the third objective under Article 5 - *Assistance to address global and trans-regional threats* - are both subject to programming⁵⁴⁶. The IcSP programme is implemented in line with the relevant Multi-Annual Indicative Programme and 100% of allocated funds have been committed. Any challenges met are being addressed continuously to avoid any impact on the implementation of the programme.
- In the period 2016-2018, EUR 207.69 million was committed under the IcSP Article 5 and implemented in accordance with the multiannual indicative programme and related strategy. Actions have focused on providing assistance in addressing global, trans-regional, and emerging threats such as the fight against terrorism, organised crime, cyber-crime, illicit trafficking, threats to critical infrastructure, and Chemical, Biological, Radiological and Nuclear (CBRN) risk mitigation.
- In addition, the programme included, for the first time in 2018, actions on Capacity-building in support of Security and Development (CBSD). The CBSD adopted in 2017 constitutes an additional EUR 100 million to support military actors in fragile contexts where there is no civilian actor that can perform the tasks and where there is a major threat to the functioning of state institutions. In line with Sustainable Development Goal 16 (peace and justice), the EU is seeking to enable partner countries to prevent and manage crises by themselves. EU financial support under the CBSD covers the performance of development and human security-related tasks by the military. Further to the adoption of the CBSD proposal in 2017, projects must have development as their main focus, and must be embedded within the EU-wide strategic framework to support the Security Sector Reform (SSR).

Key programme achievements

IcSP Art. 3 and 4:

At the end of 2018, there were 276 on-going actions operating in 64 countries. Examples of timely EU responses to high-priority crises on the EU political agenda are given below. Information on the actions funded by the Instrument under Articles 3 and 4 are available for the general public through the following online tool: <https://icspmap.eu/>.

Under the IcSP long-term conflict prevention component (Article 4), a three-year action was approved to train 800 military of the armed forces of countries in crisis (including Burkina Faso, Iraq, Lebanon, Mali, the Central African Republic, the Democratic Republic of Congo, Somalia and South Sudan) in the areas of health, mine clearance, civil protection and peacekeeping.

- In 2018, IcSP Mine action programmes were implemented in Guinea, Colombia, Bosnia and Herzegovina, Philippines, Syria, and Libya. In Syria, the IcSP support to mine action in areas liberated from Da'esh by the Global Coalition was the first EU non-humanitarian assistance measure in the northeast of the country since the beginning of the conflict. In Libya, the EU, via the IcSP, remains the leading donor for humanitarian demining.
- Furthermore, 2018 was the first year of implementation of Capacity Building in support of Security and Development (CBSD) actions following the 2017 amendment to the IcSP regulation. So far, a total of eight CBSD actions have been launched in four countries (Central African Republic, Mali, Somalia and Lebanon) under article 3 and one action has been adopted under Article 4 to build regional training centres for training in the areas of health, mine clearance or civil protection for military actors. In the IcSP Annual Action Programme 2018 for article 5, the CBSD tool was used in the Central African Republic (CAR) and Somalia. The CBSD contract for CAR was signed on 6 December 2018 and the CBSD contract for Somalia is in the final steps of the negotiating phase.
- In 2018, the IcSP launched its first intervention in the north-eastern part of Syria in areas liberated from Da'esh by the Global Coalition. The mine action project (EUR 10 million) aims to improve physical safety conditions and to facilitate access to land and infrastructure - including through mine risk education for returnees, displaced people and host communities. It represents the first EU non-humanitarian intervention in the area since the conflict erupted and it forms part of the stabilisation efforts conducted by the EU and its Member States in the framework of the Global Coalition against Daesh.
- The Central African Republic (CAR) remains of significant concern to the EU. During 2018, the IcSP devoted EUR 40.5 million in additional funding to sustain the EU's engagement in the country to advance on peace negotiations and support stabilisation actions. The IcSP funding provided new and sustained impetus to the peace process, which had been on the verge of collapse at the end of 2017, nurturing hopes for a negotiated cease-fire and a comprehensive political agreement, which at the end of 2018 gave reason for cautious hope.
- During 2018 - the first year of implementation for the new Capacity Building in support of Security and Development (CBSD) - six actions were adopted under the crisis response component of IcSP (Article 3) with a combined budget of EUR 21 million. The actions are divided between three countries - two actions in Mali (Mopti airport, basic services provision by Malian army), two in the Central African Republic (weapon storage facility and advance deployment to Bouar) and one in

⁵⁴⁴ The allocation key is foreseen in the Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace (OJ L 77, 15.3.2014, p. 1) amended by Regulation (EU) 2017/2306 of the European Parliament and of the Council of 12 December 2017 (OJ L 335, 15.12.2017, p. 6-10).

⁵⁴⁵ Idem

⁵⁴⁶ The 2014-2020 Strategy Paper and 2014-2017 Multi-annual Indicative Programme (MIP) adopted on 11 August 2014.

Somalia (effectiveness of the General Staff of the Somali defence forces). The sixth CBSD action is underway in Lebanon to support the deployment of the Lebanese army to the UNIFIL operation area south of the Litani River.

In terms of achievements under the second objective covering programmable actions for conflict prevention, peace-building and crisis preparedness (IcSP Art.4) a total of **994 processes and 598 entities** benefited from the strengthened capacity attributable to IcSP funding during the course of 2018⁵⁴⁷. This allowed the EU to engage with its partners – international, regional, sub-regional organisations, Member States and civil society actors – on structural measures to support peace-building in a more comprehensive manner.

The **EU Security Sector Governance Facility**, launched in January 2018, aims to support and to underpin national policy planning, implementation and dialogue on the reform of a country's security sector and to ensure that good governance principles remain central to these processes and EU support therein. This facility allows the mobilisation of short to mid-term expertise, at the request of EU services and delegations, on a wide range of issues related to the security sector (police reform, defence reform, penal reform, democratic oversight, traditional or community based Security and Justice mechanisms, etc.) and for a wide range of tasks (security assessments, technical assistance and advice on policy planning and implementation, training, etc.). In 2018, the programme mobilised expertise in **Mali** to undertake a comprehensive assessment of the security sector, in **Burkina Faso** to help the Ministry of Interior to better understand and deal with armed non-state actors. Still in Burkina Faso a comprehensive assessment of the security sector was initiated. In **Nigeria** support was given to the government's engagement on a new border management strategy, in **Georgia** to facilitate policy dialogue on security and globally the programme was instrumental in raising awareness of the role of security actors in the **prevention of electoral violence**. A key result of the engagement of the Facility so far is that these processes have helped EU delegations to strengthen their political dialogue with partner country authorities.

The IcSP continued to promote the **responsible sourcing and trading of minerals** from Conflict-Affected and High-Risk Areas through the implementation of a programme on the OECD *Due Diligence Guidance for Responsible Supply Chains of Minerals*, in particular for tin, tungsten, tantalum and gold. The main objective of the programme is to break the link between mineral extraction and trade, and conflicts in fragile countries. As an example, the programme has provided market access to an estimated 80,000 artisanal and small-scale miners in Africa's Great Lakes Region, who support an estimated 400,000 dependents. The programme also included many training courses and peer-learning sessions across the world through working groups, which brought together participants from government, industry and civil society to address issues relevant to the mineral supply chain. Through a global approach the programme could cooperate downstream with the importer countries, such as China, Turkey and India, as well as in the production countries, such as Colombia, the Democratic Republic of the Congo and West African countries.

The results and achievements of the Due Diligence Guidance have been the main basis for the EU [Regulation 2017/821](#), coming into force in January 2021, promoting an integrated approach to due diligence in the supply chain of minerals from conflict affected and high-risk areas.

The long-term component of the IcSP has been pioneering several initiatives which have subsequently been continued with financing from other sources. Examples include projects like WAPIS and CT Sahel, which are now financed by regional programmes, project Ameripol, which is now covered by the Development Cooperation Instrument and project STRIVE Horn of Africa, which was continued under the EU Trust Fund Africa framework.

Long term component IcSP Art. 5

Under the third IcSP objective covering programmable actions addressing global, trans-regional and emerging threats, preliminary key programme results based on established programme indicators indicate the fulfilment of planned objectives. In terms of overall programme management, a successful change process over the past years has led to actions of longer duration and the average size of contracts tripling leading to a more effective use of resources and efficiency gains.

Legislative and operational capacity in third countries was strengthened and global and trans-national cooperation frameworks and networks established as demonstrated below. The focus has been two-fold: supporting security capacities at national and regional levels on the one hand and promoting frameworks for effective global and trans-regional cooperation on the other. Following a tailored approach, key countries were identified in priority regions and the capacities of local law enforcement and security units strengthened by setting up or further developing specialised units and inter-agency cooperation. Regional coordination and information-sharing functions continued to be supported to foster regional and trans-regional cooperation, primarily by making use of existing structures whenever possible.

- **CBSD:** In the IcSP Annual Action Programme 2018 for article 5, the CBSD tool was used in the Central African Republic (CAR) and Somalia. The CBSD contract for CAR was signed on 6 December 2018 and the CBSD contract for Somalia is in the final steps of the negotiating phase.
- **Cyber Crime:** Under the GLACY+ project, a considerable number of countries have adopted legislation on cybercrime (examples include Benin, Botswana, Cameroon, Ivory Coast, Dominican Republic, Ghana, Guinea, India, Kenya, Laos, Mauritania, Mauritius, Nigeria, Senegal, South Africa, Sri Lanka, Tanzania, Thailand, Tonga and Uganda) or are in the process of developing this legislation (e.g. Burkina Faso, Cambodia, Indonesia, Maldives, Mongolia, Morocco, Niger, Pakistan, Paraguay and Vietnam).

⁵⁴⁷ Annual achievement

- **Counter Terrorism and Prevention and Countering of Violent Extremism:** Counter-terrorism (CT) and the Prevention and Countering of Violent Extremism (P/CVE) remained high priorities in 2018 with continued investment in global projects that strengthen the resilience of communities and governments against violent extremism and terrorist attacks.

Specific examples under Article 5 of the IcSP include a EUR 16 million global action on anti-money laundering and counter-terrorist financing (AML/CFT). The EU is an important actor in the area of CFT both within and outside Europe. Indeed this new initiative builds on a similar action currently under implementation in the Horn of Africa and efforts are made to encourage other Commission actions in this field to use this global vehicle for all EU support to third countries on AML/CFT.

Furthermore a number of global P/CVE-specific actions have been launched around the world under the Strengthening Resilience to Violent Extremism (STRIVE) programme. These STRIVE actions aim to facilitate innovative P/CVE projects in collaboration with local communities, to strengthen conditions conducive to development, and resilience towards violent extremism. Commencing in 2013, over EUR29 million has been allocated to projects in over 20 countries across the globe in an effort to prevent and counter violent extremism as part of the STRIVE initiative. The key common factor is that the specific actions under the programme are innovative, testing new ground and creating a platform for learning which can feed into the larger traditional cooperation instruments of the European Union.

- **Chemical Biological Radiological and Nuclear (CBRN):** The CBRN Risk Mitigation Centres of Excellence (CBRN CoE) Initiative continued supporting interregional cooperation and enhancing third countries' capabilities to prevent and manage incidents involving CBRN-E agents. In 2018, the programme continued to develop into a worldwide network: 2 new Partner Countries (Bahrein, Mongolia) joined the Initiative, which now gathers 61 Partners grouped around 8 Regional Secretariats. CBRN needs assessments were continued and finalised in more than 30 Partner Countries, risk assessment was introduced and new CBRN National Action Plans were formally adopted (e.g. Uzbekistan and Moldova).

Central Asia and the Gulf partner countries demonstrated strong signals of a renewed engagement. The EU Court of Auditors published a follow up report in June 2018 on the Centres of Excellence Initiative, The main conclusions are supportive of this CoE initiative. A report has also been presented to the European Parliament and was well received. All eight regions now benefit from technical on-site assistance, and the type of support provided to the Partner countries diversified. In addition to the large-scale regional CBRN capacity building projects, a catalogue of short-term trainings has been offered and also several field exercises (e.g. Lionshield, SUNKAR, P48 in West Africa) have been implemented and will continue to be implemented.

The support to the International Science and Technology Centre (ISTC) and Science and Technology Center in Ukraine (STCU) continued. These Centres continued to implement research-oriented activities involving scientists with sensitive knowledge, both with public or private funding. The previous small-scale scientist redirection projects were abandoned in 2018, and a new generation of larger scale projects with regional impact is being developed. The Export Control assistance programme consolidated during 2018, and a set of indicators and evaluation methodology has been developed with the potential to be extended to the whole CBRN programme. Coordination with the North Atlantic Treaty Organization (NATO) has also increased. In this regard, several meetings at NATO HQ/DEVCO HQ and consultations with EEAS and other services took place; agreement was reached with the NATO Vyskov CBRN Centre to invite CBRN experts from CoE partners for short-term trainings. NATO Science for Peace and Security Programme (SPS) is also actively pursuing cooperation with the ISTC and STCU Science Centres.

Relevant findings of evaluation and/or programme related studies

IcSP Art. 3 and 4:

The findings of the **Mine Action sector evaluation** state that IfS/IcSP mine action funding has been successful, due to the way it places mine action for peace and confidence-building within a larger framework of human security and a rights-based approach. According to the evaluators, the success of IfS/IcSP mine actions has come from its flexibility, timeliness and practical adaptability, together with its willingness and ability to take risks in uncertain and fast changing crisis affected environments. Despite being designed to be a time-bound initial response mechanism, some of the best results have come in places where continued funding was provided e.g. in Libya or in Bosnia.⁵⁴⁸ The evaluation also identified a number of recommendations, notably an encouragement to improve monitoring and evaluation of mine actions, to focus indicators on impact and outcome rather than on output, and to adopt a knowledge management strategy to retain lessons learned. Furthermore, the evaluation identified room for improvement on the conflict-, context- and gender sensitivity of some of the actions.⁵⁴⁹

The findings of the **European Resources for Mediation Support (ERMES) programme evaluation** indicate that ERMES has effectively supported peace and mediation processes by carrying out assignments in three categories: deploying technical experts; delivering training and coaching sessions on mediation and dialogue; and facilitating third parties' mediation and dialogue activities. ERMES is considered successful in quickly and flexibly meeting the need for expertise and organisation of events. ERMES was also able to deliver effectively training courses and coaching sessions, and it proved effective in creating synergies between third parties engaged in mediation. The general performance of ERMES clearly contributed to facilitating EU support to third parties engagement in inclusive peace mediation and dialogue processes at the international, regional and local levels, through Track I, II and III types of intervention. Even if the project is not visible to the wider public, it enjoys the confidence and appreciation of actors in this field throughout the EU system. The evaluators recommended a better use of lessons learned from mediation processes and to pro-actively maintain a focus on addressing gender issues in mediation processes.⁵⁵⁰

IcSP Art. 5:

⁵⁴⁸ ICSP/2017/390-960. The evaluation has not been published.

⁵⁴⁹ ICSP/2017/390-960. The evaluation has not been published.

⁵⁵⁰ ICSP/2017/387-652. The evaluation has not been published.

In mid-2018, the Commission completed an external independent evaluation⁵⁵¹ to assess the relevance, coherence, efficiency and impact of the EU's external response to counter-terrorism (CT) in order to determine the extent to which the planned objectives and outcomes defined in the EU policy, notably the EU Council Conclusions on CT, were so far achieved. This evaluation has concluded that the EU has become a major actor in CT and P/CVE external assistance and the scale and speed of external investment has been impressive since 2011. In addition to its global actions, the EU's CT and P/CVE interventions financed via the EU instruments for financing external actions cover around 40 countries in all high-threat regions. The evaluation confirms that the EU has responded to the thematic and geographic priorities outlined in the Council Conclusions on Counterterrorism (2015 and 2017). Looking at the ongoing external programmes, it can be assessed that the EU is active (implementing ongoing initiatives or developing specific actions) in the thematic areas prioritised in the Council Conclusions, notably increasing involvement in P/CVE, countering terrorist financing and money laundering, supporting partner countries to strengthen their criminal justice response and aviation security. Geographically, the EU has increased external efforts in the areas privileged by the Council Conclusions, maintaining and/or increasing CT activities in the following regions: Middle East and North Africa (MENA), Western Balkans, Turkey, Sahel and the Horn of Africa.

The evaluation also underlined there is room for improvement in terms of both evaluating effectiveness and impact and demonstrating that impact to its stakeholders calling for more attention to evaluation, and a few simple steps – methodological training, awareness, and refinement of processes – will lead to better and easier evaluations.

The evaluation notes that EU's external assistance has largely focussed on two pillars of the CT Strategy: Prevent and Pursue. Future investment decisions should be informed by a comprehensive four-pillar analysis of existing programmes, giving consideration as to whether more investment is required in Protect and Respond capabilities, in areas such as protection of critical infrastructure, crowded places and iconic sites, emergency services capacity building, and crisis response.

The evaluation calls for the mandate of EU agencies (especially Europol and Eurojust) in external capacity-building assistance to be developed. The evaluation also invite the EU institutions to better consider how its internal CT and P/CVE expertise might be further developed and to pay more attention to evaluation, methodological training, awareness, and refinement of processes. The evaluation also calls for the continued use of the most flexible funding instruments as well as the use of more long-term and global instruments to create flexible capabilities such as CT technical assistance facilities.

The findings provide very useful inputs for the ongoing revision of the post-2020 external financing instruments and the upcoming programming exercises for 2019 and 2020. Although the IcSP is not the only instrument financing CT and P/CVE actions, it is the biggest contributor in this field.

Information about forthcoming implementation (2019-2020)

IcSP Art. 3 and 4:

As measures under the first objective are non-programmable and respond to international developments and crises, it is not possible to outline future implementation measures. In relation to the second objective, the following seven main outputs and policy results can be expected in 2019:

- Support to in-country civil society actors in conflict prevention, peace-building and crisis preparedness will continue in conflict-affected or post-conflict countries and regions. This support will be in addition to the 40 countries where IfS/IcSP funded actions in the period 2010-2018. The indicative thematic scope of support in 2019 will be: mediation, dialogue and confidence building, social media and conflict, natural resources and conflicts. A new phase of the Civil Society Dialogue Network is also envisaged to continue having a forum for dialogue on peace-building issues between the EU and many civil society actors.
- Support third countries to build up their capacity to carry out **Recovery and Peacebuilding assessments (RPBA)** as well **Post Disaster Needs Assessments (PDNA)**, through the provision of technical expertise including the deployment of experts, dedicated training and coaching as capacity building activities to national authorities and regional/international organizations.
- Continue to contribute to **peace-building and stabilization efforts** of and within mineral-rich fragile areas through the promotion of responsible sourcing and trading of minerals. In particular the action will aim to improve **global capacity** to mitigate the illicit financing of armed conflict via the extraction and trade of minerals through the promotion of responsible engagement in the mineral sector at the upstream level (the producing country) as well as downstream (the importing countries including the private sector actors).
- Strengthen the capacities of internal security forces and other civilian services from EU Member States, non-EU contributing countries to the EU Missions, and third countries to participate in international civilian stabilisation missions.
- Promote the active and inclusive participation of youth in peacebuilding and conflict resolution processes, in particular through capacity building initiatives targeting youth in fragile countries and regions.
- Promote the effective role of women in prevention and resolution of conflicts and in peacebuilding, through capacity building of women in mediation, including mentorship initiatives in order to promote the active and effective participation of women in mediation and peace processes at local, national, regional and international level.
- Strengthen the capacities of military actors in the exceptional circumstances foreseen in the EU Regulation (EU) 2017/2306 (CBSD), to deliver development activities and security for development activities, in particular to protect civilians in conflict or post conflict areas.

⁵⁵¹ <http://ct-morse.eu/global-evaluation-of-the-european-union-engagement-on-counter-terrorism/>

IcSP Art. 5:

The Multiannual Indicative Programme for 2018-2020 recalibrated the programming guidance for the instrument based on the evolving nature of global threats while also taking into account the 2016 EU Global Strategy. The AAP 2019 of the ICSP Article 5 includes six priority areas: Countering terrorism; Fighting organised crime; Critical Infrastructure protection; Climate Change and Security; CBRN risk mitigation; and CBSD. Consolidation of existing actions will be the priority in 2020, which is the final year of current financial framework. The following outputs and policy results can be expected in the coming implementation period:

- **Cybersecurity:** Under the Cyber4Dev project, the Commission aims to achieve a twofold objective: (i) helping partner countries increase their cyber resilience, be more effective protecting their critical infrastructure; and (ii) provide a layer of protection to programmes and projects carried out under the digital 4-development initiative.
- Continuing support and implementation of the **CBSD actions** in Somalia and the Central African Republic and contracting new planned interventions in Burkina Faso and Benin.
- In the field of **CBRN risk mitigation**, strengthening national and regional CBRN governance and promoting a culture of CBRN safety internationally will continue. With the EU CBRN Risk Mitigation Centres of Excellence initiative – security platforms – having reached a stage of maturity in 2018, further efforts will concentrate inter alia on developing its sustainability and involving existing local expertise and experts, enhancing the role of EU delegations, which will help raising the political visibility of the initiative. Consolidation in priority regions will be a key objective (North Africa Sahel, Middle East, Gulf, and Central Asia).
- Continued support to partner countries on CT and P/CVE issues will be provided in 2019. DEVCO launched a EUR 8.5 million facility of training and technical assistance in the field of intelligence cooperation in partnership with the Spanish National Intelligence Centre in January 2019. The project is intended to create or strengthen the capacity to collect, assess and share information. In the area of P/CVE, a new action worth EUR 6 million was launched in the beginning of 2019 and contributes to P/CVE efforts in Central, South and Southeast Asia through a whole society/multi-stakeholder approach, including governments, security actors, civil society and the private sector. Another EUR 3 million project, aiming at strengthening the resilience against violent extremism among the most vulnerable groups of repatriated migrants in Afghanistan, started in January 2019.

Outlook for the 2021-2027 period)

In the future MFF, the current activities of the IcSP will under the proposal for a Regulation of the European Parliament and of the Council be continued under a new, Neighbourhood, Development and International Cooperation Instrument (NDICI)⁵⁵². According to the proposal, what are currently Article 3 actions will be financed under the envelope “Rapid Response Actions” (art. 6.c of NDICI) while Article 4 and Article 5 actions will be financed under the Envelope “Thematic Programmes - Stability and Peace” (art. 6.b of NDICI).

III. Programme key facts and performance framework**1. Financial programming**

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace	2014 - 2020	2 338,7

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	9,1	8,8	8,9	9,2	9,6	10,5	10,7	66,8
Operational appropriations	267,7	321,6	335,9	251,1	359,9	366,2	383,1	2 285,5
Total	276,8	330,4	344,8	260,3	369,5	376,7	393,8	2 352,3

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	369,505	99,98 %	309,351	98,80 %	376,737	9,84 %	308,800	23,49 %
Authorised appropriations (*)	372,872	99,65 %	320,852	98,14 %	380,070	9,76 %	314,130	23,32 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information**General objectives**

⁵⁵² COM(2018)460 final 14.06.2018

General Objective 1: To provide direct support for the Union's external policies by increasing the efficiency and coherence of the Union's actions in the areas of conflict prevention, crisis preparedness and crisis response and peace-building, and in addressing global and transregional threats.

Indicator 1: Number of conflicts worldwide*

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Total: 405	Actual results*						Total: 399
	Total: 424	Total: 409	Total: 402	Total: 379	Total: 363		
- 44 highly violent conflicts (level 5: 19 wars and level 4: 25 limited wars);	- 46 highly violent conflicts (level 5: 21 wars and level 4: 25 limited wars);	- 43 highly violent conflicts (level 5: 19 wars and level 4: 24 limited wars)	- 38 highly violent conflicts (level 5: 18 wars and level 4: 20 limited wars)	- 36 highly violent conflicts (level 5: 20 wars and level 4: 16 limited wars)	- 40 highly violent conflicts (level 5: 16 wars and level 4: 24 limited wars)		
- 177 violent conflicts (level 3);	- 177 violent conflicts (level 3)	- 180 violent conflicts (level 3)	- 188 violent conflicts (level 3)	- 187 violent conflicts (level 3)	- 173 violent crisis (level 3)		
- 184 non-violent conflicts (level 2: 85 non-violent crisis and level 1: 99 disputes)	- 201 non-violent conflicts (level 2: 89 non-violent crises and level 1: 112 disputes)	- 186 non-violent conflicts (level 2: 89 non-violent crises and level 1: 97 disputes)	- 176 non-violent conflicts (level 2: 78 non-violent crises and level 1: 98 disputes)	- 156 non-violent conflicts (level 2: 81 non-violent crises and level 1: 75 disputes)	- 150 non-violent conflicts (level 2: 82 non-violent crises and level 1: 68 disputes)		

*Source: Conflict Barometer published annually by the Heidelberg Institute for International Conflict Research; <https://hiik.de/conflict-barometer/current-version/?lang=en>

Note: This indicator is used on a trial basis and will need to be evaluated over a longer time period whether it is appropriate for the assessment of the EU's impact on global crises.

The indicator is based on the "Conflict Barometer" of the Heidelberg Institute for International Conflict Research (HIK), which measures the number of crises in the world and quantifies crises by intensity of conflict as: wars (level 5); limited wars (level 4); violent crises (level 3); non-violent crises (level 2); disputes (level 1).

The indicator has the merit of establishing a global picture of the situation annually, thus making it possible to track conflicts over time based upon empirical evidence. However, it is difficult to establish a direct link between IcSP interventions and any particular outcome as regards the overall global level of conflict or in relation to the country/region concerned by the intervention. For example, IcSP responses often require a collective effort based on partnerships with other donors, civil society actors, multilateral and regional partners.

Moreover, the EU does not intervene in all conflicts and therefore no correlation can be established between IcSP interventions and the number of conflicts. The evolution of a specific conflict, as measured by the Conflict Barometer in terms of intensity, depends on factors, which go beyond the results and the scope of a specific EU intervention. These interventions have to be seen as a contribution to the ultimate goal of either a de-escalation of a conflict or avoiding its escalation, in light of the EU's comprehensive approach and the efforts of the international community. 2018 is the fourth consecutive year when the worldwide insecurity shifted from an increasing trend to a slight decrease in total worldwide conflicts as measured by the Barometer.

Situation in 2018 (total 363):

1. 40 highly violent conflicts (level 5: 16 wars and level 4: 24 limited wars)
2. 173 violent conflicts (level 3)
3. 150 non-violent conflicts (level 2: 82 non-violent crises and level 1: 68 disputes)

Specific objectives

Specific Objective 1: In a situation of crisis or emerging crisis, to swiftly contribute to stability by providing an effective response designed to help preserve, establish or re-establish the conditions essential to the proper implementation of the Union's external policies and actions in accordance with Article 21 TEU.

Indicator 1: Percentage of projects adopted within 3 months of a crisis context (date of presentation to PSC).

Baseline 2012*	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
2011-2013 69 %	70 %						75 %
	Actual results						
	68 %	64 %	61%	47%	82%		

* Of the 34 short-term crisis response actions presented in 2018 to respond to situations of crisis or emerging crisis (article 3) 28 were adopted (COM Decision) within 3 months of a crisis context (presentation to PSC), a percentage rate of 82%. The objective was to reach a percentage rate of 70 %.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of estimated response actions in situations of crisis or emerging crisis (except CBSD actions)	19 02 01	32	245,1
Number of estimated response actions in situations of crisis or emerging crisis for CBSD	19 02 01 01	3	21
Total number of estimated response actions in situations of crisis or emerging crisis (including CBSD actions)	19 02 01 19 02 01 01	35	266,1

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of estimated response actions in situations of crisis or emerging crisis (projects launched, except CBSD actions)	F	32	32	32	32	32	32	32
	P	30	44	39	36	42		
Number of estimated response actions in situations of crisis or emerging crisis (CBSD projects launched)	F	N.A.	N.A.	N.A.	N.A.	3	3	3
	P	N.A.	N.A.	N.A.	N.A.	5		
Total number of estimated response actions in situations of crisis or emerging crisis (including CBSD actions)	F	32	32	32	32	35	35	35
	P	30	44	39	36	47		

The IcSP component “crisis response” is not programmable. However, based on previous IfS experience, some 32 response actions are launched per year. The financing will remain flat over the period 2014-2020.

Specific Objective 2: To contribute to the prevention of conflicts and to ensuring capacity and preparedness to address pre- and post-crisis situations and build peace.

Indicator 1: Number of processes and entities with strengthened capacity attributable to IcSP funding

Baseline 2012*	Milestones foreseen						Target 2020
	2014**	2015	2016	2017	2018	2019	
Processes: 734 Entities: 449 Total: 1 183					1 200	1 550	Total: 1 650
	Actual results						
	Processes: 512 Entities: 861 Total: 1 373	Processes: 961 Entities: 454 Total: 1 415	Processes: 996 Entities: 468 Total: 1464	Processes: 922 Entities: 565 Total: 1487	Processes: 994 Entities: 598 Total: 1592		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of actions launched under the Annual Action Programme (except CBSD actions).	19 02 02	6	37
Number of actions launched under the Annual Action Programme for CBSD	19 02 02 01	1	2,8
Total number of actions launched under the Annual Action Programme (including CBSD actions).	19 02 02 19 02 02 01	1	39,8

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of actions launched under the Annual Action Programme.	F	5	5	5	5	5	6	6
	P	5	7	7	7	6		

*In 2012, the base line figure was 1183, composed respectively of 734 processes and 449 entities with strengthened capacity attributable to IFS funding in relation to a budget of EUR 22 million. In 2014, the figure was 1373, composed respectively of 512 processes and 861 entities with strengthened capacity attributable to IcSP funding in relation to a budget of EUR 24 million. In 2015, the figure rose to 1415, composed respectively of 961 processes and 454 entities in relation to a budget of EUR 19 million.

**Results stemming from the contracting of the year n-1 Annual Action Programme.

The indicator measures the strengthened capacity of EU and beneficiaries of EU assistance to prevent conflicts, address pre- and post-crisis situations and to build peace. It refers to the annual number of processes (for example: mediation processes, training and coaching) and entities (local communities, regional organisations, NGOs, technical bodies, media outlets) benefiting from strengthened capacity, attributable to IcSP funding in conflict prevention, crisis preparedness and peace-building through the so-called “Peace Building Partnership”.

In 2017, the figure rose to 1487, composed respectively of 922 processes and 565 entities in relation to a budget of EUR 29 million.

Examples of processes include, among others: the organisation of coaching, trainings (including trainings of trainers) and capacity building for civilians participating in stabilisation missions, activities to support mediation processes such as technical assistance, ad hoc guidance and specific researches, recovery and peacebuilding assessments. The processes also include trainings for civil society and other stakeholders in third countries on mediation and peacebuilding; activities for women and youth to prevent violent extremism (Tunisia); social cohesion activities for youth (Venezuela, Burundi) and inclusive dialogues (Kenya).

The entities covered *inter alia* civil society and community-based organizations, regional and technical organizations, private sector operators, traditional as well local and government authorities.

Specific Objective 3: To address specific global and trans-regional threats to peace, international security and stability.

Indicator 1: EU contribution towards tackling global and transregional threats, measured as :

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Global and trans-regional threats							
1.1. Risk Mitigation: Number of former weapon scientists talents redirected to peaceful activities (Astana and Kiev): 18.000**	Actual results						18.600
	18.150	18.300	18.500	18.700	19.425		
1.2. Strengthening capabilities against biological threats: Number of facilities upgraded to international standard level: 2	Actual results						12
	5	8	8	10	10		
1.3. Regional centres of excellence: Number of partner countries benefitting from the assistance of the EC acting in multilateral framework: 15	Actual results						62-65
	45	52	55	59	62		
1.4. Countering Terrorism: Number of partner countries covered by the countering terrorism activities financed by the EU: 8	Actual results						20
	12	12	12	29	31		
1.5. Fighting organised crime: Number of major drug smuggling routes tackled by activities supported by the EU: 2	Actual results						2
	2	2	2	2	2		
1.6. Protecting critical infrastructure: The number of countries covered by protection of critical infrastructure activities: 4	Actual results						14
	11	14	14	14	29		

** Including TACIS period (from 1994)

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Number of countries involved /projects covered in the chemical, biological, radiological and nuclear (CBRN) Centres of Excellence initiative	21 05 01	62	24
2. Number of countries/regional organisations covered by critical infrastructure activities	21 05 01	29	9.5
3. Number of major drug smuggling routes covered by the organised crime activities	21 05 01	2	10.5
4. Number of countries covered by the cyber-crime activities	21 05 01	110	0
5. Number of countries covered by counter terrorism activities	21 05 01	31	22.5
6. Climate change project	21 05 01	5	0
7. CBSD	21 05 01	2	8.45
8. Export Support Facility project	21 05 01	10	2.3
Total			77.25

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Number of countries/projects involved in the Centres of Excellence initiative	F	40/40	45/48	50/51	50/55	57/57	59/60	60/60
	P	48/42	52/53	56/60	59	57/62		
2. Number of countries/regional organisations covered by critical infrastructure activities	F	10	12	14	14	14	14	14
	P	11	12	14	14	29		
3. Number of major drug smuggling routes covered by the organised crime activities	F	2	2	2	2	2	2	2
	P	2	2	2	2	2		
4. Number of countries covered by counter terrorism activities	F	12	14	16	16	16	16	16
	P	12	14	12	29	31		
5. Climate change projects	F	0	2	5	5	6	7	8
	P	0	0	1	5	4		
6. Export Support Facility projects	F	6	10	10	10	10	10	10
	P	6	10	10	10	10		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right)

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Specific objective: Addressing global and trans-regional effects of climate change having a potentially destabilising impact.	7,0	8,0
Total	7,0	8,0

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
	5,0		5,5	5,5	7,0	8,0	31,0

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Gender mainstreaming

Gender is a key cross-cutting issue for the IcSP: it is integrated into all actions, both non-programmable crisis response measures under Article 3 and programmable actions on conflict prevention, peace-building and crisis preparedness and in addressing global and trans-regional threats under Articles 4 and 5, respectively. Due attention is paid to the relevant provisions of the legal basis particularly those related to combating gender-based violence and promoting the participation of women in peace-building. In this regard, key priority is given to ensuring that all actions contribute to delivering on EU commitments on Women, Peace and Security (WPS) based on the Comprehensive EU Approach to the Implementation of UNSCR 1325 and 1820 on WPS (2008)⁵⁵³ and the EU Strategic Approach to Women, Peace and Security (15086/18) adopted by the Council in December 2018.

Taking stock of the support and guidance provided in the previous years by the IcSP Gender Facility the staff at Headquarters, in the regional Teams and in the EU Delegations mainstreamed gender more systematically when designing Article 3 and Article 4 projects, addressing Women, Peace and Security (WPS) issues more efficiently in all IcSP actions. A new action was started in 2018 aiming to prevent the rise of violent extremism by strengthening capacities of local actors to address its gender dynamics ' Preventing Violent Extremism: A Gender Sensitive Approach'.

In 2018, 62.3% (51.6% in 2017) of contracted actions reported a G-Marker 1, 8.2% (8.3% in 2017) reported a G-Marker 2 and the remaining 29.5% (40.1% in 2017) reported a G-Marker 0⁵⁵⁴. This data is provided in line with Objective 5.3.2 of the EU Gender Action Plan 2016-20⁵⁵⁵.

5. Programme contribution to the Sustainable Development Goals

The IcSP contributes to the achievement of gender equality and the empowerment of women and girls under SDG. Actions towards the SDG 13 'taking urgent action to combat climate change' are also part of IcSP programme, but it is mainly contributing to the promotion of peaceful and inclusive societies for sustainable development and to providing access to justice for all and to build effective, accountable and inclusive institutions at all levels in line with SDG 16. Specifically, IcSP contributes to:

- Sub-Goal 16.1 'Significantly reduce all forms of violence and related death rates everywhere'
- Sub-Goal 16.3 'Promote the rule of law at the national and international levels and ensure equal access to justice for all'
- Sub-Goal 16.a 'Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime'
- Sub-Goal 16.7 'Ensure responsive, inclusive and participatory and representative decision making at all levels'

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

During 2018, one UN trust fund in Madagascar was financed with EUR 1.1 million earmarked funding under an Article 3 action.

⁵⁵³ EU Strategic Approach to Women, Peace and Security (15086/18) adopted by the Council in December 2018

⁵⁵⁴ In 2017, 51.6% of contracted actions reported a G-Marker 1, 8.3% reported a G-Marker 2 and the remaining 40.1% reported a G-Marker 0.

In 2016, 51% of contracted actions reported a G-Marker 1, 3% reported a G-Marker 2 and the remaining 46% reported a G-Marker 0.

⁵⁵⁵ 'Transforming the Lives of Girls and Women through EU External Relations, 2016-20' – SWD(2015) 182 final of 21/09/2015

HEADING 4: Global Europe

Humanitarian aid

Lead DG: ECHO

I. Overview

What the programme is about?

The Humanitarian aid programme (HUMA) provides effective relief and protection to populations affected by natural or man-made disasters on the basis of needs. As the world's largest humanitarian aid donor, the EU and its Member States play a central role in tackling humanitarian challenges. HUMA provides aid to most vulnerable populations in countries in crisis, including "forgotten" crises. In addition, the EU is committed to build capacity and resilience of vulnerable communities and has put in place a resilience action plan.

The humanitarian aid policy is based on the humanitarian principles, in line with Article 214 of the Treaty on the Functioning of the European Union. The Commission contributes actively to shaping humanitarian advocacy and policy development at the European and the global level, including through humanitarian fora such as the Good Humanitarian Donorship initiative, the Humanitarian Affairs Segment of the UN Economic and Social Council (ECOSOC), humanitarian events in the margins of the UN General Assembly, the UN Office for the Coordination of Humanitarian Affairs (OCHA) Donor Support Group, the International Committee of the Red Cross (ICRC) Donor Support Group, and the International Federation of Red Cross and Red Crescent Societies (IFRC) Donor Advisory Group. The Commission also holds regular strategic dialogues with its key humanitarian partners including the major UN operational agencies.

EU added value of the programme

Because of the financial weight of its humanitarian actions and its unique position, the EU encourages other humanitarian donors to implement effective and principled humanitarian aid strategies and has a comparative advantage in being able to intervene in politically sensitive situations more flexibly.

The EU is well positioned to rapidly complement Member States' bilateral contributions as required in response to crises. A share of the annual budget is pre-allocated to on-going crises (in some cases, the Commission being the only donor, namely in forgotten crisis) and for prevention/preparedness measures, while the rest is deployed to respond to new crises or deterioration of existing ones. The Commission's strong field presence allows for a comprehensive understanding of the complex needs on the ground, and its neutrality provides greater flexibility and power to act on behalf of the most vulnerable. The Commission is valued by other donors for its technical know-how and capacity for coordination.

The aim of the humanitarian aid policy as defined in Article 214 of the TFEU and the Council Regulation 1297/96 is to provide ad hoc assistance, relief and protection to people in third countries who are victims of natural or man-made disasters, in order to meet the humanitarian needs resulting from these situations.

Over the years, the EU has established itself as an important actor in humanitarian action both at global and field level. Its extensive network of humanitarian field experts based in countries in crisis is a key element in its comparative advantage as a donor. Providing rapid and flexible assistance both in the major crises and in so-called "forgotten crises" has become a hallmark of the EU's profile as a donor. The EU's action as a humanitarian aid donor is complementary with EU Member States' bilateral contributions in response to crises. A share of the annual EU humanitarian aid budget is pre-allocated to on-going crises and for prevention/preparedness measures, while the rest is deployed to respond to new crises or deterioration of existing ones.

Implementation mode

Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) is the lead DG for the programme implementation. The programme is implemented through indirect management by NGOs, UN agencies and other international organisations.

II. Programme Implementation Update

Implementation Status (2016-2018)

The implementation of the programme for humanitarian assistance is on track.

In 2018, DG ECHO has focused on the following areas that are increasingly relevant in the current humanitarian context⁵⁵⁶: Supporting education in emergencies, Forced displacement, Cash transfers, Enhancing Protection and compliance with IHL, Gender and age mainstreaming, Prevention and responding to Gender-based violence, Persons with disabilities, Resilience as a cross-cutting priority, Innovation, technology and big data; engagement with the private sector, Food and nutrition assistance, Environment, Urban settings, Social protection, and Disaster Risk Reduction (DRR).

⁵⁵⁶ SWD(2017) 464 final

The annual working programme – called "General Guidelines for Operational Priorities for Humanitarian Aid (GGOPHA)⁵⁵⁷" – establishes priorities on the basis of the assessment of foreseen humanitarian aid needs. The working programme provides sufficient flexibility to adapt priorities to new crises and evolving humanitarian aid needs. Between 15 % and 20 % of the budget is set aside as an operational reserve for unforeseen needs.

In 2018, the Commission provided EUR 1.5 billion in humanitarian aid (excluding EDF and externally assigned revenue) to the most vulnerable across more than 90 countries. When adding external assigned revenue from Member States committed for the Facility for Refugees in Turkey or operations in Central and West Africa and EDF appropriations (EUR 45.6 million) as well as Emergency Support in the EU (EUR 199 million), the EU, in 2018, managed a total amount of EUR 1.7 billion for humanitarian aid.

Key achievements

In 2018, the European Commission provided over EUR 1.5 billion (including EDF and externally assigned revenues) in aid to the most vulnerable across more than 90 countries, reaching over 144 million beneficiaries – 28 of which resulting from DIPECHO actions in disaster prone regions⁵⁵⁸.

In 2018, more than 50 % of the Humanitarian budget went to **most vulnerable countries**⁵⁵⁹ and an additional 33.9 % was allocated to **forgotten crises** (crises with little media attention and poor coverage). 62% of the contracts were issued within a very short timeframe (11 days). In addition, the Union is committed to build capacity and resilience of vulnerable communities and has put in place a resilience action plan for which 80 % of actions are on target.

By way of an example of the EU's response to major crises, the Union continues to deliver life-saving assistance and support to millions of people across Syria. The EU's humanitarian assistance is carried out in a principled manner to fulfil the needs of the most vulnerable Syrians throughout the country. Aid is delivered from all humanitarian hubs, including across conflict lines and international border crossings. The assistance contributes to the vital delivery of food, medicine, water, and shelter for millions of Syrians directly affected and/or internally displaced by the conflict. In neighbouring Lebanon, EU funding has contributed to cash assistance for the most vulnerable refugees, secondary healthcare for life-saving cases, non-formal education and shelter – including water, hygiene and sanitation – to improve the living conditions of the vulnerable families most affected by the displacement. In Turkey and Jordan, the EU supports the most vulnerable refugees inter alia through cash assistance, as this is considered the most cost-efficient and dignified method. Furthermore, the Union contributes to the renewed Partnership Programmes ("compacts") with Lebanon and Jordan.

Education in Emergencies remained more than ever a flagship policy in 2018, 8,5% of the budget was dedicated to it, and more than a million boys and girls benefited from it in over 30 countries. Moreover, the EC continued chairing the "Call to Action" on protection from gender-based violence in emergencies and continued scaling up the use of cash assistance.

In 2018, the EU continued guaranteeing fast and safe access to the field; ECHO Flights continued supporting Humanitarian Aid Transport Services by transporting more than 26,000 humanitarian aid workers and more than 230 tons of cargo.

The EU's principled and needs-based approach to humanitarian aid also includes addressing 'forgotten crises'; the EU was thus present in every significant humanitarian crisis in 2018 with a variety of adapted funding tools. In larger crises, the EU consistently responded to situations where other donors were not present and often played the role of coordinator and catalyst.

Evaluation/Studies conducted

The time scope of the Humanitarian Aid Regulation (Council Regulation (EC) No 1257/96) is not limited to the duration of one Multi-annual Financial Framework. Evaluations could thus cover parts of two different MFF cycles. In addition, because of the 'continuous' nature of humanitarian operations, it is deemed that evaluation results have a validity for the medium term (3-5 years) – unless actions have been substantially modified – which also provides a basis for DG ECHO's evaluation approach, by which basically all humanitarian interventions are evaluated over a five-year period.

The comprehensive evaluation of European Union Humanitarian Aid (2012-2016) was finalised in 2017. It concludes that the EU is a principled, needs-based donor with some unique features, such as its approach to partnerships, its field network and its contributions to shaping the humanitarian system. Budget allocations were found to be relevant to the needs of the targeted populations and to the humanitarian aid objectives, and to be driven by comprehensive and robust needs assessments.

EU-funded actions were found to be overall cost-effective and positively contributing to saving lives, reducing morbidity and suffering as well as improving dignity of life of populations affected by disasters. The scale of funding dedicated to humanitarian aid actions allowed the EU to have a real impact on the ground. As resources were limited compared to the overall humanitarian needs, the EU had to make strategic choices during the evaluation period, with an increasing focus on the Middle East and North Africa and the European neighbourhood (i.e. related to the Syrian crisis). The Commission selected appropriate partners and the Commission's humanitarian field network provided overall high-quality support.

⁵⁵⁷ SWD(2017) 464 final

⁵⁵⁸ These statistical data are based on the aggregation of the estimated number of 'action beneficiaries' as declared by the partners implementing humanitarian projects funded by DG ECHO. One single individual beneficiary in need of humanitarian assistance can benefit from more than one humanitarian action and from more than one project.

⁵⁵⁹ Based on the Index for Risk Management (INFORM), a tool for the comparative analysis of countries to identify their level of risk to humanitarian crisis and disaster.

EU-funded actions provided clear added value notably achieved through: focusing on forgotten crises, as in the 2012-2016 period 16% of EU funding was allocated to forgotten crises, compared to 12% for all other donors; filling gaps in global humanitarian aid by addressing needs in areas that were difficult to access, and providing a rapid response at the onset of several crises (e.g. Syria, Sudan, Burundi crisis); and by funding sectors and themes that were underfunded by other donors (e.g. protection sector, education in emergencies).

Areas for improvement encompass developing, when appropriate, a more programmatic approach to the partnership between the EU as a donor and its humanitarian partners; increasing the involvement of local implementing partners in the delivery of EU-funded actions; scaling up successful innovative approaches and improved reporting; more systematic coherence and synergies between the EU humanitarian aid and civil protection activities; better communication of the rationale of the EU's strategic directions; as well as continued emphasis on Linking Relief, Rehabilitation and Development (LRRD) and defining exit strategies.

The following humanitarian aid evaluations were finalised in 2018 and at the very beginning of 2019:

- Evaluation of Humanitarian Logistics within EU Civil Protection and Humanitarian Action, 2013-2017
- Evaluation of the EU humanitarian aid intervention in the African Great Lakes region, 2013-2017

Evaluations are published on: http://ec.europa.eu/echo/funding-evaluations/evaluations_en

Evaluation of Humanitarian Logistics within EU Civil Protection and Humanitarian Action, 2013-2017

The scope of the evaluation covers DG ECHO investments in humanitarian air services, in initiatives to improve systems for humanitarian logistics, and funding to the logistics elements of DG ECHO projects. The evaluation took a broad definition of logistics, in line with the supply chain management approach increasingly adopted by humanitarian organisations. The evaluation finds that DG ECHO investments in the previous period 2008–13 in logistics hubs, logistics training and support to the development of the Global Logistics Cluster all had lasting benefits, and that support to air services remains highly relevant. Given that a substantial proportion of DG ECHO funding is spent on humanitarian logistics, the evaluation recommends that DG ECHO develop a humanitarian logistics policy and that the organisation gives greater attention to logistics within partnership agreements, as well as in its crisis assessment and planning tools.

The report documents the key challenges facing humanitarian logistics and proposes actions for DG ECHO's consideration of how the organisation can exercise further leadership in the realm of logistics, working collaboratively with other humanitarian actors to achieve efficiencies and improve results for beneficiaries of humanitarian action.

Evaluation of the EU humanitarian aid intervention in the African Great Lakes region, 2013-2017. This evaluation provides an assessment of the EU humanitarian interventions in the African Great Lakes region during 2013-2017. It found that budget allocations were not proportionate to the increasing needs in the region, which implied that DG ECHO had to restrict its interventions to its core mandate of lifesaving. Despite these limitations, DG ECHO's strategy was relevant and adapted to the evolution of the needs. The EU-funded activities achieved its short-term objectives, and positive outcomes were also visible at medium-term level, within communities benefiting from aid. However, difficulties were encountered in achieving the longer-term effects outlined in the strategy. DG ECHO achieved a high level of coherence within its portfolio of actions and played a key role in the humanitarian coordination structures in the region. The evaluation identified specific aspects contributing to DG ECHO's efficiency, e.g. strong monitoring processes. Scope for improvements were found for 're-application' processes and/or multi-year projects. Multiple aspects contributed to DG ECHO's added value in the region, including the ECHO flight services.

The evaluation provides recommendations on: (1) the implementation of the humanitarian-development nexus, (2) rapid response mechanisms, (3) data management, (4) regional approach, and (5) further support to framework partners.

Forthcoming implementation (2019-2020)

In 2019, the Commission, through the Humanitarian Aid programme, will maintain its commitment to rapid and needs-based assistance with over 58% of the initial budget allocated to crises in most vulnerable countries and over 15% to forgotten crises⁵⁶⁰. The remainder of the budget will be channelled to the victims of other major man-made and natural disasters. The programme will also continue to support vulnerable countries in establishing resilience priorities. The aim is for at least 20 countries to have country resilience priorities in place by 2020.

Activities are planned annually on the basis of the outcome of needs assessment exercises conducted every year. For 2019, the following activities/outputs are planned:

- 100% of humanitarian aid budget implemented is needs-based;
- >15% initial planned budget is spent in forgotten crises;
- At least 10% of initial adopted budget allocated to Education in Emergencies;
- 35% of aid provided through cash transfers modalities;
- Humanitarian aid is delivered rapidly, for instance, contracts are issued within short timelines (11 days).

Outlook for the period 2021-2027

No specific proposal has been adopted by the Commission with respect to the basic act concerning humanitarian aid under the next MFF. Said basic act is not time-limited and does not contain provisions specifying the overall budgetary means (to be) made

⁵⁶⁰ As example : Algeria, Burkina Faso, Cameroon, Central America, Chad, Colombia, Mali, Mauritania, Niger, Pakistan, Philippines, Senegal, Sudan, Ukraine

available under a given MFF. Against such a background, and as the basic act concerned has proven to allow an efficient and flexible management of EU-funded humanitarian aid operations by the Commission, the latter opted for not submitting an MFF-related revision proposal.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation No 1257/96, Regulation concerning humanitarian aid	2014 - 2020	

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	9,0	9,1	8,8	9,0	9,4	9,6	9,6	64,5
Operational appropriations	1 072,7	1 087,8	1 375,3	1 271,0	1 408,1	1 642,3	1 092,2	8 949,5
Total	1 081,7	1 096,9	1 384,1	1 280,0	1 417,5	1 651,8	1 101,8	9 013,9

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	1 417,498	100,00 %	1 443,232	99,60 %	1 777,722	82,57 %	1 730,901	15,03 %
Authorised appropriations (*)	1 537,379	99,69 %	1 723,147	87,37 %	2 018,709	76,54 %	1 977,438	18,05 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The aim of the humanitarian aid policy as defined in article 214 of the Treaty on the Functioning of the European Union and the Council Regulation 1297/96 is to provide ad hoc assistance and relief and protection for people in third countries who are victims of natural or man-made disasters, in order to meet the humanitarian needs resulting from these different situations.

Indicator 1: Number of deaths due to natural disasters (Source: As recorded in the EM-DAT database)

Baseline Annual average 2010-2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
98 689	≤ 100 000	≤ 100 000	≤ 100 000	≤ 100 000	≤ 100 000	≤ 100 000	≤ 100 000
	Actual results						
	20 882	23 834	10 273	9 066	10 373		

It should be noted that a very important part of the annual results and evolution of this indicator depends on external factors (occurrence, frequency, severity and location of disasters) which are entirely beyond the control of the Commission. The specific contribution of EU humanitarian aid to the evolution of this indicator is difficult to assess.

Indicator 2: Number of countries ranked very high risk to disasters in the INFORM Index (Source: INFORM)*

The index for Risk Management - INFORM is a global, open-source risk assessment for humanitarian crises and disasters. INFORM is a collaboration of the Inter-Agency Standing Committee Task Team for Preparedness and Resilience and the European Commission, developed in a partnership of 23 international and civil society organisations and governments. INFORM consolidates information about risk from different sources into a risk profile for every country, by assessing natural and human hazards and exposure, vulnerability and lack of coping capacity. INFORM categorises countries in five risk clusters: very high, high, medium, low and no risk. More on: www.inform-index.org.⁵⁶¹

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
12	≤ 11	≤ 11	≤ 14	≤ 14	≤ 13	≤ 13	≤ 12
	Actual results						
	13	13	13	11	15		

It should be noted that a very important part of the annual results and evolution of this indicator depends on external factors (occurrence, frequency, severity and location of disasters) which are entirely beyond the control of the Commission. The specific contribution of EU humanitarian aid to the evolution of this indicator is difficult to assess.

⁵⁶¹ In 2017 : Afghanistan, Central African Republic, Chad, Democratic Republic of Congo, Iraq, Niger, Somalia, South Sudan, Sudan, Syria, Yemen

Specific objectives

Specific Objective 1: Provide needs based delivery of EU assistance to people faced with natural and manmade disasters and protracted crises.

Indicator 1: % of non-emergency agreements signed in maximum 11 working days

Baseline 2015	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
77%			≥ 95%	≥ 95%	≥ 95%	≥ 95%	≥ 95%
	Actual results						
		77 %	72 %	72,8 %	62%		

This indicator evaluates procedures for non-emergency proposals.

*In 2018, DG ECHO required partners to provide assurance that they had the right systems in place to prevent and respond to Sexual Exploitation, Abuse and Harassment cases. This extra procedure delayed the contracting of non-emergency agreements.

Indicator 2: Total number of beneficiaries of Commission's interventions (Source: Hope database)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
106 million beneficiaries for a budget of 1,277 billion => 72,4 million when prorating to 2014 HUMA budget of EUR 872 million	≥ 73 million	≥ 73 million	≥ 73 million	≥ 73 million	≥ 73 million	≥ 73 million	≥ 77 million
	Actual results						
	105 million	110 million	116,6 million	129 million	144 million		

Measured by the total number of humanitarian aid interventions (estimated by the number of 'action beneficiaries' as declared by the partners implementing humanitarian projects funded by DG ECHO)

This indicator is based on the aggregation of the estimated number of 'action beneficiaries' as declared by the partners implementing humanitarian projects funded. One single individual beneficiary in need of humanitarian assistance can thus benefit from more than one humanitarian action and from more than one project. DG ECHO is engaged in methodological work and improving data collection aiming at a better estimate of the number of people assisted by EU humanitarian aid in different crises. It should be noted in this context that since 2014 the EU has increasingly been funding operations where multi-sector assistance is provided to beneficiaries (as opposed to a single action providing assistance only in a single sector, such as shelter, or food, or protection), often through recourse to multi-purpose cash interventions. These are becoming a major delivery mode for the EU's humanitarian interventions, with their proportion in the EU's overall humanitarian aid programme steadily rising in recent years (to account for 35% of the total in 2017), where a single intervention thus replaces several sectorial interventions. This is the case, for example, for the Facility for Refugees in Turkey or large parts of the EU's assistance to refugees in other countries neighbouring Syria.

Indicator 3: % of HA funds spent in "very high risk to disaster" countries (Source: INFORM)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
50 %			≥ 53 %		≥ 55 %		≥ 56 %
	Actual results						
	51 %	52,5 %	53,37 %	52,7 %	45%		

Indicator 4: % of projects in the health, nutrition, food, shelter and WASH sectors using standard output indicators ('Key Result Indicators')

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A - new		90 %		90 %	90 %		90 %
	Actual results						
	73 %	77 %	62 %	68%	100%		

The Key Result Indicators⁵⁶² (KRI) are standardized metrics based on international good practice in the respective sector, its use can be interpreted as a proxy indicator for quality as good project indicators are crucial for good project management, monitoring and reporting which ultimately has a positive effect on project quality as a whole. The KRI system was revised in June 2016 in order to address a number of shortcomings, and simplify and increase the use of the standard indicators. Due to the transition from the old to the new system, KRI were used less than previously in 2016 and 2017. However, the new system has partially automatized the KRI system and thus ensures that these indicators are used for virtually all future humanitarian projects in key sectors of activity.

Indicator 5: % of EU HA initial budget for specific crises spent in forgotten crises (Source –'Forgotten crises countries based on the Commission' Forgotten Crisis Assessment - as explained and described in the yearly Operational Priorities document of DG ECHO)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
15,6 %			≥ 18 %		≥ 15 %		≥ 15 %
	Actual results						
	16,5 %	16,7 %	17,2 %*	15,8 %	33,9%		

⁵⁶² List of KRIs available at <https://myintracomm.ec.europa.eu/echo/partners/fpa/Documents/EN.pdf>

In 2017, the calculation methodology has been modified. While the percentage of the budget allocated to forgotten crises was previously calculated as a proportion of the HA initial budget including the operational reserves, it is now compared to the HA initial budget excluding the operation reserves. This amendment is necessary given that, throughout the year, based on needs assessments, the operational reserves can also be allocated to forgotten crises. Therefore the old method of calculation could potentially underestimate the percentage of the budget allocated to forgotten crises. The baseline and the actual results pre-2017 have been recalculated according to the new methodology. The milestones and targets have also been corrected and updated: the objective for the Commission is to provide a minimum of 15% of its initial humanitarian aid budget to forgotten crises.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020 EUR million
HA funds for specific crises in most vulnerable countries	23 02 01	604
HA funds for forgotten crises	23 02 01	164
HA funds for other crises	23 02 01	324
Total		1092

* Including Humanitarian Aid and DIPECHO lines.

Outputs		Funds foreseen (F) and funds allocated (P)						
		2014	2015	2016	2017	2018	2019	2020
HA funds for specific crisis in most vulnerable countries	F	≥ 481	≥ 450	≥ 467	≥ 476	≥ 501	≥ 511	≥ 522
	P	511	769	867,5	752	962		
HA funds for forgotten crises (initial HA budget – EUR million excluding reserve 20%)	F	≥ 129	≥ 106	≥ 128	≥ 129	≥ 138	≥ 141	≥ 149
	P	127	118	116	148	167		

* The results produced are higher than the foreseen, because of several reinforcements made through the Emergency Aid Reserve and internal transfers (Global Transfer and Art. 26.2).

Specific Objective 2: Build the capacity and resilience of vulnerable or disaster affected communities.

Indicator 1: Number of persons benefiting from DIPECHO actions in disaster prone regions (Source: Hope database)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
18 million beneficiaries	≥ 18 million	≥ 18 million	≥ 18 million	≥ 18 million	≥ 18 million	≥ 18 million	≥ 19 million
	Actual results						
	16 million	24 million	24 million	20 million	28 million		

Indicator 2: No of vulnerable countries with country resilience priorities in place (Source: EU Del, MIPs, CSPs)

Baseline 2013	Milestones foreseen					Target 2020	
	2014	2015	2016	2017	2018		2019
N/A New	3		10				20
	Actual results						
	7	9	11	17	n/a*		

*Obsolete indicator. DG ECHO and DG DEVCO stopped monitoring the resilience action plan as the priority of the Commission was put on operationalising the nexus approach as of 2017.

Indicator 3: % of actions 'on track' of Resilience Action Plan. (Source: Transition Interservice Working Group on Resilience)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A New	70 %		80 %				90 %
	Actual results						
	80 %	85 %	85 %	85 %	n/a*		

*Obsolete indicator. DG ECHO and DG DEVCO stopped monitoring the resilience action plan as the priority of the Commission was put on operationalising the nexus approach as of 2017.

Indicator 4: % of ECHO funded operations in which Disaster Risk Reduction has been mainstreamed (Source: ECHO DRR metrics – E-single form)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
40 %	≥ 45 %	≥ 45 %	≥ 45 %	≥ 45 %	≥ 45 %	≥ 45 %	≥ 50 %
	Actual results						
	49 %	43 %	57 %	65 %	52 %		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2019 EUR million
Operational budget having a DRR component (DIPECHO + DRR mainstreamed in HA operations)	23 02 02 and 23 02 01 (part)	145

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Operational funds including a DRR component (in EUR million)*	F	n/a new	≥ 137	≥ 138	≥ 140	≥ 142	≥ 145	≥ 146
Total produced	P	122	142	175	96	156		

* Objectives have been set at 15% of initial HA funding

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Disaster preparedness activities funded through the Humanitarian Aid budget (budget line 23 02 02) aim to increase the resilience of local communities to withstand climate related disasters	50,0	50,0
Total	50,0	50,0

Programmation climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
36,2	37,3	37,9	43,1	50,0	50,0	50,0	304,5

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Gender mainstreaming

In its commitment to quality programming, several assessment parameters have been developed, one of them being the Gender-Age Marker. The EU is fully committed to ensuring that its humanitarian aid takes into account the different needs and capacities of women and men of all ages.

The Gender-Age Marker is a tool that assesses to what extent humanitarian actions integrate gender and age considerations. The Gender-Age Marker uses a set of four criteria to assess how strongly humanitarian actions are adapted to and integrate gender and age considerations. The Gender-Age Marker represents a new generation of assessment tools and strengthening the integration of gender and age concerns is an organizational change process for partners that can take time. In the coming years, DG ECHO will continue the targeted training of implementing partners, as well as the dissemination and further development of guidance and toolkits on the gender-age cross-cutting issues. The development of operational best practices will continue to be based on operational experience. Systematic monitoring of operational guidance implementation via feedback loops will be ensured taking into account the results of the assessment of the first three years of implementation. A report will be published, including final marking data (e.g. what percentage of projects has obtained a mark "0", "1", "2", or "N/A" according to the Gender Age Marker).

A first assessment report on the Gender-Age Marker, covering 2014-2015, highlights the usefulness of the Marker and calls upon partners to continue investing in capacity-building on gender and age. In 2015, 81 percent of all EU humanitarian aid integrated gender and age considerations 'strongly' or 'to a certain extent'. Preliminary data suggests that in 2016, 87.5 percent of all projects integrated gender and age to some extent. For 2017, preliminary data suggests that this is 89.1 percent.

Furthermore, DG ECHO continued to operationalise its approach to gender and gender-based violence in humanitarian crises outlined in the Staff Working Document 'Gender: Different Needs, Adapted Assistance', and continue to support prevention and responding to gender-based violence, including through targeted actions and supporting capacity-building of humanitarian actors in this area. During 2018, the EU allocated approximately EUR30m in humanitarian aid for the prevention of and response to sexual and gender-based violence worldwide under its protection and health programming.

In addition, from June 2017 to December 2018, the EU led the 'Call to Action on Protection from Gender-Based Violence in Emergencies', a global initiative which aims to drive structural change in the humanitarian system to address gender-based violence. The Call to Action brings together 82 partners. The EU has been an active member of the Call to Action since its creation in 2013. A Call to Action Road Map 2016-2020 sets out an operational framework with common objectives for the humanitarian community to be translated into targeted actions on the ground. During its leadership of the Call to Action, the EU welcomed 18 new members to the initiative, initiated the piloting of the Call to Action in Nigeria and Democratic Republic of the Congo (implementing partner: UNFPA), organised 10 awareness-raising workshops through its field offices, and facilitated the drafting of the 2017 Call to Action Progress Report.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere: The provision of humanitarian aid to the most vulnerable, sometimes in the form of cash transfers for their basic needs, contributes to paving the way for national social safety nets and more structural poverty reduction national programmes.

SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture: The Humanitarian Aid programme will continue to provide life-saving food assistance to those facing food insecurity in humanitarian crises around the world, as well as preventing and reducing under-nutrition.

SDG 3 Ensure healthy lives and promote well-being for all at all ages: The Humanitarian Aid programme provides emergency health support to those in need during both natural and man-made humanitarian crises. The programme also supports emergency health response such as against epidemics. In protracted situations, humanitarian funding for health actions helps pave the way for more structural actions from development instruments and the strengthening of national capacities.

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all: Providing safe and quality education to the most vulnerable children affected by emergencies is a priority of the programme, with funding for Education in Emergencies increasing yearly since 2012. At the same time, the EU is a strong advocate for Education in Emergencies on the international stage.

SDG 5 Achieve gender equality and empower all women and girls: The Commission ensures that gender and age considerations are taken into account in all its humanitarian aid operations. To ensure an effective, quality response, humanitarian action should cater for the differentiated needs and capacities of women, girls, men and boys; and should contribute to the equality and empowerment of women and girls by promoting their adequate participation in the humanitarian response. Supporting the prevention and response to gender-based violence is considered as a life-saving humanitarian intervention and a priority.

SDG 6 Ensure availability and sustainable management of water and sanitation for all: The EU provides water, sanitation and hygiene (WASH) support through its humanitarian aid operations to those in need during humanitarian crises and ensure that the most vulnerable have access to WASH.

SDG 13 Take urgent action to combat climate change and its impacts: Through the Disaster Risk Reduction and Resilience actions, the EU supports local communities to be more resilient to shocks including those resulting from climate (such as the El Niño phenomenon), and to be better prepared in advance.

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

The EU Emergency Trust Fund for Africa assists a band of countries across Africa which are among the most fragile and affected by migration and draw the greatest benefit from this form of EU financial assistance. The contribution for 2018 amounts to EUR 10 million.

HEADING 4: Global Europe

Common foreign and security policy (CFSP)

Lead DG: FPI

I. Overview

What the programme is about?

The European Union's Common Foreign and Security Policy (CFSP) operations contribute to the preservation of peace, the prevention of conflicts and strengthening international security. CFSP actions help safeguard the Union's values, fundamental interests, security, independence and integrity, and to consolidate and strengthen democracy, the rule of law, human rights and the application of principles of international law worldwide.

EU budget distinguishes four types of CFSP actions:

- The conduct of *civilian* CSDP Missions to promote stability and build resilience by strengthening the rule of law on the strategic and operational levels in fragile environments.
- The work of the European Union's Special Representatives (EUSRs) who promote the EU's policies and interests in troubled regions and countries and play an active role in efforts to consolidate peace, and to promote stability and the rule of law.
- Operational Actions under Article 28 TEU as well as support to the European Security and Defence College.
- Projects to combat the proliferation of weapons of mass destruction (including their delivery mechanisms) and to combat the illicit spread and trafficking of other conventional weapons, particularly through supporting multilateral activities.

For the CFSP to be effective, the EU needs to be ready to respond rapidly and flexibly to emerging threats to its strategic interests. As such, CFSP actions cannot be programmed in advance and the CFSP budget in principle should include a sufficient margin each year to cater for crisis situations. Due to their nature CFSP actions are often announced at short notice and foresee short implementation periods which may later need to be adapted, re-sized, prolonged or terminated, in accordance with the changing needs and priorities on the ground.

EU added value of the programme

The Treaty on the European Union (article 21) defines common overarching principles and objectives for the external action of the Union, in particular to "preserve peace, prevent conflicts and strengthen international security".

While the individual activities of Member States clearly contribute to achieving the goals of the EU's Common Foreign and Security Policy (CFSP), the EU's joint CFSP approach described above provides a critical mass to respond to global challenges. Joint ownership on the EU side, in combination with appropriate diplomacy to communicate the EU's support to partner countries' security and stability needs, are the vector forces that make the CFSP a successful instrument. Given the EU's impartial position to deliver external action on behalf of and with Member States, CFSP operations enjoy enhanced credibility and trust in the countries they operate.

Regarding non-proliferation and disarmament activities (NPD), the EU's support provides significant benefit for the universalisation and effective implementation of international treaties, conventions and agreements addressing the proliferation of both, Weapons of Mass Destruction, including their delivery mechanisms, and of conventional arms. These measures target the illicit accumulation and trafficking of small arms and light weapons and aim to implement effective controls on international arms transfers, thereby contributing to peace, security and stability worldwide and indirectly to the safety of European citizens.

Implementation mode

The large majority of CFSP actions are implemented through indirect management, through the signature of Delegation Agreements with the relevant CSDP Missions, EU Special Representatives and beneficiaries of funding in the area of non-proliferation and disarmament, notably with the relevant UN organisations. A smaller number of projects is managed through direct management, as is the case under the grant provided to the European Security and Defence College and for the Kosovo Specialist Chambers. Grants may also be provided in some cases for non-proliferation and disarmament projects, depending on the nature of the beneficiary.

II. Programme Implementation Update

Implementation status (2016-2018)

Thirteen different civilian CSDP Missions have operated at different stages between 2014 and 2018. The following Missions operated throughout the period:

- EU Monitoring Mission in Georgia (EUMM Georgia)
- EU Rule of Law Mission in Kosovo (EULEX Kosovo)
- EU Advisory Mission for Civilian Security Sector Reform in Ukraine (EUAM Ukraine)
- EU Capacity Building Mission in Mali (EUCAP Sahel Mali)

- EU Capacity Building Mission in Niger (EUCAP Sahel Niger);
- EU Advisory Mission to Iraq (EUAM Iraq);
- EU Integrated Border Management Assistance Mission in Libya (EUBAM Libya)
- EU Capacity Building Mission in Somalia (EUCAP Somalia⁵⁶³)
- EU Co-ordinating Office for Palestinian Police Support (EUPOL COPPS)
- EU Border Assistance Mission at the Rafah Crossing Point (EUBAM Rafah)
- EU Aviation Security Mission in South Sudan (Mission closed in 2014)
- EU Mission for Advice and Assistance for Security Sector Reform in the Democratic Republic of Congo (EUSEC RD Congo) (Mission closed in 2016)
- EU Police Mission in Afghanistan (EUPOL Afghanistan) (Mission closed in 2017).

In addition, the CFSP Budget funded two Article 28 TEU actions: one for stabilisation in the Malian regions of Mopti and Ségou in 2017 and another one in Yemen for the support of the UN Verification Mechanism based in Djibouti in 2018.

As regards EUSRs, eleven were active over the period 2014-2018, out of which two finished their activities in 2014 (EUSRs for the African Union and for the Southern Mediterranean region) and one in 2018 (EUSR for Afghanistan).

Eight EUSRs were active throughout the period (South Caucasus and the crisis in Georgia, the Sahel, Bosnia and Herzegovina, Kosovo, the Horn of Africa, for Human Rights and the Middle East Peace Process). The EUSR for Central Asia had a 10-month gap in operation over 2014 and 2015 and the EUSR for the Middle East Peace Process restarted operation from May 2015 having ceased from end of 2013.

In addition, the CFSP also supports projects to promote disarmament, non-proliferation and arms export control (NPD projects) as well as horizontal measures contributing to security and peace. During the period 2014-2018, 29 different NPD projects started and another 22 were completed.

The CFSP budget also finances the Warehouse II project providing civilian Missions and EUSRs with strategic equipment, the Mission Support Platform (MSP) providing support and advice to Missions in various areas (finance, procurement, logistics, IT, etc.), the European Security and Defence College as well as the *Kosovo* Specialist Chambers based in the Netherlands.

In 2018, the total commitment for CFSP actions amounted to EUR 369,9 million – EUR 42,3 million more than the initially adopted CFSP budget. This was possible thanks to an active recovery policy and a replenishment of EUR 20 million.

Key achievements

Recent key achievements are related to the establishment of the Warehouse II project to centrally structure the supplies of strategic equipment to civilian CSDP Missions and EU Special Representatives. The very highly topical CSDP Mission in Iraq was further reinforced since its set up in 2017. Furthermore, the Mission in Libya was substantially stepped-up to reach an operational status, after having only performed monitoring tasks over the recent years. Following a joint Commission/EEAS proposal and Council Conclusions of November 2017, three additional staff joined the FPI MSP cell. Last, but not least, FPI financed a new Article 28 TEU Action in Yemen to support the UN Verification Mechanism to inspect commercial vessels going into to the Yemenite port of Hodeidah.

The following covers examples of the work achieved by some of the civilian CSDP Missions and projects in the field of NPD:

- **EUCAP Sahel Niger and EUCAP Sahel Mali**

The EU Capacity Building Mission in Niger (EUCAP Sahel Niger) made steady progress in 2018 in implementing its mandate and achieving its objectives. The European Court of Auditors issued a report on both the EUCAP Sahel Niger and Mali Missions and both have started implementing its recommendations. At operational level, good progress has been made in the functioning of the Malian Regional Operational Centres, and several table top exercises were conducted in coordination with the International Office for Migration. This has contributed to the overall institutionalisation of the interoperability of the Internal Security Forces. In addition, support to reinforcing the Internal Security Forces' technical capabilities have shown encouraging results, with successful operations against drug and arms trafficking. Moreover, after the hand over the specialised tactical equipment, the National Guard of Niger is better equipped to handle terrorist attacks. In autumn 2018, the Mission was extended for two years.

The EU Capacity Building Mission in Mali (EUCAP Sahel Mali) has continued delivering substantial operational input, despite a complex security situation and an uncertain political context. The Mission is helping the authorities to fight terrorism by providing advice and training to the *Brigade d'Investigation Spécialisée*, an investigation brigade in charge of counter-terrorism legal aspects, and logistically facilitating its projection to the North and in the Centre of Mali, in an endeavour to contribute to the restoration of State authority and rule of law throughout the country. At a more technical level, the Mission continued to support reforms in human resources policies at the National Police and provided training for specific units, such as the *Office Central des Stupéfiants*. As regards border management, the Mission provided substantial support to the National Border Policy and its Action Plan, - both were approved in 2018. The Mission is now undergoing important changes due to the EU's strategy to regionalise its efforts in the

⁵⁶³ Previously known as the EU Mission on Regional Maritime Capacity Building in the Horn of Africa, EUCAP Nestor.

Sahel region, notably with regard to the set-up of a regional advisory cell in Mauritania. The mandate is planned to be extended for another two years.

The Article 28 TEU Action in the Mopti and Ségou regions came to an end at the end of 2018, after a one-year mandate. This stabilisation action aimed at advising the Malian authorities in drawing up national plans and policies for the re-establishment and development of the civilian Administration in the centre of Mali, according to international standards. This action is embedded within a greater objective to help consolidate and support democracy, rule of law and human rights in this region, by reinforcing good governance. This action came on top of the support provided by the civilian Mission. After a difficult start of the Action, the team of experts under this Action managed to deliver on a range of activities within its mandate, such as increasing the coordination between the Regional Government of Ségou and the Presidency of the Regional Council and the set-up of commissions and sub-commissions. This resulted, *inter alia*, in holding the "Forum régional de Ségou sur la sécurité, la gouvernance et le développement socio-économique" to discuss and analyse the "Plan de sécurisation intégrée des régions du centre du Mali" among relevant key stakeholders from across the Centre region. Another example is the set-up of a test phase for an integrated management system for public funding in Mopti which the Art. 28 Action helped to achieve. In Bamako, the Action supported the inter-ministerial dialogue and helped facilitating the process so that the concerned National Ministries would engage in the relevant areas of the "Plan de sécurisation intégrée des régions du centre du Mali".

- **EUBAM Libya**

The mandate of the EU Integrated Border Management Assistance Mission in Libya⁵⁶⁴ (EUBAM Libya) has seen substantial changes in 2018. A 'light presence' was established in Tripoli as of December 2017, and as of today, EUBAM Libya is the only *de facto* EU presence on the ground. With its new mandate since December 2018 until June 2020, the Mission has gained an operational status, compared to recent years when the main task of the Mission was monitoring. The Mission now possesses a wide network of contacts operating in the area of civilian security sector, is in good terms with Libyan actors and its work is highly regarded. The Mission has contributed to an overall improvement in the exchange and coordination of information in the security sector. It has also continued its support to the work of the Libyan National Team for Border Security and Management, with which the Mission developed the "Concept Note towards a White Paper" that outlines the structure for an integrated border management system in the country. Among other results, the Mission facilitated the establishment of the Maritime Sub Working Group in cooperation with the EU Operation Sophia in the Mediterranean Sea and other international actors including Frontex and the Italian Ministry of Interior, and has coordinated the support to the development of the security system in Libya.

- **EUAM Iraq**

Since its establishment in October 2017, the **EU Advisory Mission in support of Security Sector Reform in Iraq (EUAM Iraq)** provides advice and expertise to the Iraqi authorities at the strategic level on the civilian aspects of the Iraqi National Security Programme and associate plans, assesses opportunities for further EU engagement and assists the EU Delegation in the coordination of the EU and Member States' support. The Mission has established its reputation as a credible and effective security sector reform actor and developed effective working relations with Iraqi counterparts. As part of its support to a strategy on countering organised crime, EUAM Iraq organised in June 2018 a three-day workshop on cultural heritage protection which was attended by high profile Iraqi officials and international experts. The Mission's mandate was prolonged in October 2018 for another 18 months.

- **Non-proliferation and disarmament projects**

The EU has demonstrated its active commitment to effective multilateralism. Through its support for treaty-based bodies, international organisations and others⁵⁶⁵, the EU contributes to international and regional safety and security. Between 2014 and 2018:

- 6 countries ratified the Comprehensive Nuclear Test Ban Treaty (bringing the total to 167);
- 27 countries submitted National Implementation Action Plans for the United Nations Security Council's Resolution 1540⁵⁶⁶, which obliges States, to refrain from supporting by any means non-State actors from developing, acquiring, manufacturing, possessing, transporting, transferring or using nuclear, chemical or biological weapons and their delivery systems (bringing the total to 35);
- 95 State parties ratified⁵⁶⁷ the Arms Trade Treaty (bringing the total to 100).

In addition, the International Atomic Energy Agency (IAEA) provided support for nuclear safety and security to over 100 countries per year. The total number of state parties to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (CWC) increased up to 193, representing 98% of the global population⁵⁶⁸. 11 countries deposited documents of ratification or accession to the Biological and Toxin Weapons Convention (BTWC).

⁵⁶⁴ Previously due to security circumstances the remaining staff of the Mission had been relocated to Tunis.

⁵⁶⁵ the International Atomic Energy Agency (IAEA), the Organisation for the Prohibition of Chemical Weapons, the Preparatory Commission of the Comprehensive Nuclear-Test-Ban Treaty Organisation and other international bodies

⁵⁶⁶ which obliges States, to refrain from supporting by any means non-State actors from developing, acquiring, manufacturing, possessing, transporting, transferring or using nuclear, chemical or biological weapons and their delivery systems

⁵⁶⁷ or accepted, approved or acceded to the treaty.

⁵⁶⁸ <https://www.opcw.org/chemical-weapons-convention>

Evaluations/studies conducted

CFSP actions are not subject to classical evaluations through external experts. As regards their impact and results, they are subject to an evaluation process conducted by the Council and its preparatory bodies. Furthermore, the budgetary and financial implementation of the actions undergo regular auditing as foreseen by the contractual arrangements with the Commission. In addition, the Commission oversees the financial implementation and the respect of procurement rules through ex-post audits, pillar assessments and ad-hoc and planned operational monitoring.

The Lessons Working Group compiles an Annual Lessons Learnt Report⁵⁶⁹, gathering input from the different services of the EEAS and the Commission. For example, the key lessons from the 2016 Report stipulated the need to develop an information strategy at the outset of a crisis, the alignment of the Missions' budget cycles with Missions' mandates and the need to establish a gender focal point system to improve gender mainstreaming.

The Annual Lessons Learnt Reports provide valuable input when planning a new Mission and during the Strategic Reviews of existing Missions. Strategic Reviews analyse the achievements and efficiency of a Mission and form the basis for the Missions' Operational Plans. For instance, the Reviews on the EU Advisory Mission in Ukraine led to the opening of a regional presence in Odessa end of 2017. The more recent Review on the EU Capacity Building Mission in Somalia led to the decision to move parts of the staff from Nairobi to Mogadishu in 2019. The Strategic Review on the Mission in Libya in 2018 concluded to upgrade the status of the Mission, by moving from a monitoring mandate to an operational one as from end 2018.

It should be noted that the Reviews are conducted by the Crisis Management and Planning Directorate, which is an internal service of the EEAS. So far, evaluations conducted by external evaluators have not taken place - although this was a clear recommendation by the Court of Auditors in its 2017 report on the Sahel Missions. In addition, the Court recommended setting verifiable indicators to assess the work of Missions. Other reports date back to 2012 and 2014 on EULEX Kosovo for the period 2007-2011 and EUPOL Afghanistan for the period 2007-2014⁵⁷⁰. In its report on EU assistance to Kosovo, the Court of Auditors in particular recommended that EULEX Kosovo be given legal personality, an issue that the Commission had also raised in respect of civilian CSDP Missions.

As regards the evaluation of the non-proliferation and disarmament projects, the competent Council bodies (Working Group on Non-proliferation or conventional arms export) establish final impact assessments at the end of each project for discussion. Annual progress reports are presented to Council on the implementation of the strategies against the proliferation of weapons of mass destruction and to combat the illicit accumulation and trafficking of small arms and light weapons and their ammunition⁵⁷¹. In addition, the Commission and EEAS receive quarterly reports on the implementation from the contract beneficiary (e.g. IAEA, UN or Member State agency). Regular financial audits are conducted.

Forthcoming implementation (2019-2020)

Safeguarding the EU's ability to respond rapidly and decisively throughout the spectrum of crisis management tasks will continue to be important, requiring both the availability and flexibility of funding, to respond to new crisis situations or expand the EU's response to existing crises. In 2018, the CSFP budget was able to finance all ongoing CFSP Missions. The regionalisation in the Sahel will also come with a price tag in the coming years. The high ambitions in the field of non-proliferation and disarmament and arms export control will continue to require important funding and the new Article 28 TEU action in Yemen may need to be prolonged and further stepped up in view of the evolution of the conflict in that part of the world. Even though assuming that funding needs for the EU Special Representatives will remain at the same level as in previous years, the CFSP Budget will continue to be under very high demand until the end of the current MFF. Such chronic shortness of the available budget could have a negative impact on CFSP operations in 2019 and 2020.

The outlook for 2019 and 2020 is therefore challenging in particular if new CFSP actions were to be put into place as for instance a Mission in Central Africa, a new Article 28 TEU action in Asia, increasing ambitions in the field of non-proliferation and disarmament and the impact of the Civilian CSDP Compact for which an Action Plan will be established in spring 2019. The draft budget for 2020, including the substantial increase proposed by FPI, reflects the political orientations that Member States have outlined in the Budget Orientation Paper for the period 2019-2020. Therein, as regards new actions, MS consider the opening of civilian Mission in the Central African Republic, an Article 28 Operational Action in the Philippines as well as possibly in the Central African Republic, to be decided in conjunction with a possible Mission, and a further extension of the current Article 28 Action in Yemen. As regards existing operations, indications are given in the Paper, inter alia, with regard to the further regionalisation of the operations of the Missions in the Sahel and the expansion of the Missions in Somalia and Libya.

Outlook for the period 2021-2027

The Common Foreign and Security Policy (CFSP) budget allows the EU to respond to external conflicts and crises, build the capacity of partner countries and protect the EU and its citizens, through:

- civilian Common Security and Defence Policy missions

⁵⁶⁹ See for instance: <http://data.consilium.europa.eu/doc/document/ST-9159-2017-INIT/en/pdf> and <http://data.consilium.europa.eu/doc/document/ST-9159-2017-INIT/en/pdf>

⁵⁷⁰ Special Report n°18/2012 on "European Union assistance to Kosovo related to the rule of law"

Special Report n°7/2015 on EUPOL Afghanistan http://www.eca.europa.eu/Lists/ECADocuments/SR12_18/SR12_18_EN.PDF

⁵⁷¹ See for instance <http://data.consilium.europa.eu/doc/document/ST-5361-2017-INIT/en/pdf> and <http://data.consilium.europa.eu/doc/document/ST-5975-2017-INIT/en/pdf>

- EU special representatives
 - non-proliferation and disarmament
- CFSP remains separate but complimentary with other conflict and crisis response tools, e.g. rapid response pillar of NDICI. The Commission's MFF proposal reinforces the budget to EUR3 billion, in response to increased demands.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
	2014 - 2020	

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	0,4	0,5	0,5	0,5	0,4	0,5	0,5	3,3
Operational appropriations	300,8	269,6	202,4	286,3	347,6	334,4	351,4	2 092,5
Total	301,1	270,1	202,9	286,8	348,0	334,9	351,9	2 095,7

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	348,010	99,98 %	292,021	99,87 %	334,857	60,71 %	305,500	28,79 %
Authorised appropriations (*)	386,638	95,86 %	344,524	91,71 %	352,826	61,90 %	336,022	34,30 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: Contribute to the implementation of the Lisbon Treaty (Article 21 (2) (c) which seeks to preserve peace, prevent conflicts and strengthen international security, in accordance with the purposes and principles of the United Nations Charter, with the principles of the Helsinki Final Act and with the aims of the Charter of Paris.

Indicator 1: Actual vs. planned capacity deployment rate (international staff) of the main CSDP missions

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
84 %			85%	86%	87%		90%
	Actual results						
	80,5 %	82,3 %	82%	80,6%	88%		

* Notes: The indicator measures the actual implementation of the deployment (versus the operational plan) of the CSDP civilian missions under the respective responsibilities of:

- EEAS in terms of human resources mobilization (international staff, i.e. staff seconded from the Member States and contracted staff), IT, logistics, etc. .
- FPI in terms of expenditure management (budget, procurement/contracting, support to Missions in financial issues, etc.).

The indicator monitors the effectiveness of the ongoing civilian CSDP Missions' deployment but also the level of cooperation between the HRVP's services (EEAS and FPI). The fulfilment of the objectives of the mission's mandate depends on the transfer of know-how which is linked to the rapid generation of civilian capabilities. Reaching the full operational capacity of CSDP Missions depends on effective mobilization of human resources and logistics.

Since 2018, most CDSP Missions and EUSRs have two-year mandates. The milestones and targets have been identified on the assumption that these actions will be extended until 2020, while keeping the same objectives.

Specific objectives

Specific Objective 1: Support to preservation of stability through substantial CSDP missions and EUSRs mandates

Indicator 1: Degree of achievement of the objectives as defined in the respective Council Decision / Joint Action

Baseline	Milestones foreseen ⁵⁷²						Target 2020 ⁵⁷³
	2014	2015	2016	2017	2018	2019	
1) EUMM Georgia. Deployment rate: 91%				86%			90%
Actual results							
	91%	72%	73%	73%	96,6%		
2) EULEX Kosovo Deployment rate: 91%				86%			90%
Actual results							
	87%	86%	92%	93,3%	89%		
3) EUBAM Libya	Actual results						
	Due to the continuously deteriorating security situation in the host country EUBAM Libya was relocated to Tunis on 31 July 2014. All operational activities were stalled by end of the year			25% (due to particular security situation).	Deployment rate: 95,8%	72,72%	
4) EUPOL COPPS Deployment rate: 91%				86%			90%
Actual results							
	91%	82%	92%	68.6%	92%		
5) EUAM Iraq Deployment rate: 91%	Actual results						
	Mission established in October 2017			The Mission was only established in October 2017, so therefore covering only three months in 2017.	Deployment rate: 37%	The deployment rate is low, as the authorised strength of staff numbers was increased from 52 to 98 in October 2018 and the selection procedures for the new staff were not finalized by 31/12/2018).	
6) EUCAP Sahel Mali				86%			90%
Actual results							
	50%	74%	77%	72,1%	82.9%		
7) EUAM Ukraine	Actual results						90%
				86%			
	62%	81.9%	89%	81,2%	92,07%		
8) EUCAP Sahel Niger				86%			90%

⁵⁷² Given the nature of their activities, and the often volatile or hostile environments within which they operate, civilian CSDP missions do not tend to have specifically specified interim milestones which are made publicly available. Given the qualitative nature of monitoring, mentoring and advising activities it proved difficult to identify quantitative milestones. Maintaining a high deployment rate has though been identified by the Commission and Court of Auditors as being crucial to the successful achievement of Missions' objectives.

⁵⁷³ For each civilian CSDP Mission, the final target is the achievement of the objectives foreseen in the Council Decision / Joint Action establishing it. Strategic Reviews of the achievements of Missions are periodically conducted by EEAS, which submits the results to Council for consideration in Mission planning.

Deployment rate: 72.5%	Actual results						
	80.7%	79%	65%	74%	86%		
9) EUCAP Somalia (previously known as EUCAP Nestor) Deployment rate: 8%	Actual results						90%
	54%	72%	88%	73,2%	100%		
10) EUBAM Rafah					100%		90%

Legal bases:

- 1) Council Decision 2010/452/CFSP of 12 August 2010 on the European Union Monitoring Mission in Georgia, EUMM Georgia (OJ L 213, 13.8.2010, p. 43)
- 2) Council Joint Action 2008/124/CFSP of 4 February 2008 on the European Union Rule of Law Mission in Kosovo, EULEX KOSOVO (OJ L 42, 16.2.2008, p. 92)
- 3) Council Decision 2013/233/CFSP of 22 May 2013 on the European Union Integrated Border Management Assistance Mission in Libya (EUBAM Libya) (OJ L 138, 24.5.2013, p. 15)
- 4) Council Decision 2013/354/CFSP of 3 July 2013 on the European Union Police Mission for the Palestinian Territories (EUPOL COPPS) (OJ L 185, 4.7.2013, p. 12)
- 5) Council Decision 2017/1869/CFSP of 16 October 2017 on the European Union Advisory Mission in support of Security Sector Reform in Iraq (EUAM Iraq) (OJ L 266, 17.10.2017, p.12)
- 6) Council Decision 2014/219/CFSP of 15 April 2014 on the European Union CSDP mission in Mali (EUCAP Sahel Mali) (OJ L 113, 16.4.2014, p. 21)
- 7) Council Decision 2014/486/CFSP of 22 July 2014 on the European Union Advisory Mission for Civilian Security Sector Reform Ukraine (EUAM Ukraine) (OJ L 217, 23.7.2014, p. 42)
- 8) Council Decision 2012/392/CFSP of 16 July 2012 on the European Union CSDP mission in Niger (EUCAP Sahel Niger) (OJ L 187, 17.7.2012, p. 48)
- 9) Council Decision 2012/389/CFSP of 16 July 2012 on the European Union Capacity Building Mission in Somalia (EUCAP Somalia) (OJ L 187, 17.7.2012, p. 40)
- 10) Council Decision (CFSP) 2018/943 of 29 June 2018 amending Joint Action 2005/889/CFSP on establishing a European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah)

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. CSDP Mission: EU Monitoring Mission in Georgia	19 03 01 01	1	22
2. CSDP Mission: EU Rule of Law Mission in Kosovo (EULEX Kosovo)	19 03 01 02	2	79
3. CSDP Mission: EUPOL (EU Police Mission) Afghanistan	19 03 01 03	0	0
4. CSDP Mission: EUCAP Sahel Mali	19 03 01 04	1	29
5. CSDP Mission: EUCAP Sahel Niger	19 03 01 04	1	29
6. CSDP Mission: EU Police Mission for the Palestine Territories (EUPOL COPPS)	19 03 01 04	1	10
7. CSDP Mission: EUCAP Nestor (Somalia)	19 03 01 04	1	24,9
8. CSDP Mission: EUBAM Ukraine	19 03 01 04	1	22
9. Warehouse	19 03 01 04	1	14
10. Other CSDP Missions	19 03 01 04	5	61,527
11. Emergency measures (including reserve for the financing of staff and other costs in support of the EUSRs based outside the EU)	19 03 01 05	1	11
12. Preparatory and follow-up measures	19 03 01 06	2	1
13. EU Special Representatives	19 03 01 07	8	20
Total			323,427

Justification of changes to the financial programming and/or to the performance information

Further to the adoption of the CBSD initiative in December 2018, a decrease of EUR 7.5 million per year over 2019-20 from Chapter 19 03 to part-fund CBSD costs is programmed.

Specific Objective 2: Support the implementation and promotion of: 1) strategy on non-proliferation of weapons of mass destruction in order to increase security in this area (WMD); 2) strategy on combating illicit accumulation and trafficking of Small Arms and Light Weapons (SALW) as well as measures against illicit spread and trafficking of other conventional weapons; 3) EU's policies in the field of conventional arms exports, in particular on the basis of Common Position CFSP/944/2008

Indicator 1: Number of countries having ratified the treaties mentioned in the baseline

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1) Comprehensive Nuclear-Test-Ban Treaty Organization, CTBTO: number of countries having ratified 159	Actual results						166
	163	164	166	166	167		
2) UN Resolution 1540: number of countries having submitted the National Implementation Plan	Actual results						192
	14	21	26	31	35		
3) Nuclear security assistance provided by IAEA: 82 countries	Actual results						120 (focusing on countries for EU interest)
				up to 120 countries.	up to 120 countries.		

	100	104	120	104	53 in 2018 (104 in 2017 – number of countries supported varies from year to year depending on need)		
4) Arms Trade Treaty: number of ratifications NB: entered into force on 24/12/2014	Ratified by 50 States Parties			Ratified by 100 States Parties	103		130
	Actual results						
	61	79	88	89 (94 including accessions, acceptances and approvals)	95		

Sources of data:

CTBTO website: <http://www.ctbto.org/the-treaty/status-of-signature-and-ratification/>

UN Resolution 1540 website: <http://www.un.org/en/sc/1540/>

IAEA website: <https://www.iaea.org/Publications/index.html>

Arms Trade Treaty website: <http://www.un.org/disarmament/ATT/>

Progress in other monitoring reports will be followed: Nuclear Non-Proliferation Treaty (NPT), Chemical Weapons Convention (CWC), Biological and Toxin Weapons Convention (BTWC), Arms Trade Treaty (ATT), Comprehensive Nuclear-Test-Ban Treaty (CTBT) and The Hague Code of Conduct against Ballistic Missile Proliferation (HCoC).

To be noted that some results would seem relatively low, compared to the targets set for 2020. Indeed, the indicator measuring the number of countries having ratified the Nuclear Test Ban Treaty is subject to political decisions by states to ratify or not. In addition, delays in the start-up of the support programmes and their implementation further negatively impact on the achievement of actual results. The same is true for nuclear security assistance provided by the International Atomic Energy Agency, as adherence to this programme is demand-driven.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Projects in the area of non-proliferation of weapons of mass destruction	19 03 02	7	17
2. Projects in the area of non-proliferation of Small Arms and Light Weapons	19 03 02	4	11
Total			28

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. Projects in the area of non-proliferation of weapons of mass destruction	F	4	5	5	6	6	6	7
	P	4	5	2	7	4		
2. Projects in the area of non-proliferation of Small Arms and Light Weapons.	F	3	3	3	3	3	4	4
	P	1	3	1	6	4		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Gender mainstreaming:

In 2018, 3 out of 10 civilian CSDP Missions were headed by a woman, EUCAP Somalia, EULEX Kosovo and EUCAP Sahel Niger up to March 2018. Two out of eight EU Special Representatives are female (EUSR for Kosovo, EUSR for the Middle East Peace Process). This data is provided in line with Objective 2.2.1 of the EU Gender Action Plan 2016-2020.

The mandates and operational plans of CSDP Missions cover activities to mainstream gender activities in their daily, both internally in the Mission and in the context of their activities conducted with external and national counterparts. This is further detailed under Point 5.

5. Programme contribution to the Sustainable Development Goals

SDG 5 Achieve gender equality and empower all women and girls: The following examples illustrate the way civilian CSDP Missions integrate gender-related activities in their work.

EUCAP Sahel Mali supported the establishment of 26 gender focal points within the Malian Police, thus laying the grounds for the creation of a gender unit within each Internal Security Forces and a more systematic integration of the gender dimension. The Mission conducted activities such as workshops and plays in Mopti in collaboration with United Nations Multidimensional

Integrated Stabilization Mission in Mali. Within the Mission itself, following the adoption of the Operational Guidelines on Gender Mainstreaming, a gender action plan was drawn up in consultation with all Mission units aimed at strengthening gender mainstreaming.

EUPOL COPPS supported the Palestinian Civil Police media and gender unit representatives in its outreach activities under a wider communication campaign to run in 2019. The Mission organised the workshop for District Coordinators on Gender to promote the Palestinian Civil Police strategy.

EUBAM RAFAH supported enhancing the awareness of General Administration for Border and Crossings staff on Human Rights and Gender Issues through trainings and projects. A project conducted by the Mission on human rights, gender balance and anti-corruption principles was finalised in 2018. The Mission helped finalising the drafting of the action plan as well as the instructions on the integration of gender and human rights principles in General Administration for Border and Crossings programs policies.

EUAM Ukraine continued its support on human rights and gender mainstreaming by supporting the Human Rights directorates in the Ministry of Interior and Police of Ukraine as well as a gender focal point in the Ministry of Interior. The Mission continued supporting the Police by delivering senior leadership trainings, which included practical and theoretical exercises on human rights and gender mainstreaming.

EULEX Kosovo contributed to the launch of the Association of Women in the Kosovo Correctional Service. This new association aims at advancing the position of women within the Service, raising awareness and promoting gender equality and offering professional development opportunities to women.

EUMM Georgia has supported activities on Gender Mainstreaming, such as through the Mission's Gender Focal Point Network, which provides regular guidance, advice and capacity building on gender issues. The Mission has also continued to seek ways to improve gender balance within the Mission, for instance by reviewing job descriptions to ensure the inclusion of gender-neutral language.

Similarly, EUSRs address gender issues throughout their communications and diplomacy, particularly through engagement with civil society organisations. This is especially important in some of the regions where EUSRs work, where the rights of women are still feeble. The very visible achievement of the EUSR Kosovo, together with other relevant local and international stakeholders, is the setting up of the Commission for the verification of the status of the survivors of sexual and gender based violence during the conflict. The Commission, set up in February 2018, shall ensure access to individual benefits for these victims.

Besides their general impact on peace and security and hence their indirect impacts on reducing sexual and gender based violence (which are often more widespread in conflict affected areas), some non-proliferation and disarmament projects directly mainstream gender issues. This is particularly the case for non-proliferation and disarmament projects addressing the trafficking, security and accumulation of small arms and light weapons, which have included specific gender-related activities, both in the generation of intelligence as well as the implementation of solutions.

In 2018, 8 % of Heads of CSDP missions were women (a decrease from 40% the previous year). This data is provided in line with Objective 2.2.1 of the EU Gender Action Plan 2016-2020.

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels: The mandates of the CSDP Missions are not assessed in relation to the Sustainable Development Goals. Having said this, the work of some Missions may indirectly help achieving development goal No. 5 (gender equality – see section above) and goal No. 16 (Peace, justice and strong institutions).

The CSDP Missions work in the area of civilian security sector reform, including police and rule of law (EUAM Ukraine and Iraq), the fight against terrorism and organised crime (EUCAP Sahel Mali), maritime capacity building (EUCAP Somalia) and border management (EUBAM Libya, EUAM Iraq). There are three types of Missions: capacity building Missions, monitoring Missions and advisory Missions, and some of their work could indirectly help building accountable Institutions. This is, for instance, the case in Ukraine where the Mission advises national institutions in their fight against corruption and in streamlining community policing and in Kosovo, where the EU Rule of Law Mission provides support to Kosovo Police's crowd and riot control capability. The Mission continues to manage a witness protection programme and assists the Kosovo Specialist Chambers and Specialist Prosecutor's Office based in The Hague with logistic and operational support in line with the relevant Kosovo legislation. As regards the promotion of institutions at all levels, the Art. 28 TEU Action in Mopti can be mentioned, which aimed at stabilising the Centre region of Mali and contributing good governance.

Another example is the Mission in Libya - de facto today the only EU presence on the ground- benefitting from a wide range of network of interlocutors operating in the area of the civilian security sector. As regards the promotion of institutions, the Mission has helped establish the Maritime Subworking group in cooperation with the EU Operation Sophia and other international actors in 2018.

However, as neither Missions nor EU Special Representatives are subject to external evaluation on the basis of logical frameworks, the impact of their work cannot be adequately assessed by the Commission.

HEADING 4: Global Europe

Instrument for Nuclear Safety Cooperation (INSC)

Lead DG: DEVCO

I. Overview

What the programme is about ?

The promotion of nuclear safety is a key priority for the EU since the early days of the EEC and EURATOM. The Instrument for Nuclear Safety Cooperation contributes to the promotion of the implementation of international treaties and conventions as well as the adoption of the highest safety standards complementing work inside the EU. It also exports the "*acquis communautaire*" worldwide and promotes nuclear safety cooperation. The INSC is the only specific tool of the European Union addressing nuclear safety issues in partner countries, complementing other external financing instruments, for example as part of the neighbourhood policy. It covers cooperation in nuclear safeguards which is essential to the global non-proliferation policy.

The Fukushima Daichii accident in 2011 after the Chernobyl disaster in 1986 showed that any accident has trans-boundary effects, and impacts the international community widely. The access to nuclear or radioactive materials is a security concern for the global world, with proven evidence that non-State actors are trying to access such materials. The Instrument for Nuclear Safety Cooperation has successfully contributed to the reduction of both risks, by providing support especially to regulatory authorities, in particular in countries under the EU's neighbourhood policy such as Armenia, Belarus, Egypt, Jordan, Morocco and Ukraine engaged in nuclear power generation. It also contains health and ecological measures directed to the population that suffered from the Chernobyl accident in Ukraine and Belarus.

The safe management of waste has included support to Ukraine in dealing with the consequences of the Chernobyl disaster, as well as in cleaning up contaminated sites, and a large remediation programme in Central Asia to address the legacy of former uranium mining sites left abandoned after the collapse of the Soviet Union. Both programmes have had an important and direct impact on the affected population living in the area, in order to improve their safety as well as their quality of life.

EU added value of the programme

The INSC is the external policy instrument of the EU that plays a role in the framework of the G7 in particular the Global Partnership Program against the spread of weapons and materials of mass destruction and supports G7 decommissioning programmes. It provides for the EU's policy role at the European Bank for Reconstruction and Development (EBRD) and at the International Atomic Energy Agency (IAEA) in this field.

The completed Mid Term Review (MTR) on the external financing instruments of the EU acknowledged INSC's⁵⁷⁴ unique value added due to the institutional framework that allows the Commission to act at a global level; the instrument is supporting complementarities, coordination and synergies to other thematic and geographical external policies and is effective in leveraging financial resources for nuclear safety.

The major decline over time in the scale of cooperation with nuclear operators (from EUR 63 million in 2007-2009 to EUR 3 million in 2012-2013) and the cessation of support for safety improvements, due to the events related to the Fukushima accident, warrants careful reflection for the future. Nuclear safety is, in practice, achieved by those who design, construct, operate and decommission nuclear installations. Failure to fully recognise this reality is likely to result in the sub-optimal allocation of future INSC resources in enhancing global nuclear safety. While the importance of transferring European knowledge and experience in supporting the establishment of competent and independent nuclear regulators elsewhere is not in question, the transfer of European experience in the safe design, construction and operation of nuclear installations is likely to be even more effective in enhancing global nuclear safety. This aspect warrants careful consideration in optimising the scope and content of further INSC activities.

Implementation mode

The implementation of the projects is primarily done through centralised management (90 %) by international call for tenders. In specific cases (Chernobyl, Central Asia), the INSC contributes to international funds through grant agreement. DEVCO also uses grant agreements with the International Atomic Energy Agency, the Science and Technology Center of Ukraine and the International Science and Technology Center when relevant. Finally, DEVCO is implementing a joint project with a Member State implementing agency in Georgia through a grant agreement.

II. Programme Update

Implementation Status (2016-2018)

The Commission adopted 36 actions for the period 2016 – 2018 to be implemented in Armenia, Belarus, Egypt, Iran, Indonesia, Jordan, Thailand, Vietnam, Mongolia, the Philippines, Georgia, Serbia, Bosna and Herzegovina and Ghana as well as regional projects in Central Asia, Southern Africa, the Balkans and Gulf countries. These actions are distributed in line with the multi-

⁵⁷⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017SC0605&qid=1550490928991&from=EN>

annual indicative programme around the four pillars: promotion of nuclear safety culture (16 actions), safe management of spent fuel and radioactive wastes (10), nuclear materials safeguards (6) and support measures (4).

The Annual Action Programme 2016 consists of 11 Actions (Armenia, Belarus, Iran, Ukraine (2), South East Asia, Turkey, Training and Tutoring, Contribution to the Chernobyl Shelter Fund, Technical support from the Joint Research Centre and support measures). Four projects have been contracted (Armenia, Ukraine and Joint Research Centre) and the last payment of the contribution to the Chernobyl Shelter Fund executed early 2017⁵⁷⁵. The procedures to contract the remaining actions have been completed before the end of 2017.

The annual Action Programme 2017 consists of 11 Actions (Armenia, (2), Georgia, Iran (2), Serbia (2), Ukraine, Contribution to the Nuclear Safety Account and the Environmental Remediation Account for Central Asia and support measures). The two contributions to the funds managed by the EBRD have been paid in 2017. All actions without financing agreement with the beneficiary countries are subject to N+1 rule and therefore will be contracted before 31/12/2018. Several projects, subject to the N+ 3 rule, will be contracted by the end of 2021 (7 contracts).

The Annual Action Programme 2018 consists of 4 Actions addressing the promotion of the nuclear safety culture (6 actions), the safe management of radioactive wastes (5), the nuclear safeguards (3) and teh support measures (1) implemented in (Ukraine (2), Ghana, Iran, Serbia, Bosna and Herzegovina, Central Asia (2), Emergency Preparedness and Response, Training and Education (4), cooperation with the International Atomic Energy Agency and support measures). One of the project with Ukraine failed to be implemented; the Programme has been amended to contribute to the Environmental Remediation Account for Central Asia. The contribution to this fund managed by the EBRD has been paid in 2018. All actions subject to N+1 rule will be contracted before 31/12/2019. Several projects, subject to the N+ 3 rule, will be contracted by the end of 2022 (5 contracts).

Key achievements

Promoting the nuclear safety culture: Competence of the staff working in the nuclear area is of utmost importance to ensure that the use of nuclear technology is safe. Confirming the success of the programme, the Training and Tutoring (T&T) actions transferring the EU knowledge to students and young professionals has trained 2 256 staff in the beneficiary countries during 2014-2018 period, of which 39% of women contributing to the gender goal in a highly specialised scientific area.

Safe management of Radioactive Wastes: The **Central Asia** states have inherited one billion tons of hazardous processing waste - highly toxic chemical and radioactive residues left behind and unsafely stored in uranium legacy sites. The EU flagship programme for the remediation of the legacy sites is now mature for implementation, with the completion of the necessary feasibility studies and environmental impact assessments. The EBRD, upon the European Commission request, established in 2015 a dedicated multi-donor Environmental Remediation Fund. The European Commission has organised in 2017 and 2018 a very successful side event during the 72nd and 73rd United Nations General Assembly in New York, the latter with the participation of Commissioner Mimica. A donor's conference. Has been held on 8 November 2018 at the EBRD in London where six donors pledged EUR 17.16 million.

A major milestone to make the **Chernobyl** site environmentally stable and safe was met on 29 November 2016 by sliding the New Safe Confinement over the nuclear reactor destroyed in April 1986. The New Safe Confinement is a giant arch-shaped structure that covers the damaged Chernobyl Unit 4 in order to prevent any further radioactive release. It is a unique engineering project of proportions: a span of 257 metres, a length of 162 metres and a height of 108 metres. The New Safe Confinement also contains the remotely operated equipment for ultimate removal of the damaged reactor and radioactive material. This important milestone in the project was achieved thanks to the joint effort of the European Union, Ukraine, the European Bank for Reconstruction and Development, and the international community. The total project cost is in the order of EUR 1.5 billion, to which the EU contributed more than 430 million (under the TACIS (EUR 210 million) and INSC (EUR 220 million) programmes); it is scheduled for completion by the end of June 2019 with an official hand-over to the Ukrainian government.

Capacity Building: The first project supporting the **Iranian** Nuclear Regulatory Authority has been kicked-off in July 2017 and is running smoothly in a very cooperative atmosphere. A follow-up project will participate to the establishment of the nuclear safety center in Tehran, in compliance with the EU commitment to the implementation of the Joint Comprehensive Plan of Action. A complementary project supporting the implementation of the stress tests exercise at the Bushehr nuclear power plant has started in April 2018.

A third project has been adopted under the Annual Action Programme 2018 demonstrating the reaffirmed commitment of the EU to the full implementation of the Joint Comprehensive Plan of Action and a fourth one will be submitted under the annual action programme 2019.

Evaluations/Studies conducted

The INSC evaluation was launched in the third quarter of 2016 and completed in 2017. Based on the results of this external study, a Staff Working Document has been produced⁵⁷⁶, distributed and adopted by the Commission ("Report from the Commission to the European Parliament and the Council – Mid-term review report of the External Financing Instruments – COM(2017), 720 final of 15.12.2017). All documents are available at the following address: <https://europa.eu/!jT78VF>

An additional (and last) contribution for the Chernobyl remediation programme managed by the European Bank for Reconstruction and Development will be paid under the Annual Action Programme 2017 for the Nuclear Safety Account that finance an Interim Storage for spent nuclear fuel (ISF-2 project).

⁵⁷⁶ SWD(2017) 605 final <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017SC0605&qid=1550490928991&from=EN>

Two evaluation upon the request of the Member States will be performed in 2019 to assess the results of the Training and Tutoring programme and on the support to Ukraine in the area of waste management. A final evaluation of the INSC is planned as foreseen in the regulation after 2020.

Forthcoming implementation (2019-2020)

The priorities for 2019 / 2020 are defined in accordance with the objective of the INSC Regulation (2014-2020) and the corresponding MIP (2018 – 2020). Priority will be given to Accession Countries (Balkan Countries) and countries in the European Neighbourhood area (ENP East: Armenia, Belarus, Georgia and Ukraine; ENP South: Jordan, Morocco and Iraq) and Africa. The improvement of the nuclear safety culture will remain the primary objective under the Instrument for Nuclear Safety Cooperation. Activities in waste management including environmental remediation and decommissioning will continue and cooperation in the field of Safeguards will be maintained.

In 2019 support the Iranian Nuclear Regulator will continue including the establishment of the Nuclear Safety Center foreseen under the Joint Comprehensive Plan of Action and for which the feasibility financed by the EU has been completed early 2018. Continuation with Ukraine and Armenia as well as implementation of the action plan for South East Asia (ASEAN) in emergency, preparedness and response will be proposed. The 2019 programme will include nuclear waste projects to address the issue in Georgia and Ukraine. The EU contribution for the Environmental Remediation Account for Central Asia pledged during the donors’ conference in November 2018 will complete the 2019 annual action programme.

Outlook for the period 2021-2027

On 30 May 2018, the European Commission presented the proposal for a Council regulation establishing a European Instrument for Nuclear Safety complementing the Neighbourhood, Development and International Cooperation Instrument (EINS). This proposal aims at continuing the activities currently carried out under the Instrument for Nuclear Safety Cooperation with a global geographical coverage and a proposed budget of EUR 300 million.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application						Reference Amount (EUR million)	
Council Regulation (Euratom) No 237/2014 of 13 December 2013 establishing an Instrument for Nuclear Safety Cooperation	2014 - 2020						225,3	
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	1,2	1,4	1,4	1,4	1,5	1,5	1,5	9,9
Operational appropriations	29,3	59,7	70,4	50,0	31,5	32,2	31,4	304,5
Total	30,5	61,2	71,8	51,4	33,0	33,6	32,9	314,4

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	32,967	99,94 %	27,143	98,04 %	33,630	2,76 %	31,476	15,14 %
Authorised appropriations (*)	32,967	99,94 %	28,580	98,11 %	33,630	2,76 %	31,987	15,05 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The Union shall finance measures to support the promotion of a high level of nuclear safety, radiation protection, and the application of efficient and effective safeguards of nuclear material in third countries

Indicator 1: Number of countries benefiting from EU support in developing of a culture of safety for nuclear energy

Baseline 2014	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
6 countries			10 countries	11 countries	12 countries	12 countries	12 countries* and 3 regions (Central Asia, Africa and South East Asia)
	Actual results						
	6 countries	13 countries	17 + 2 regions	19	21 + 4 regions ⁵⁷⁷		

*NB: the figures above are cumulative.

⁵⁷⁷ Armenia, Belarus, Indonesia, Jordan, Thailand, Vietnam, Iraq, Morocco, Tanzania, Ukraine, Kyrgyzstan, Tajikistan, Uzbekistan, Egypt, Iran, Mongolia, the Philippines, Georgia, Serbia, Bosna and Herzegovina and Ghana. Regional project in Central Asia, Southern Africa, the Balkans and Gulf countries. ,

*The countries embarking on nuclear energy are: Armenia, Bangladesh, Belarus, Egypt, Indonesia, Jordan, Malaysia, Mongolia, Morocco, Nigeria, the Philippines, Thailand, Turkey and Vietnam. The countries with radioprotection issues are Ukraine, Kyrgyzstan, Tajikistan and Uzbekistan.

Specific objectives

Specific Objective 1: The promotion of an effective nuclear safety culture and implementation of the highest nuclear safety and radiation protection standards, and continuous improvement of nuclear safety.

Indicator 1: Number of regulatory documents produced in the beneficiary countries with the support of EU expertise

Baseline 2012	Milestones foreseen						2020 (total 2014-2020)
	2014	2015	2016	2017	2018	2019	
4	2	1	1	1	1	1	8
	Actual results						
	5	3	5	5*	12*		

*The number of deliverables in 2018 reached a peak corresponding to the reported increase with the completion of major projects. These documents are: i) the feasibility study for the Nuclear Safety Center in Iran foreseen in the annex 3 of the Joint Comprehensive Plan of Action presented in June 2018 to the representatives of France, Germany, the United Kingdom, China and Russia; ii) the pre-construction safety assessment report for the radioactive waste disposal facility in Iraq; iii) 6 regulations and guidelines for Jordan; iv) 4 reference regulatory documents for Iran.

This indicator describes the implementation of EU projects:

At the preparation phase of the projects, a number of issues are identified through several Cooperation Forums with the IAEA. Subsequently during the implementation phase these issues are addressed through actions (e.g. training, reports, draft regulations). This indicator measures the number of nuclear safety regulatory documents (and actions such as laws, regulations, guidelines) that are produced with the support of the EU project and which proposes solution to the issues identified. At the final stage, those documents are adopted by the Beneficiary country and applied by the concerned stakeholders (operators, regulatory authorities, nuclear facilities). This indicator is amongst the programme implementation indicators in the MIP 2014-2017⁵⁷⁸.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
1. Number of regulations and/or guidance in nuclear safety benefitting of the transfer of EU expertise	21 06 01	1	9.9
2. number of staff trained in the beneficiary countries	21 06 01	120	3
3. EC additional contribution to EBRD for the Chernobyl accident related projects*	21 06 02		0
Total			12.9

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
1. number of regulations and/or guidance in nuclear safety benefitting of the transfer of EU expertise	F	2	1	1	1	1	1	1
	P	5	3	5	5			
2. number of staff trained in the beneficiary countries	F	90	90	100	120	120	100	120
	P	291	415	520	465	565*		
3. EC additional contribution to EBRD for the Chernobyl accident related projects (EUR million)*	F	N/A	30	40	30	N/A	N/A	N/A
	P	0	30	40	19.1			

*The number of trainees under the "Training and Tutoring" programme is annual and amount to 541 trainees and 24 tutees in 2018. It reflects the attractiveness and efficiency of the programme that corresponds to an identified need in the beneficiary countries. This increased value (compared to the foreseen output) is due to the cumulative effect of the projects that are running in parallel

Specific Objective 2: Responsible and safe management of spent fuel and radioactive waste, namely transport, pre-treatment, treatment, processing, storage and disposal, and the decommissioning and remediation of former nuclear sites and installations.

Indicator 2: Number of waste management and remediation documents developed with EU support

Baseline 2012	Milestones foreseen						Target 2020 (total 2014-2020)
	2014	2015	2016	2017	2018	2019	
4	2	2	1	1	1	1	8
	Actual results						
	2	1	2	3*	5*		

This indicator measures the number of documents produced with the EU support in the area of nuclear wastes: strategy, policy, regulation, laws, guidelines, environmental impact assessment and feasibility studies for remediation or decommissioning. "Waste management documents" has a broad meaning and does include also documents like spent fuel, nuclear waste and decommissioning strategies

* i) Infrastructure improvement for radioactive waste management remediation of contaminated sites and decommissioning in Ukraine including the following document: "Analysis of investigation priorities for 32 DWSF facilities with uncertain site conditions and radioactivity inventory data"; ii) Development and final approval of 2 remediation plans including feasibility studies for sustainable environmental remediation of

⁵⁷⁸ Commission Implementing Decision of 13.06.2014 on the Instrument for Nuclear Safety cooperation Multiannual Indicative Programme (2014 – 2017) C(2014)3764 Final.

uranium legacy sites of Degmay and Taboshar in Tajikistan; iii) National Strategy for Radioactive Waste and Spent Nuclear Fuel Management complemented by Action Plan for the Strategy Implementation and Feasibility Study of radioactive waste management at Sewaqa site in Jordan".

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of regulatory document issued benefitting of the transfer of the EU expertise	21 06 01	2	13.5

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Number of national strategies developed with EU support	F	1	0	1	0	1	1	0
	P	2	1	0	0	2		
Number of regulatory document issued benefitting of the transfer of the EU expertise	F	0	1	0	1	1	0	0
	P	0	1	2	3	1		

Specific Objective 3: The establishment of frameworks and methodologies for the application of efficient and effective safeguards for nuclear material in third countries.

Indicator 1: Number of nuclear safeguards authorities benefitting from EC funded projects

Baseline 2012	Milestones foreseen						Target 2020 (total 2014-2020)
	2014	2015	2016	2017	2018	2019	
0	0	1	0	1	1	0	3
	Actual results						
	0	1	0	2	1		

This indicator describes more effectively the implementation of our projects. During the preparation phase of projects a number of issues are identified through several Cooperation Forums with the IAEA. Subsequently, during the implementation phase these issues are addressed through actions (e.g. training, reports, draft regulations). The indicator measures the number of national or international safeguards organisations that benefit from projects transferring the EU expertise in the area of safeguards. This indicator is amongst the programme implementation indicators in the MIP 2014-2017.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Support to regional safeguards systems	21 06 01	1	5

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Support to regional safeguards systems	F	0	1	0	1	0	1	0
	P	0	1	0	1			

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

The environmental remediation projects in Central Asia and Ukraine are contributing to the **Climate Change Adaptation** in the concerned regions. Adaptation means anticipating the adverse effects of climate change and taking appropriate action to prevent or minimise the damage they can cause, or taking advantage of opportunities that may arise. As an example, the environmental remediation program in CA is all about **Climate Change Adaptation**. We are basically preventing serious ecological and environmental risks (disaster) by remediating fragile and unsecure tailings sites located next to the rivers. These rivers are more and more frequently experiencing spring flash floods due to rapidly melting glaciers in Central Asia. Climate change will generate increased natural hazards (as e.g. rain fall, landslides, mudflow, etc.) that will in turn disperse toxic materials if not properly remediated.

Gender mainstreaming: The contribution of the programme to gender equality is mainly achieved through all activities related to training and tutoring for which the European Commission strongly encourages the enrolment of women that in turn will provide additional opportunity for career development.

5. Programme contribution to the Sustainable Development Goals

The European Union and its Member States agree to the new framework of the Sustainable Development Goals (Agenda 2030). The Commission is committed to a thorough approach for the implementation of Agenda 2030 and keeping track of progress in a systematic and transparent way is essential for delivering the 2030 Agenda.

The European Consensus on Development⁵⁷⁹ reiterates the need for full compliance with international environmental and nuclear safety standards in partner countries. Through its multidimensional approach that touches on the interlinkages between nuclear

⁵⁷⁹ "The new European Consensus on Development: Our World, Our Dignity, Our Future". Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission (OJEU C 210/1, 30.6.2017).

safety, health, the environment, and related issues, the INSC programme contributes to various other key areas of the European Consensus on Development. More specifically, the INSC advances the following Sustainable Development Goals:

SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture: the remediation programme of uranium legacy sites will clear water and land for a sustainable agriculture in a region known as the breadbasket of Central Asia (Ferghana Valley)

SDG 3 Ensure healthy lives and promote well-being for all at all ages - remediation programmes in Central Asia and Ukraine will have a direct positive impact on the health of the affected population

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all - the Training and Tutoring programme provides education opportunities in the beneficiary countries

SDG 6 Ensure availability and sustainable management of water and sanitation for all - remediation activities, in particular in Central Asia, aim at restoring and providing to clean water

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Contributing to the establishment of legal and regulatory framework in line with international standards creates a business friendly environment in the partner countries that allows for European investment that will in turn potentially create jobs and fight against poverty

SDG 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss - remediation activities in central Asia and Ukraine, aim at reversing land degradation

HEADING 4: Global Europe

Union Civil Protection Mechanism - Heading 4

Lead DG: ECHO

I. Overview

What the programme is about?

The Union Civil Protection Mechanism (UCPM) facilitates the cooperation in disaster response among 34 European States (28 EU Member States, the Republic of North Macedonia, Iceland, Montenegro, Norway, Serbia and Turkey). When activated, the Mechanism coordinates, through the Emergency Response Coordination Centre (ERCC) of the European Commission, the provision of assistance that the UCPM Participating States can make available to disaster-stricken countries all over the world. The support provided through the UCPM can take the form of in-kind assistance, deployment of specially equipped teams, or assessment and coordination experts sent to the field.

Under Heading 3, the UCPM coordinates and supplements the actions of the Member States in the field of civil protection with a view to improving the effectiveness of systems for preventing, preparing for and responding to natural and man-made disasters within the Participating States of the UCPM.

Under Heading 4, the UCPM supports rapid and efficient disaster response interventions in the event of major disaster in third countries. It also supports disaster prevention and preparedness activities in eligible third countries, the primary beneficiaries of which are the European Neighbourhood Policy countries and Instrument for Pre-Accession Assistance (IPA II) beneficiary countries, not yet participating in the UCPM.

Cooperation in civil protection with IPA countries as well as with the European Neighbourhood Policy (ENP) countries is also carried out through the regional IPA, PPRD East⁵⁸⁰ and PPRD South⁵⁸¹ programmes. The aim is to bringing Western Balkan countries⁵⁸², Turkey, Eastern and Southern partner countries closely involved in European civil protection activities. Three programmes are currently ongoing:

The multi-country IPA Floods, which aimed at improving flood risk management, develop, train and equip three different flood response teams for each country (Boats, High Capacity Pumping and Flood Containment modules) and provide technical assistance to support the implementation/approximation to the European flood directive. The programme finished in March 2018.

The multi-country IPA Disaster Risk Assessment and Mapping programme, (IPA DRAM) aims at improving national systems for disaster loss data collection, risk assessment and mapping and support the development of national risk assessments in line with EU guidelines and good practices and establishment of the Electronic Regional Risk Atlas (ERRA).

PPRD East and PPRD South programmes aim to enhance Partner Countries' civil protection capacities for disaster prevention, preparedness and response and to strengthen regional cooperation and bringing the Partner Countries progressively closer to the European Union Civil Protection Mechanism.

EU added value of the programme

Disasters know no borders. A well-coordinated response at a European level is necessary to avoid duplication of relief efforts and ensure that assistance meets the real needs of the affected region. Civil protection assistance consists of governmental aid delivered in the immediate aftermath of a disaster aiming to reduce the loss of human life, environmental, economic and material damage caused by disasters. It can take the form of in-kind assistance, deployment of specially-equipped teams or assessment and coordination by experts sent to the field.

For a coherent, predictable and more visible EU response to disasters, the European Response Capacity was set up ready to help everywhere in the EU and in third countries, when needed.

The EU's added value comes in the form of:

- reducing the loss of human life, environmental, economic and material damage caused by disasters through a comprehensive approach covering disaster prevention, preparedness and response;
- an improved understanding disaster risks through cooperation on risk assessment and planning, and the gradual development of a culture of disaster prevention;
- an improved preparedness for disasters through training, exercises, exchange of best practices and similar activities;
- an improved coordination of the response to disasters by bringing together and facilitating Member States' offers of assistance; increased cost-effectiveness through the pooling of assistance, the sharing of transport capacities, the identification of

⁵⁸⁰ Programme for Prevention, Preparedness and Response to natural and man-made disasters in Eastern Partnership countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine).

⁵⁸¹ Programme for Prevention, Preparedness and Response to Natural and Man-made Disasters (Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, occupied Palestinian territory, Syria, Tunisia, Albania, Bosnia-Herzegovina, Croatia, Montenegro and Turkey. Mauritania is an observer country)

⁵⁸² Albania, Bosnia and Herzegovina, North Macedonia, Kosovo, Montenegro, Serbia,

complementarities and the avoidance of duplication; a coherent, predictable and more visible response to disasters through the set-up of a European response capacity ready to help when needed.

Implementation mode

Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) is the lead DG for the programme implementation. The programme is implemented through direct management (grants and procurement).

II. Programme Implementation Update

Implementation Status (2016–2018)

Since 2014, selected prevention and preparedness actions can be implemented in eligible third countries (candidate, potential candidates countries and countries covered by the European Neighbourhood Policy), helping national civil protection administrations increase their capacities in cooperation with Member States (through prevention and preparedness projects, exercises, by participating in the training programme or in the exchange of experts programme).

Key achievements

The strategic re-thinking of the **Prevention and Preparedness Projects** (Call for Proposal) carried out in 2018 in line with the recommendations of the Interim Evaluation of the UCPM has also targeted the eligible third countries. The 2018 Call has placed a stronger emphasis on the involvement of third country partners in the design and implementation of the projects and this will become an even stricter requirement in the 2019 Call. All the 4 Prevention and Preparedness projects awarded in 2018 for eligible third countries can become “seed funds” for leveraging a larger impact by the end of the project (e.g. including via EU programmes for the Neighbourhood and other international donors).

Another important element to highlight is the resuming of the **Peer Review programme**, which helps identify possible weaknesses in propose solutions for improvements to the civil protection authorities of third countries. In 2018, peer reviews were carried out in Tunisia and in the Republic of North Macedonia, reinforcing the international cooperation of the UCPM with our closest neighbours.

Regarding the response part, there were **11 requests for assistance** from emergencies outside the EU (21 in 2017). In 2018, the Mechanism facilitated the provision of assistance to the following countries outside the EU: Papua New Guinea, Colombia, the Democratic Republic of Congo, Guatemala, Nigeria, India, and Indonesia. Expertise in the form of preparedness and prevention (advisory) missions was provided to Bangladesh. Assistance deployed included water purification, tents and power generators (Indonesia), water and sanitation experts (India), environmental and dam integrity experts (Colombia), medical teams and equipment (DRCI)

Third countries have benefited also from the collaboration with Participating States during the implementation of the **UCPM exercises** funded by the EU. In 2018 a sub-regional exercise EU-ALSEIMEX was implemented in Algeria by France, with the participation of Spain, Algeria, Italy, Tunisia and Poland aimed at improving international co-operation with the simulation of a devastating earthquake. Another exercise EU CHEM REACT was organized in Ukraine, with participation from Poland, Ukraine, Lithuania and the Czech Republic and tested planning and preparedness to Chemical, Biological, Radiological and Nuclear threats.

The **use of Copernicus Emergency Management Service** is becoming much more frequent as part of the UCPM actions. The rapid mapping services can support civil protection operations. This service provides timely and very precise geospatial information that is used to plan disaster relief operations.

Evaluations/studies conducted

On 2017, the mid-term evaluation of the current UCPM legislation was completed and followed by a Commission report to the Parliament and the Council⁵⁸³ as foreseen in Article 34 of Decision No 1313/2013/EU. It took into account the result of the external study⁵⁸⁴ conducted and other performance assessments such as the 'European Court of Auditors review of the UCPM'⁵⁸⁵, and the Commission report on progress made and gaps remaining in the European Emergency Response Capacity⁵⁸⁶.

Under the revised Decision 1313/2013/EU, Article 34(2) states that ‘actions receiving financial assistance shall be monitored regularly in order to follow their implementation’. It also contains more general requirements for the Commission to submit a report every two years to the European Parliament and to the Council on the ‘progress towards the capacity goals and remaining gaps’ regarding the European Civil Protection Pool, taking into account the establishment of rescEU capacities. Moreover, the Commission should also evaluate the application of the Decision by submitting a communication every five years to the European Parliament and Council on the effectiveness, cost efficiency and continued implementation of the Decision (foreseen for December 2023). Such evaluation should be based on the indicators provided for in Article 3 of the Decision No 1313/2013/EU.

⁵⁸³ Commission staff Working Document SWD(2017) 287 final of 30.8.2017 'Interim Evaluation of the Union Civil Protection Mechanism (2014-2016) accompanying the Report from the Commission to the European Parliament and the Council on the Interim Evaluation of the Union Civil Protection Mechanism for the period 2014- 2016 (COM(2017) 460 final)

⁵⁸⁴ ICF, 'Interim Evaluation of the Union Civil Protection Mechanism. 2014-2016', Final Report, August 2017 <https://publications.europa.eu/en/publication-detail/-/publication/eb41bf6e-78c3-11e7-b2f2-01aa75ed71a1/language-en/format-PDF>

⁵⁸⁵ European Court of Auditors, Special Report (2016), Union Civil Protection Mechanism: the coordination of responses to disasters outside the EU has been broadly effective : http://www.eca.europa.eu/Lists/ECADocuments/SR16_33/SR_DISASTER_RESPONSE_EN.pdf

⁵⁸⁶ Report from the Commission to the European Parliament and the Council on progress made and gaps remaining in the European Emergency Response Capacity, COM(2017) 78 final of 17.02.2017

Forthcoming implementation (2019-2020)

The prevention and preparedness actions with eligible third countries will continue. Prevention and preparedness project, exercises, training and the exchange of experts programme will provide opportunities for the involvement of relevant civil protection authorities to improve their capacities.

In 2019, the Commission will continue to support the implementation of EU legislation on the control of major-accident hazards involving dangerous substances ('the Seveso Directive') by the IPA II beneficiaries and European Neighbourhood Policy countries through a technical cooperation with the JRC addressing countries' needs over the long term in areas such as good practice exchange and risk assessment. The Administrative Arrangement framing the cooperation between DG ECHO and the JRC (ECHO/AA/2017/02) in this field will finalise in June 2019.

Another priority will be the implementation of the voluntary peer reviews and advisory missions in several IPA II countries not participating in the Mechanism and European Neighbourhood Policy countries as an essential element to improve the countries' policy-making and governance in civil protection and disaster risk management. Response actions outside EU will follow any emergencies that might occur. The voluntary pool will be increasingly used in order to decrease the deployment time after the activation of the Mechanism.

The political agreement on the Commission proposal to strengthen the UCPM, commonly known as "rescEU" was found in December and the revised Decision No1313/2013 is expected to enter into force in March 2019. Given the new financial incentives for assets committed to the European Civil Protection pool (former Voluntary Pool), additional capacities might be used in emergencies outside the EU. Moreover, rescEU capacities may be also deployed outside the EU when disaster could significantly affect one or more Member States or their citizens. Finally, the proposal grants access to Member States to different EU funding instruments (other than UCPM) to cover the costs of operations outside the EU.

Outlook for the period 2021-2027

Under the Commission proposal for the next multiannual financial framework period (2021-2027), funding related to civil protection has been subsumed into one single heading: Heading 5 'Security and Defence'. The specific cluster is 'Crisis Response', Title 14, Chapter 02. This cluster will encompass both the internal and external dimensions of civil protection.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application							Reference Amount (EUR million)	
Decision No 1313/2013/EU of the European Parliament and of the Council of 17 December 2013 on a Union Civil Protection Mechanism	2014 - 2020							144,7	
	Financial Programming (EUR million)								
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme	
Operational appropriations	14,9	19,9	8,1	11,4	6,0	23,5	18,7	102,7	
Total	14,9	19,9	8,1	11,4	6,0	23,5	18,7	102,7	

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	6,029	99,98 %	10,748	59,34 %	21,546	54,44 %	18,665	5,17 %
Authorised appropriations (*)	6,539	99,90 %	13,301	64,42 %	20,111	58,33 %	17,265	7,84 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The Union Civil Protection Mechanism shall aim at strengthening the cooperation within the EU and facilitating coordination in the field of civil protection in order to improve the effectiveness of systems for preventing, preparing for and responding to natural and man-made disasters in Third countries.

Indicator 1: Economic damage caused by natural disasters (Source: As recorded in the EM-DAT database)

Baseline Annual average 2010-2012 (USD Billion)	Milestones foreseen						Target 2020 (USD Billion)
	Annual average 2014 – 2019* (USD Billion)						
155	93						93
	Actual results						
	91.3	78.9	136.1	332.7	105.5		

* Estimate based on the average of annual economic damage of the 2004-2014 years

The data reflects economic damage caused by natural disasters worldwide excluding the economic damage caused by natural disasters in the Member States of the European Union. The EM-DAT base is frequently updated and historical data revised.⁵⁸⁷

The annual results and evolution of this indicator depends on external factors (occurrence, frequency, severity and location of disasters) which are totally beyond the control of the Commission. In addition, the proportion of reported economic damages varies strongly by countries, disaster type, and time. The specific contribution of the Union Civil Protection Mechanism to the evolution of this indicator is difficult to assess.

Specific objectives

Specific Objective 1: To achieve a high level of protection against disasters by preventing or reducing their effects by fostering a culture of prevention and by improving cooperation between the civil protection and other relevant services.

Indicator 1: Number of projects financed for prevention in Third countries covered by the Instrument for Pre-Accession Assistance and the European Neighbourhood Policy (including exchange of experts)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A New	4	4	5	7	7	8	8
	Actual results						
	4	5	4	3	3		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Grant agreements	23 03 01 02	4	1
Contracts	23 03 01 02	2	0.1
Total		6	1.1

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Grant agreements	F	2	2	2	2	2	4-5	2
	P	3	4	3	3	3		
Contracts	F			2	1	2	2	2
	P			2	1	0		

Specific Objective 2: To enhance preparedness in Third countries to respond to disasters.

Indicator 1: Number of projects financed for preparedness (including training and exercises, workshops and exchanges of experts) in Third countries covered by the Instrument of Pre-Accession and the European Neighbourhood Policy

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A New	5	5	6	6	6	7	7
	Actual results						
	5	6	7	6	3		

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Grant agreements and contracts	23 03 01 02	6	4.9

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019*	2020*
Grant agreements and contracts	F	4	5	6	8	8	6	6
	P	5	6	7	7	3		

*As part of the plan to revamp the prevention and preparedness grant programme, it is envisaged a new system whereby projects have to be more targeted and produce higher impact. As a result, fewer projects will be financed, but with a higher financing.

Specific Objective 3: To facilitate rapid and efficient response in the event of disasters or imminent disasters.

Indicator 1: Average speed of interventions under the EU Civil Protection Mechanism (from the acceptance of the offer to deployment). (Source: Annual report for the EP on the implementation of the new union Civil Protection Mechanism Decision)

Baseline	Milestones foreseen	Target 2020
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⁵⁸⁷ The data indicated reflects the information extracted from the data base available at the moment of the preparation of the programme statement. With a view of consistency with the financial programming and performance information previous programme statements the historical data communicated are therefore not updated with the latest information recorded in the data base.

2013	2014	2015	2016	2017	2018	2019	
≤ 36 hours	≤ 24 hours			≤ 60 hours			≤ 48 hours
	Actual results						
		22	20	48	75*		

*The increase in response time in relation to previous years is explained by the general principle that assistance can only be delivered after the requesting country has accepted the offer. In some situations, the request is made, but the acceptance is not immediate, as the requesting country might consider that it is not needed immediately. In such situations, this creates a distortion in the number of hours, which is not related to the performance of the Mechanism.

The indicator is measured as a yearly average of the duration between the acceptance of the offer in CECIS and the time when the assistance is ready for transportation from the port of embarkation in the EU for movement towards the affected country.

The indicator covers modules, as well as for technical assistance and support teams and other response capacities corresponding to the categories defined for the European emergency response capacity (EERC – Voluntary pool) as defined by Commission Decision (2014/762/EU) of 16 October 2014 laying down rules for the implementation of Decision No 1313/2013/EU of the European Parliament and of the Council on a Union Civil Protection Mechanism.

Quantitative response indicators will be partly influenced by the number, severity and nature of future disasters for which the UCPM is activated and which are unpredictable.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Number of contracts	23 03 02 02	1	1
Grant agreement/ service contract	23 03 02 02	90	10.2
Number of contracts (deployment of experts)	23 03 02 02	50	0.5
Total		141	12.7

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019*	2020*
Number of contracts	F	1	1	1	1	1	1	1
	P	1	1	1	1	0		
Grant agreement/ service contract	F	60	60	70	75	80	70	70
	P	91	67	32	34	14		
Number of contracts (deployment of experts)	F					50	50	50
	P	46	36	78	44	27		

*2019-2020 figures reflect amendments to the Decision No 1313/2013.

The number of grant agreements depends on the number of activations of the EU Civil Protection Mechanism. In 2016-18, as there were fewer disasters in third countries than expected, the number of grant agreements is lower than forecasted

Justification of changes to the financial programming and/or to the performance information

The increase in outputs (i.e. grant agreement/service contracts) for the 2018-2020 period is based on the fact that under the revised Decision No 1313/2013, Member States will continue to be able to opt for funding from the UCPM for transport grants and/or operational grants in case of rescEU deployments, and at the same time apply for other EU funding instruments to cover other costs or other activities of that operation. This would imply that Member States no longer need to choose either UCPM funding or other EU instruments (e.g. Humanitarian Aid for operational costs), and therefore more applications for transportation grants are expected.

Specific Objective 4: To increase public awareness and preparedness for disasters.

Expenditure related outputs

The Union Civil Protection Mechanism strengthens cooperation and coordination between Member States in preventing, preparing for and responding to natural and man-made disasters. While response actions are foreseen anywhere in the world, the prevention and preparedness actions are limited to Member States, accession candidates and potential candidates, and European neighbourhood countries. According to Article 20(d) of Decision No 1313/2013 on a Union Civil Protection Mechanism Decision, public information, education and awareness raising and associated dissemination actions are limited to Union citizens. Therefore, the specific objective 4 has been removed (To increase public awareness and preparedness for disasters). The progress in increasing public awareness and preparedness is measured only inside the Union.

Justification of changes to the financial programming and/or to the performance information

The Union Civil Protection Mechanism strengthens cooperation and coordination between Member States in preventing, preparing for and responding to natural and man-made disasters. While response actions are foreseen anywhere in the world, the prevention and preparedness actions are limited to Member States, accession candidates and potential candidates, and European neighbourhood countries. According to Article 20(d) Mechanism Decision, public information, education and awareness raising and associated dissemination actions are limited to Union citizens. Therefore, the specific objective 4 has been removed (To increase public awareness and preparedness for disasters). The progress in increasing public awareness and preparedness is measured only inside the Union.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Climate change linked actions	5,4	7,0
Total	5,4	7,0

Programmation climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
1,2	2,0	2,1	2,2	2,0	5,4	7,0	21,9

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

5. Programme contribution to the Sustainable Development Goals

SDG 6 Ensure availability and sustainable management of water and sanitation for all: DG ECHO and Participating States provide water, sanitation and hygiene (WASH) support through the UCPM response to those in need during humanitarian crises and ensure that the most vulnerable have access to WASH.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: By providing a faster response to natural and man-made disasters, the UCPM helps minimise their impacts on the economical means of the affected areas, and therefore helps preserve the employment of local workers.

SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable: Through our support for a holistic disaster risk management at all levels and through the promotion of prevention actions which aim to reduce the number of deaths and the number of people affected, and decrease the direct economic losses caused by disasters.

SDG 13 Take urgent action to combat climate change and its impacts: By contributing to reinforcing resilience and adaptive capacity to climate-related hazards.

HEADING 4: Global Europe

EU Aid Volunteers initiative (EUAV)

Lead DG: ECHO

I. Overview

What the programme is about?

EU Aid Volunteers brings together volunteers and organisations from different countries, providing practical support to humanitarian aid projects and contributing to strengthening the local capacity and resilience of disaster-affected communities.

The programme incentivises and fosters collaboration, exchange of knowledge and good practices and building of partnerships between organisations in the field of humanitarian aid. Organisations participating in capacity building projects form consortia composed of a minimum of 2 EU-based organisations and 2 organisations based in third countries. Technical assistance projects require the participation of 3 organisations based in the EU. Furthermore, the set-up of a dedicated on-site training of selected volunteers to prepare them for deployment creates a strong 'esprit de corps' among European volunteers from different countries training together in groups. This will then further be strengthened during the implementation of the programme through the creation of a network of former and current EU Aid Volunteers, and the sending and hosting organisations, boosting learning and further professionalization of the sector.

EU added value of the programme

The EU added value comes in the form of:

- bringing together Union citizens from different Member States for joint contribution in humanitarian aid operations;
- fostering transnational cooperation of humanitarian aid organisations and stakeholders;
- allowing for economies of scale through complementarities and synergies with other relevant national, international and Union programmes and policies;
- providing for a tangible expression of the European values in general and in particular the solidarity of the Union and its citizens with the people who are most vulnerable and in need;
- contributing to reinforcing active European Union citizenship by empowering Union citizens from different generation and with different social, educational and professional background to engage in humanitarian aid activities.

Implementation mode

Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) is the lead DG for the programme implementation. The programme is implemented through direct management (grants and procurement). Some tasks are delegated to and implemented by EACEA in cooperation with the Commission services. The division of tasks between the Commission and EACEA is based on *Commission Decision C (2013)9189 of 18.12.2013 delegating powers to the Education, Audio-visual and Culture Executive Agency with view to performance of tasks linked to the implementation of Union programmes in the field of education, audio-visual and culture comprising, in particular, implementation of appropriations entered in the general budget of the Union and of the EDF allocations*. The activities deployment and capacity building / technical assistance are implemented through calls for proposals by EACEA. EACEA is also responsible for the management of external evaluators that support the assessment of applications for deployment, capacity building / technical assistance and certification. The selection of evaluators is carried out via a call for expression of interest. Furthermore, EACEA is responsible for the organisation of information events about the calls for proposals that are organised with support of external contractors selected via call for tender or using existing framework contracts. The training of EU Aid Volunteers is implemented by EACEA through specific contracts under an existing framework contract with a training provider. Other support measures (the EU Aid Volunteers platform, outreach and communication activities) are implemented by DG ECHO through existing framework contracts and a service-level agreement with the Directorate General for Informatics (DG DIGIT).

II. Programme Implementation Update

Implementation Status (2016-2019)

Initially it was planned to launch the initiative in 2014 (MFF 2014-2020), but the adoption of the whole legislative package (Delegated Regulation, Implementing Regulation) providing the legal framework for the implementation of the EU Aid Volunteers was only completed in November 2014. Project implementation was therefore delayed for about a year, and the first volunteers were only deployed from December 2015 / January 2016. The end of 2018 therefore marks the third full year of deployments. The uptake of this new Commission programme, an international volunteering programme in humanitarian aid, started disappointingly slow. This was unexpected because the initiative had been preceded by a 3-year pilot phase during which 289 volunteers had been deployed. In retrospective the targets, starting the first year with 350 deployments, were challenging and did not materialise. Reasons for this are the following:

- The EU Aid Volunteers initiative introduced a thorough certification mechanism that had not existed during the pilot phase and requires not only sending organisations but also hosting organisations to prove to the Commission that they

have procedures and policies in place to achieve the high volunteering standards of this programme. Organisations need to commit and prove, for example, that they can ensure the security of volunteers, to respect equal opportunities and non-discrimination, to safeguard children and vulnerable adults, ensure health and safety of volunteers, are able to provide learning and development for volunteers, etc. In short, they have to respect all the provisions that were set in the Delegated and Implementing Regulations of the initiative. Some organisations provided feedback that it took them a year and substantial effort to comply with all those provisions and provide the required evidence. Furthermore the assessment of compliance by the Commission can take up to six months, because external evaluators are involved in the assessment and many of the organisations that applied for certification (especially in third countries) had never worked with the Commission before and therefore needed to go through the normal administrative procedures to validate their legal entity (PIC number). All this created delays as well as barriers for quick uptake.

- In order to support organisations to prepare for certification, the EU Aid Volunteers initiative provides a funding strand for technical assistance (sending organisations) and capacity building (hosting organisations). Organisations can apply to calls for proposals to prepare for certification and to improve their knowledge about humanitarian principles, disaster risk management or volunteer management. Many organisations made use of this instrument and proposed projects that last up to 24 months before they applied for funding under the deployment strand. In retrospective, this funding led indeed to the participation of organisations later in the deployment strand of the initiative, but it contributed to the delay in uptake.
- Thirdly, in many exchanges with organisations it was found that they adopted a ‘wait and see’ approach with regard to this new initiative. Only when reports from the first (few) deployments were available and published, the confidence among organisations increased that the EU Aid Volunteers initiative could indeed provide benefits for organisations and volunteers. The organisation of two networking events (in 2017 and 2018) by the Commission for organisations supported this confidence and helped to increase deployment numbers from 44 in 2015 to 368 in 2018.
- Fourthly, the targets were also quite challenging because volunteers are normally placed in offices of EU-based organisations abroad or with local organisations. These offices can often only host 1-2 volunteers at a time. By the end of 2018 166 hosting organisations and 42 sending organisations had successfully gone through the certification process. It therefore requires an ongoing effort to involve many more organisations in order to arrive at higher deployment numbers.

The Annual Work Programme 2018 of the EU Aid Volunteers initiative was adopted in January 2018⁵⁸⁸. It foresaw the publication of two calls for proposals, one for projects in the field of capacity building and technical assistance and another one for the deployment and apprenticeships of EU Aid Volunteers. It also covered the costs related to the training of candidate volunteers, external evaluation of applications in response to the two calls for proposals, the evaluation of requests for certification and re-certification, the organisation of info days as well as support measures as for example the continuous development of a platform for project management and networking, communication and outreach activities. The calls were published as planned. The Annual Report on the implementation of the initiative 2017 was adopted on 3 August 2018⁵⁸⁹.

The consumption rate of the operational budget for deployment and capacity building / technical assistance in 2018 was 99%. This was the first time that the planned budget could actually be spent (40.3% in 2015, 46.4% in 2016, 77.4% in 2017). This was possible due to a deviation from ambitious MFF 2014-2020 plan figures and the learning from previous years of implementation.

Key achievements

Key achievements in 2018 included the selection of six projects for capacity building (69 participating organisations), one project for technical assistance (4 participating organisations) and eleven deployment projects aiming to deploy 368 EU Aid Volunteers in 2019 and the deployment of the 175 volunteers selected from the 2017 call for proposals also started in 2018. Until the end of 2018, 6 new sending and 57 new hosting organisations completed successfully their certification. Two networking events were organised in 2018 with an overall participation of 159 representatives of sending and hosting organisations and EU Aid Volunteers. The feedback from volunteers received at the event about their deployment was published as a guide with tips and advice for prospective volunteers (https://ec.europa.eu/echo/what/humanitarian-aid/eu-aid-volunteers_en) and will also be distributed at the training.

The deployment target set in the annual work programme 2018 was 250 volunteers (after 175 in 2017) which was considerably exceeded with 368 volunteers as a result of the 2018 call for proposals. In 2019 these volunteers will be deployed to 51 countries all over the world, the majority in Africa (40%) followed by Latin and Central America (20%), Asia (15%) and Middle East (11%).

Eight face-to-face training sessions were organised in 2018 with 295 candidate volunteers attending. The satisfaction of candidate volunteers with their online and face-to-face training continues to be high with an overall satisfaction rate of 87% (out of 100%) in 2018 (90% in 2017).

Overall, the trend with regard to the certification of new sending and hosting organisations is stable with 62 organisations certified in 2016, 63 in 2017 and 63 in 2018.

Since the start of the initiative, the skills areas of volunteers most often requested have been in communication (17%), disaster risk management (11%), finance (10%), capacity building (10%), project management (9%), community-based development (7%),

⁵⁸⁸ C(2018) 165 final

⁵⁸⁹ COM(2018) 572 final, http://ec.europa.eu/echo/who/accountability/annual-reports_en

gender equality (7%), monitoring and evaluation (4%) and climate change adaptation (4%). This indicates that volunteers are sought for capacity building functions that organisations are looking for.

Also the subscription to EU Aid Volunteers vacancies increased from 1 100 subscribers beginning of 2018 to 2 650 at the end of the year which reflects an increasing awareness of the initiative among citizens thanks to a social media campaigns to promote the vacancies. However, most citizens still rather consult the national pages of the participating organisations.

Stories about what volunteers are doing in the field have been published on this website: https://webgate.ec.europa.eu/echo/eu-aid-volunteers_en/ (96 stories so far).

Evaluations/Studies conducted

An interim evaluation was carried out in 2017. The study prepared by an external contractor as well as the report and staff working document on the interim evaluation of the EU Aid Volunteers initiative for the period mid-2014 to mid-2017 adopted by the Commission are published on the following website: https://ec.europa.eu/echo/funding-evaluations/evaluations/thematic-evaluations_en. An ex-post evaluation of the initiative is foreseen in Regulation 375/2014 and shall be completed by 31.12.2021.

Forthcoming implementation (2020-2021)

The Annual Work Programme 2019 foresees the launch of two calls for proposals: one for capacity building and technical assistance projects, with the objective to strengthen the capacities of 70 organisations; and one call for proposals for the deployment of volunteers, with the objective to deploy 450 volunteers in 2020. It is proposed to not to provide funding for capacity building and technical assistance anymore in 2020 with a view to the proposed integration of the EU Aid Volunteers initiative into the European Solidarity Corps which will most probably have a different quality assurance / certification mechanism than currently under EU Aid Volunteers.

Outlook for the period 2021-2027

The Commission proposed to integrate humanitarian volunteering from 2021 in the European Solidarity Corps. This integration will contribute to streamlining and increasing the synergy of volunteering programmes. It will increase cost-efficiency (for example, through a single platform - the European Solidarity Corps Portal) and provide a single implementation mechanism:

- The integration will provide a ‘one-stop-shop’ for individuals and organisations.
- The integration will increase simplification and improve quality and efficiency.
- The integration will preserve the specificities of the current EU Aid Volunteers initiative for example with a view to the respect of the humanitarian aid principles and the high standards for safety and security.

No separate budget will therefore be requested for the EU Aid Volunteers initiative in 2021.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 375/2014 of the European Parliament and of the Council of 3 April 2014 establishing the European Voluntary Humanitarian Aid Corps (‘EU Aid Volunteers initiative’)	2014 - 2020	147,9

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Operational appropriations	12,1	6,6	8,3	16,4	19,0	18,4	19,4	100,2
Executive Agency	0,5	0,9	1,0	1,0	1,1	1,2	1,3	7,0
Total	12,7	7,4	9,3	17,4	20,1	19,5	20,6	107,1

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	20,142	100,00 %	16,071	99,63 %	19,537	22,86 %	16,054	8,88 %
Authorised appropriations (*)	20,142	100,00 %	16,463	99,07 %	19,537	22,86 %	16,054	8,88 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: To contribute to strengthening the Union's capacity to provide needs-based humanitarian aid aimed at preserving life, preventing and alleviating human suffering and maintaining human dignity and to strengthening the capacity and resilience of vulnerable or disaster-affected communities in third countries, particularly by means of disaster preparedness, disaster risk reduction and by enhancing the link between relief, rehabilitation and development. That objective shall be attained through the added value of joint contributions of EU Aid Volunteers, expressing the Union's values and solidarity with people in need and visibly promoting a sense of European citizenship.

Indicator 1: The number of people reached by humanitarian aid provided through the EU Aid Volunteers initiative and the average costs per person reached

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of people reached	0	17 500	25 000	30 000	17 500	42 500	50 000
	Actual results						
Costs (in EUR) / person reached	n/a	845	716	733	751	631	550
	Actual results						
	0	0	n/a	n/a	158		

The number of people reached by volunteers are based on the assumption that each volunteer reaches on average 50 persons (i.e. in 2015, 350 deployed volunteers would reach 50 persons each and therefore reach 17 500 people in total). The number indicated for the year 2018 – 8 104 persons - is the result of the first two deployment projects funded from the 2015 budget. These projects lasted 24 months and started to deploy volunteers from December 2015; the final reports from which the number 8 104 was retrieved were received end of 2018. The 2015 proposals foresaw the deployment of 44 volunteers (as indicated for the year 2015 in the programme statement). The actual deployment was in the end 55 volunteers (due to drop-outs and replacements). On average each of these volunteers reached about 147 persons (instead of 50 per volunteer as projected in the planning figures) and 8 104 in total.

Specific objectives

Specific Objective 1: Contribute to increasing and improving the capacity of the Union to provide humanitarian aid.

Indicator 1: Number of EU Aid Volunteers deployed or ready for deployment with the required qualifications

Indicator 1. a) : Number of EU Aid Volunteers trained ready for deployment with the required qualifications per year

(Source: Monitoring Framework for EUAV implemented by EACEA)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A new programme	0	≥ 350	≥ 350	≥ 550	≥ 800	≥ 1000	≥ 1 250
	Actual results						
	0	0	97	178	295		

The number of volunteers trained depends on the number of planned deployments as provided in the applications to the call for proposals. In 2017 six proposals were received proposing 175 deployments. As a result 295 candidate volunteers were trained in 2018 for deployments and for the reserve list to cater for drop outs and cancellations.

Indicator 1. b): Number of of EU Aid Volunteers deployed per year

(Source: Monitoring Framework for EUAV implemented by EACEA).

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A new programme	0	350	350	550	800	1000	1125
	Actual results						
	0	0	55	162	175	368	

The call for proposals for deployment 2018 resulted in the funding of eleven projects (up from 6 in 2017) proposing the deployment of 368 volunteers. This figure is far below the MFF targets as explained in section II Implementation Update. However, this represents an increase of 110% compared to the previous year and sustains an upward trend. The average duration of a deployment is 9 months (most deployments are either 6 or 12 months deployments, average is 9 months).

Indicator 2: Number of EU Aid Volunteers who have completed their contract of deployment

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A new programme	0	315	350	550	800	1000	1 125
	Actual results						
	0	0	0	66	178		

This indicator reflects the number of volunteers who stayed the whole duration of their contract and did not end their deployment earlier than planned. If volunteers drop out, organisations can fill the remaining volunteer months with reserve candidates. It is difficult to track in the course of a project which volunteers ended their contracts earlier, if other volunteers stayed longer in their placements instead or if reserve volunteers were recruited.

Indicator 3: Number of hosting and sending organisations participating in the EU Aid Volunteers initiative per year.							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A new programme	100	0	115	110	115	75	120
	Actual results						
	88	0	41	179	73		

Source: Planning / target figures from the Annual Work Programmes of EUAV, Monitoring Framework for EUAV implemented by EACEA
 This indicator is proposed for the first time in the present reporting period and intends to reflect the work done in capacity building / technical assistance provided to organisations which increases the capacity of the sector to provide humanitarian aid. The figure does not include the organisations active deployment projects. The lower figure in 2018 is due to a lower number of projects funded than planned in order to enable more deployments of volunteers (planned 250; result 368). Budget was therefore moved from the capacity building / technical assistance strand to the deployment strand and fewer projects than planned were funded.

Specific Objective 2: Improvement of the skills, knowledge and competences of volunteers in the field of humanitarian aid and the terms and conditions of their engagement.

Indicator 1: The degree of satisfaction of the EU Aid Volunteers trained and deployed, of the sending and hosting organisations with regard to the quality of the training, level of knowledge and competences of volunteers, the fulfilment and adequacy of the standards and procedures for management of candidate and EU Aid Volunteers (overall satisfaction rate out of 100%)

Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A new programme	0	75	80	80	85	85	85
	Actual results						
	0	0	88	90	87		

The figure provided only relate to the overall satisfaction with the training.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Training of volunteers	23 04 01	1050	5.22
Deployment	23 04 01	950	13.5
Total			18.72

The training commitments for 2020 include (a) the candidate volunteers selected from the 2019 call (plan: 450 plus 100 reserve) and (b) the costs for the training in 2021 of the volunteers selected through the 2020 call for proposals (plan: 500).

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Training of volunteers and apprenticeships	F	0	540	825	1 025	300	450	600
	P	0	0	97	178	295		
No of volunteers deployed	F*	0	0	≥ 350	≥ 550	250	300	400
	P	0	0	44	162	175		

Tables cover expenditure related outputs of objectives 1 and 2.

The number of volunteers trained and deployed depends on the applications received based on a call for proposals published annually. The applications received resulted in an underperformance compared to the planned figures. The targets for 2018-2020 have been amended to reflect – based on the results of the first two years – more realistic foreseen outputs.

Justification of changes to the financial programming and/or to the performance information

Number foreseen outputs for training and deployment were adjusted to reflect potentially achievable targets based on the figures from the previous years.

Specific Objective 3: Building the capacity of hosting organisations and foster volunteering in third countries.

Indicator 1: Number of third country staff and volunteers participating in the capacity building actions							
Baseline	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A new programme	≥ 1.450	≥ 300	≥ 700	≥ 700	≥ 600	≥ 550	≥ 550
	Actual results						
	0	0	n/a	n/a	n/a		

In relation to the "number of third country staff and volunteers participating in the capacity building actions": it is difficult to provide these figures as they can be provided only for the projects that ended in the respective year and figures do not related to any (annual) target figure. Furthermore, projects provide the numbers per project activity but not for the project as a whole which could lead to double counting.

The indicator "Number of hosting and sending organisations participating in the EU Aid Volunteers initiative per year" under specific objective 1 will be monitored

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Capacity building and technical assistance	23 04 01	0	0

It is expected that 0 organisations / beneficiaries will benefit from this activity, because this funding strand is provided to enable organisations to achieve the standards set under the EU Aid Volunteers initiative. Projects last normally 24 months so that in 2023 (when projects funded from a call in 2020 would end) different application procedures and standards would be in place

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
No of organisations participating to capacity building and technical assistance actions	F	100	n/a	115	110	115	75	50
	P	n/a	88	41	179	73		

Tables cover expenditure related outputs of objectives 3 and 5.

2016: 19 partners receiving funding for capacity building projects, 22 for technical assistance projects.

2017: 157 partners receiving funding for capacity building projects, 22 for technical assistance projects.

2018: 69 partners receiving funding from capacity building projects, 4 for technical assistance.

This number is much lower than in 2017, because budget was shifted from the capacity building / technical strand to the deployment strand to enable more deployments (367 instead of 250). As a consequence, fewer capacity building / technical assistance project could be funded with the remaining budget.

Justification of changes to the financial programming and/or to the performance information

The output “No of participants to capacity building and technical assistance actions” has been replaced with “No of organisations participating to capacity building and technical assistance actions”. Meaningful and reliable data cannot be collected on the number of participants. Projects provide some data per project activity but not for the project as a whole which leads to double counting. Capacity building and technical assistance funding should phase out at the end of the programme. This type of funding is foreseen to build the capacity of organisations to go successfully through the certification process and then to participate in deployment activities.

Specific Objective 4: Communication of the Union's humanitarian aid principles as agreed in the European Consensus on Humanitarian Aid.

Indicator 1: Number, type and costs of information, communication and awareness-raising actions

Baseline N/A new programme	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
Number of communication and awareness-raising actions	2	3	4	5	4	4	4
	Actual results						
	2	4	6	5	4		
Costs per action (in EUR)	0	686 234	425 000	565 000	365 000	187 500	165 000
	Actual results						
	n/a	171 559	70 833	113 000	91 250		

Note that the indicated support measures budgets from 2016 include EUR 265 000 for the maintenance of the EU Aid Volunteers platform.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020						
		Number	EUR million					
Support measures (Awareness raising events, platform, networking)	23 04 01	3	0.6					
Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Overall information platform produced and maintained during the programme	F	1	1	1	2	1	1	1
	P	0	0	1	2	1		
Awareness raising conference and seminars	F	1	2	3	3	3	3	3
	P	0	2	5	2	3		

Justification of changes to the financial programming and/or to the performance information

It is planned to organise a large EU Aid Volunteers conference in 2020 which will be funded from the 2019 budget. The 2020 budget proposal therefore includes promotion costs around this conference, visibility material for trained volunteers and the maintenance of the IT Platform.

The requested budget for 2020 also includes the costs for the ex-post evaluation (Art. 27 of Regulation 375/2014 foresees “an ex post evaluation report for the seven-year financial period of implementation no later than 31 December 2021.”).

Furthermore, costs related to the maintenance of the Platform in 2021 are also included in the 2020 budget proposal for the EU Aid Volunteers initiative.

Specific Objective 5: Enhancement of coherence and consistency of volunteering across Member States in order to improve opportunities for Union citizens to participate in humanitarian aid activities and operations.

Indicator 1: Number of (newly) certified sending organisations applying the standards and procedures for deployment and management of European volunteers

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
N/A new programme	n/a	50	44	15	20	30	10
	Actual results						
	n/a	13	10	13	6		

The number reflects the certified sending organisations in 2018 (additionally, 57 new hosting organisations were certified in 2018 which brings the total number of certified organisations to 208.).

The certification mechanism is a requirement of the legislation. It seeks synergies with the Commission's partnership instruments in the humanitarian field and existing humanitarian standards, with the aim of administrative simplification. The certification takes into account the important specificities of the programme, notably the management of volunteer staff.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR
Certified sending organisations	23 04 01	50	35 000

Note: the budget also includes the certification of hosting organisations as well as the evaluation of applications for calls for proposals (deployment and capacity building / technical assistance). The figure represents therefore the total evaluation costs for all evaluations under the initiative.

Outputs	Number of outputs foreseen (F) and produced (P)							
		2014	2015	2016	2017	2018	2019	2020
Number of certified sending organisations	F	n/a	50	44	15	20	30	10
	P	n/a	13	10	13	6		

Justification of changes to the financial programming and/or to the performance information

Milestones 2018-2019 and target 2020 have been amended on the basis of the experience of the previous years in order to have more realistic figures. It is expected that applications for certification will decline / phase out towards the transition of the programme to the European Solidarity Corps.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed

Smart growth: part of line 23 04 01 Corresponding to 50% of the output "deployment" under specific objective 1

Inclusive growth: part of line 23 04 01 Corresponding to 50% of the output "Training of volunteers and apprenticeships" under specific objective 1.

Relevant objective/output	Budget 2019 (EUR million)	DB 2020 (EUR million)
Smart Growth (innovation, education, digital society)	5,0	6,75
Inclusive Growth (employment and skills, fighting poverty)	1,5	2,625
Total	6,5	9,375

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Training, capacity building and deployments will focus amongst other on disaster risk reduction and prevention of climate related disasters.	2,0	2,7
Total	2,0	2,7

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
	0,3	1,0	1,1	1,7	2,0	2,7	8,8

(*The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Gender mainstreaming : Of all volunteers deployed so far around 74% are female and 26% male.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere: Resilience aims at protecting vulnerable populations from the shocks and stresses that keep people in poverty, whilst providing services, livelihoods and opportunities to address the underlying causes of their vulnerability – to "leave no-one behind". EU Aid Volunteers work together with volunteers in vulnerable communities to strengthen their resilience to disasters and to build local capacity.

SDG 3 Ensure healthy lives and promote well-being for all at all ages: Volunteers work with vulnerable or disaster affected communities in fields such as food security and nutrition.

SDG 5 Achieve gender equality and empower all women and girls: EU Aid Volunteers are for example recruited as gender experts to promote gender sensitivity and mainstreaming of gender considerations in disaster risk management in affected communities.

SDG 13 Take urgent action to combat climate change and its impacts: Volunteers can be recruited to work on prevention and preparedness actions resulting from climate change risks. This could for example include work on risk assessments, small mitigation works, awareness raising actions or the implementation of early warning systems.

SDG 17 Strengthen the means of implementation and revitalize the global partnership: Helping people affected by crises and disasters is a global concern and includes coordination at the global level, as essential way to ensure efficient and effective provision of aid to those that need it most. The EU humanitarian assistance includes working in close partnership with a large number of humanitarian and development UN and Civil Society international organisations.

The EU Aid Volunteers Initiative also works together with volunteers in vulnerable communities to strengthen their resilience to disasters and to build local capacities. It supports creation of national and local volunteering frameworks and schemes in third countries, which can be instrumental to increase the capacity of countries to cope with disasters as local communities are the first responders.

HEADING 4: Global Europe**European Fund for Sustainable Development (EFSD)****Lead DG: DEVCO****I. Overview*****What the programme is about?***

In the framework of the External Investment Plan (EIP), the European Commission has established the European Fund for Sustainable Development (EFSD)⁵⁹⁰ to support investments in Africa and the Neighbourhood. The overall aim of the EFSD is to contribute to the goals of the United Nations 2030 Agenda for Sustainable Development, in particular poverty eradication, as well as to the commitments under the recently revised European Neighbourhood Policy. By supporting investments in Africa and the Neighbourhood, the EFSD also aims to address specific socioeconomic root causes of migration, including irregular migration, and to contribute to the sustainable reintegration of migrants returning to their countries of origin and to the strengthening of transit and host communities.

The EFSD is managed by the European Commission and implemented through two Regional Investment Platform (i.e. the African Investment Platform, AIP, and the Neighbourhood Investment Platform, NIP), which combine financing from the existing external blending facilities for Africa and the Neighbourhood with a newly developed EFSD Guarantee. This will enable using scarce public resources in an innovative way to mobilise public and private investment, thereby creating growth and employment opportunities, maximising additionality, delivering innovative products and crowding-in private sector funds.

Under the newly established EFSD Guarantee, the Commission will provide partial guarantees to eligible counterparts, which in turn will provide support to downstream beneficiaries through a wide range of financial instruments, including loans, guarantees, counter-guarantees, capital market instruments and other forms of credit enhancement, insurance, equity or quasi-equity participations. The EFSD Guarantee will cover portfolios of investments to be implemented by eligible counterparts in targeted areas, so-called Investment Windows. A first set of Investment Windows⁵⁹¹ include: sustainable energy and connectivity; micro, small and medium-sized enterprises (MSMEs) financing; sustainable agriculture, rural development and agribusiness; sustainable cities; digital for development.

Investment under the EFSD will be guided by development and sector policies of the beneficiary, and will help foster an enabling environment (governance, legislation and regulations) through the support provided under pillars 2 (Technical Assistance) and 3 (enabling the business environment) of the EIP.

EU added value of the programme

The EFSD is a bold new approach to support sustainable and innovative investment, going beyond the classical development assistance and building on the experience of existing blending facilities to maximise additionality, deliver innovative products and catalyse private sector investment. The new EFSD Guarantee, in particular, has been conceived as a powerful financial tool to stimulate and support investments in less developed and riskier countries whilst crowding in private sector players in areas and sectors in which they do not traditionally intervene. The EUR 1.5 billion EFSD guarantee plus the EUR 2.6 billion of the Africa and Neighbourhood Investment Platforms mobilised from existing cooperation instruments are expected to unlock private investment and mobilise an additional EUR 44 billion investment until 2020. The multiplying effect and the impact on the ground will thus be much higher than what could be achieved by an investment programme from individual Member States.

The operations financed or guaranteed through the EFSD represent a highly visible and effective tool in support of the Union's external action. In addition, by enabling joint operations – combining bilateral and EU grant funding with eligible finance institutions operations – the EFSD will generate greater coherence and better coordination between donors, in line with the Paris Declaration's principles on aid effectiveness. The pooling of Member States' resources will reinforce the EU's overall effort, while co-financing with non-EU financial institutions will further improve donor coordination and harmonisation.

Implementation mode

The EFSD Guarantee is to be implemented by eligible counterparts in indirect management mode following the established procedures within the blending framework. In line with Article 11 of the EFSD Regulation, eligible counterparts include a broad range of actors, both of public and private nature. These must undergo a 'pillar assessment' to verify that they have procedures which are as equally robust as those of the European Commission and can therefore be entrusted with budget implementation tasks. At present, pillar-assessed eligible counterparts for the Guarantee include: financial institutions such as the European Investment Bank and the European Bank for Reconstruction and Development; bilateral development banks in the Member States, such as Agence française de développement, Kreditanstalt für Wiederaufbau, Cassa Depositi e Prestiti, Agencia Española de Cooperación Internacional para el Desarrollo; European development finance institutions (EDFIs), such as France's Proparco, Dutch Development Bank - FMO, Germany's Deutsche Investitions- und Entwicklungsgesellschaft (DEG), Spain's COFIDES (c Compañía Española de Financiación del Desarrollo) ; and other regional and multilateral development banks, such as the African

⁵⁹⁰ Regulation (EU) No 2017/1601 of the European Parliament and of the Council of 26 September 2017

⁵⁹¹ Commission Decision C(2017) 7899 of 23 November 2017 on the establishment of the Investment Windows of the EFSD Guarantee.

Development Bank and the World Bank Group. In the absence of a “pillar assessment”, private entities are currently not having direct access to the EFSD Guarantee.

II. Programme Implementation Update

Implementation status (2016-2018)

On 14 September 2016, the Commission presented a proposal for a Regulation of the European Parliament and of the Council on the European Fund for Sustainable Development (EFSD) and establishing the EFSD Guarantee and the EFSD Guarantee Fund. The proposal was based on the Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank on Strengthening European investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan. The Regulation establishing the European Fund for Sustainable Development (EFSD), the EFSD Guarantee and the EFSD Guarantee Fund (hereinafter 'the EFSD Regulation') was adopted by the co-legislators on 26 September 2017.

Further to the adoption of the above Regulation, the EFSD has been implemented through a series of Commission Decisions including C (2016) 5917 of 14.09.2016 on the individual measure ‘Creation of Africa Investment Platform’ and repealing Decision C (2015) 5210;

- C (2016) 5917 of 14.09.2016 on the individual measure ‘Creation of Africa Investment Platform’ and repealing Decision C (2015) 5210;
- C (2016) 5837 of 14.09.2016 amending Implementing Decision C(2016)3436 final on the Neighbourhood Investment Facility, part of the European Neighbourhood wide Action Programme 2016 to be financed from the general budget of the European Union;
- C (2016) 5918 of 14.09.2016 on the individual measure for a contribution to the EFSD Guarantee Fund to be financed from the 11th European Development Fund;
- C (2017) 7693 of 22.11.2017 approving the asset management guidelines of the guarantee fund of the European Fund for Sustainable Development and amending Decision C(2005) 2992 concerning the management of the non-budget financial operations of the European Community (EC), the European Atomic Energy Community (Euratom), the European Coal and Steel Community (ECSC) in liquidation and subsequently the Assets of the Research Fund for Coal and Steel;
- C(2017) 7899 final of 23.11.2017 on the establishment of the Investment Windows of the European Fund for Sustainable Development Guarantee.
- C (2017) 8590 of 11.12.2017 amending Commission Implementing Decision C(2017)4638 final on the Neighbourhood Investment Facility (NIF) and the programme in Support to the Improvement in Governance and Management (SIGMA), part of the European Neighbourhood wide Action Programme 2017 to be financed from the general budget of the Union
- C (2017) 8728 of 13.12.2017 on the financing of the Guarantee Fund of the European Fund for Sustainable Development for 2017.
- C (2018) 7788 of 28.11.2018 on the Financing of the Guarantee Fund of the European Fund for Sustainable Development and Human Development of the Global Public Goods and Challenges programme for 2018;
- C (2018) 8804 of 13.12.2018 on the approval of the conclusion of EFSD guarantee agreements with selected eligible counterparts under the EFSD Guarantee.

For the EFSD guarantee, the entire available budget of EUR 1.54 billion was allocated in 2018 to selected proposals and the first guarantee agreement was signed in Vienna on 18 December 2018 with the Dutch Development Bank FMO for the NASIRA Risk-Sharing Facility.

In addition, for the blending instruments an amount of EUR 1.4 billion was allocated for projects in sub-Saharan Africa and EUR 0.7 billion for the projects in the EU Neighbourhood.

Key achievements

Overall, programmes and projects validated by the EFSD governance by the end of 2018 are expected to mobilise around EUR37 billion of investments, bringing the EU close to its target of unlocking EUR 44 billion by 2020.

On 23 November 2017 the Commission established a first set of Investment Windows for the EFSD Guarantee.⁵⁹² The Decision sets out the objectives of each investment window and, as such, of the support by the EFSD Guarantee to portfolios of investment to be implemented by the eligible counterparts in the targeted sectors, thus ensuring alignment with EU development objectives and priorities. The Investment Windows, which were endorsed by the EFSD Strategic and Operational Boards, cover five areas:

- Sustainable Energy and Connectivity;
- Micro, Small and Medium Sized Enterprises (MSME) Financing;
- Sustainable Agriculture, Rural Entrepreneurs and Agribusiness;
- Sustainable Cities;
- and Digital for Development.

⁵⁹² COM(2017) 7899 final, 23.11.2017.

Following the establishment of the Investment Windows, eligible counterparts were invited to propose investment programmes to be covered by the EFSD Guarantee. The response by the eligible counterparts was very positive: the Commission received 46 proposals from 12 partner institutions for a total value above EUR 3.5 billion, thus exceeding the current entire capacity of the EFSD Guarantee by over EUR 2 billion. On 20 June 2018, the EFSD Operational Board involving the EU Member States gave its green light to a first set of twelve guarantee tools to be supported under the EFSD, accounting for approximately EUR 800 million. Sixteen additional guarantee tools were approved by the EFSD Operational Board on 13 November, thus exhausting the present capacity of the EFSD Guarantee (i.e. EUR 1.54 billion until 2020). Taken together, these guarantee tools are expected to trigger estimated investments EUR 17.5 billion, out of which almost EUR 11 billion are to be invested by the private sector.

The first guarantee agreement was signed in Vienna on 18 December 2018 with the Dutch Development Bank FMO for the NASIRA Risk-Sharing Facility. As a result, the EU will extend a guarantee of up to EUR83 million to FMO (including up to EUR 8 million for Technical Assistance). This will enable FMO to mobilise investment of between EUR500 million and EUR1 billion, and contribute to addressing the high risks involved in lending to under-served entrepreneurs in partner countries across Africa and the EU’s Neighbourhood. It will benefit people who currently have difficulty borrowing money at affordable rates, such as:

- People who have been forced to flee other parts of their countries (internally displaced people) or to leave their country all together (refugees)
- Those who had fled but have recently returned to rebuild their lives (returnees)
- Women and young people aged 18-30

Evaluations/studies conducted

The ex-ante assessment of the EFSD Guarantee recognised the role of the Guarantee as a complementary tool to the grant and blending facilities already provided by the EU. It supported the implementation of the EFSD Guarantee through a number of eligible lead partners, under a framework similar to the Blending Investment Facilities, and encouraged the involvement of new private sector lead partners, including local and international financial institutions, as well as insurance and re-insurance companies and investments funds (while the latter might require further study as to their potential for leveraging the guarantees and market distortion).

Despite the early stage of implementation of the EFSD Guarantee, the Commission will prepare an implementation report of the EFSD. The report will cover the whole EFSD, i.e. the blending facilities, the EFSD Guarantee and its Guarantee Fund. It will assess the initial functioning of the EFSD.

Forthcoming implementation (2019-2020)

The remaining guarantee agreements with the financial institutions are expected to be signed during the course of 2019. Pursuant to Art.8 of the EFSD Regulation, the investment period, during which guarantee agreements for supporting investment programmes can be concluded with the eligible counterparts, will last until 31 December 2020. Eligible counterparts subsequently have four years to conclude agreements for underlying operations with co-financing partners, financial intermediaries or final beneficiaries. As a rule, the duration of the guarantees extended to eligible counterparts under each PIP should not exceed fifteen years.

Outlook for the period 2021-2027

On 14 June 2018, the European Commission presented the proposal for a Regulation of the European Parliament and of the Council, establishing the Neighbourhood, Development and International Cooperation Instrument, COM(2018)460 final. This proposal aims includes the financing the new European Fund for sustainable Development Plus (EFSD +) and building on the actions currently supported under the European Fund for Sustainable Development.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)						
Regulation (EU) 2017/1601 of the European Parliament and of the Council establishing the European Fund for Sustainable Development (EFSD), the EFSD Guarantee and the EFSD Guarantee Fund	2017 - 2020	350,0						
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Operational appropriations				275,0	25,0	25,0	25,0	350,0
Total				275,0	25,0	25,0	25,0	350,0

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	25,000	100,00 %	25,000	0,00 %	25,000	0,00 %	25,000	0,00 %
Authorised appropriations (*)	426,078	76,28 %	700,778	39,26 %	125,927	0,00 %	450,827	17,75 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The EFSD shall contribute to the achievement of the Sustainable Development Goals of the 2030 Agenda with a particular focus on sustainable growth, job creation, socio-economic sectors and on the support to micro, small and medium sized enterprises, thus addressing root causes of migration and contributing to sustainable reintegration of returned migrants in their countries of origin while maximising additionality, delivering innovative products and crowding in private sector funds.

Specific objectives

Specific Objective 1: The purpose of the EFSD as an integrated financial package shall be to support through the supply of financing capacity in the form of grants, guarantees and other financial instruments to eligible counterparts investments and increased access to financing starting in African and Neighbourhood partner countries.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020
		EUR million
Provisioning of the EFSD Guarantee Fund	01 03 08	25

In addition, a contribution of EUR 50 million from the European Development Fund in the form of assigned revenue is foreseen in 2020.

With the ambitious development goals set for the External Investment Plan and through the EFSD in particular, the Commission shall be able to monitor and evaluate the direct contribution (output level) and the direct (outcome) and indirect, medium-long term influence (impact) of operations supported by the EFSD against the main objectives of the initiative.

The contribution of the EFSD to sustainable and inclusive growth in partner countries will be measured against the objectives set by the EFSD Regulation with a series of outcome and impact indicators in relation to:

- Contribution to the achievement of Sustainable Development Goals
- Generation of sustainable and inclusive growth
- Creation of decent jobs
- Promoting gender equality and the empowerment of women and young people
- Positively impact on climate change
- Contributing to poverty eradication
- Addressing root causes of (irregular) migration, fostering sustainable reintegration of migrants returning to their countries of origin, and strengthening transit and host communities.

The Commission is in the process of establishing the Results Measurement Framework for the EFSD, based on the existing monitoring framework used for blending operations as well as a new scheme to be used for the EFSD Guarantee. This Results Measurement Framework will be used to monitor the implementation of the EFSD and will serve as a basis for reporting on the progress of supported operations. The Result Measurement Framework will cover three levels: (1) the EFSD as a whole, including both the EFSD Guarantee and the blending operations; (2) the Investment Platforms and Investment Windows; (3) the Investment Programmes under the EFSD Guarantee and the projects under the blending operations. The Commission will be responsible for monitoring and reporting under the first two levels, based on a set of pre-defined indicators. At programme and project level, the reporting on expected and actual operational results will be the responsibility of the lead Financial Institution. The list of indicators, the frequency and format of reporting will be part of the contracts signed with the eligible counterparts. The Commission expects to finalise the list of indicators for the EFSD by mid-2019.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
Contribute to achieving sustainable development in the partner countries in a coherent and consistent manner	9,8	9,8
Total	9,8	9,8

Programmation climate action

2014	2018-2019 estimates		2020 programming	Total
2017	2018	2019	2020	
107,3	9,8	9,8	9,8	136,7

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Mainstreaming of climate action

In order to fulfil the political commitments of the EU on climate action, renewable energy and resource efficiency, a minimum share of 28% of the funding allocated under the EFSD should be devoted to financing and investment operations relevant for these sectors.

It is estimated that the EFSD climate related contribution will reach a minimum 39% of the total guarantee amount, considering only the current allocation for the Sustainable Energy and Connectivity Window. This contribution will be further increased by projects from other windows that are also expected to have significant climate change mitigation and adaptation objectives.

The calculation is based on the share of climate change related expenditure estimated to reach, at minimum, 39% of the allocations from previous years. The actual amounts will be calculated once the guarantee agreements will be signed and implemented.

Gender mainstreaming

In the framework of the EIP, the EFSD will support the promotion of gender equality and the empowerment of women and young people. The following examples of projects have a specific gender focus:

The **Women's Financial Inclusion Facility** consist of a fund component and a Technical Assistance component used exclusively to finance the delivery of women's market strategies and organisational gender diversity assessments, in order to design and implement a Gender Action Plan for companies receiving investment. Building on the experience of its first fund, Women's World Banking specifically seeks to raise a USD 100 million blended finance, which will attract commercial investors to invest in women-focused inclusive finance institutions. Approximately 40% of the Fund is expected to be invested in Sub-Saharan Africa. In this way, it will reach a larger number of low-income women with a wide range of products and services, while achieving an attractive financial return. It will also create gender action plans for each portfolio company to close the gap on gender equality among the company's clients and in its employee base. The EU contribution to the project, led by KfW, is EUR10 million.

NASIRA Risk-Sharing Facility: Women are one of the target beneficiaries of the NASIRA programme, which aims to address the high risks, involved in lending to under-served entrepreneurs in countries neighbouring the EU and in Sub-Saharan Africa. It will give them access to investment loans by offering local financial institutions, such as banks and microfinance institutions, portfolio guarantees containing loans to entrepreneurs. The EU contributes to this project led by Dutch Development Bank (FMO) by extending a guarantee of up to EUR 75 million.

Social Impact Fund for Africa (SIFA): While focussing on projects that involve in particular women and young people of low incomes, SIFA will lower the current barriers to investment in, and increase the capital available for, more than 200 businesses engaged in digital innovation. It will do so by enabling investors to share the risks involved, and/or by lowering such risks considerably. The EU contributes to this project led by AfDB by extending a guarantee of up to EUR25 million.

5. Programme contribution to the Sustainable Development Goals

As provided by Article 3 of the EFSD Regulation, the purpose of the EFSD is to contribute to the achievement of the Sustainable Development Goals of the 2030 Agenda on sustainable development,⁵⁹³ in particular the SDG 1, poverty eradication, thus addressing specific socioeconomic root causes of migration and fostering sustainable reintegration of migrants returning to their countries of origin, and strengthening transit and host communities. Because of its breadth, the EFSD can contribute to a broad range of SDGsoften in an interlinked manner and with multiple benefits across goals. In this context, EFSD is particularly relevant for the SDG 7 affordable and clean energy, SDG 8 decent work and economic growth, SDG 9 Industry, innovation and infrastructure, SDG 11 sustainable cities and SDG 13 climate action.

Moreover, the financing and investment operations eligible for support through the EFSD Guarantee shall contribute, inter alia, to fostering sustainable development in its economic, social and environmental dimensions, and to the implementation of the 2030 Agenda, the European Consensus on Development⁵⁹⁴ and, where appropriate, the European Neighbourhood Policy, with a particular focus on the eradication of poverty, inclusive and sustainable growth, decent job creation, skills and entrepreneurship, gender equality and the empowerment of women and young people, socio-economic sectors and on the support to micro, small and medium sized enterprises, while pursuing and strengthening the rule of law, good governance and human rights, while maximising additionality, delivering innovative products and crowding in private sector funds.

⁵⁹³ United Nations General Assembly, "Transforming our world: the 2030 Agenda for Sustainable Development" (A/69/L.85).

⁵⁹⁴ "The new European Consensus on Development: Our World, Our Dignity, Our Future". Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission (OJEU C 210/1, 30.6.2017).

HEADING 4: Global Europe

Cooperation with Greenland

Lead DG: DEVCO

I. Overview

What the programme is about?

Located between the North Atlantic and Arctic Ocean, Greenland is the world's largest island. It is an autonomous territory within the Kingdom of Denmark and is the only Danish territory associated to the EU. Between 1973 and 1985, Greenland was part of the EU. Following a referendum held in 1982, it withdrew from the EU and is now associated to the EU under the Overseas Association Decision. Greenland is eligible for funding from the EU's general budget through the EU-Greenland Partnership. This has allowed for the continuation of strong relations between the partners and responds to the global challenges, allowing for the development of a proactive agenda and the pursuit of mutual interests. The partnership defines, in particular, the framework for policy dialogue on issues of common interest in areas such as (i) global issues concerning, inter alia, energy, climate change and environment, natural resources, including raw materials, maritime transport, research and innovation and (ii) Arctic issues.

Following the Council Decision 2014/137/EU of 14 March 2014 on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other, the Commission agreed with the Government of Greenland the "Programming document for the sustainable development of Greenland 2014-2020" which was signed on 28 October 2014. The education, vocational training and post-elementary school system has been chosen as the concentration sector for the cooperation between the Union and Greenland for the period 2014-2020. The two specific objectives and indicators follow those identified in the Council decision, complemented by indicators on education, taken from the programming document.

The overall objective of the new programme adopted in 2014 is to contribute to a higher standard of living through improved education, skills development and knowledge. This will ensure Greenland's continuous economic progress in the increasingly globalised world economy through provision of a critical mass of qualified, flexible people and a competitive workforce. Increased productivity in the working age population will reduce the growing pressure on the public finances resulting from the growing share of elderly people in the population. Furthermore, a highly educated and skilled labour force will reduce the economic dependence on single sectors and is a prerequisite for development and inclusive growth in emerging sectors.

EU added value of the programme

The EU-Greenland partnership has allowed for the continuation of strong relations between the partners and responds to the global challenges, allowing for the development of a proactive agenda and the pursuit of mutual interests. The partnership defines, in particular, the framework for policy dialogue on issues of common interest for either partner, providing the basis for broad cooperation and dialogue in areas such as (i) global issues concerning, inter alia, energy, climate change and environment, natural resources, including raw materials, maritime transport, research and innovation and (ii) Arctic issues.

As the framework for relations and dialogue with Greenland, the Greenland Decision remains relevant. Informal dialogue on e.g. the Arctic, high-level visits and cooperation in several fora have helped create a mutual understanding between the partners – the EU has gained a better understanding of the conditions in the Arctic, enabling it to better formulate relevant actions and policies, while Greenland supports the EU's application for an observer seat in the Arctic Council.

As the EU is the only donor besides the Kingdom of Denmark, the support allocated through the partnership brings an EU perspective to the development of Greenland. The conditions attached to EU Budget Support have strengthened Greenland's Public Financial Management system and the ability of its administration to plan and implement policies, including in sectors other than education (several ministries have begun to make 10-year plans). The conditions have also stimulated the government of Greenland to maintain the expenditures for education at a very high level of on average 25% of the Public sector budget, amounting to EUR 300 million per year of which this programme contributes around EUR 30 million per year. This conditionality is the crucial difference compared to the Danish block grant, which does not impose performance indicators.

Greenlanders enjoy the citizenship of the Member State to which they are constitutionally linked (Denmark), and subsequently hold EU citizenship, making for the corresponding parts of the Treaty to apply to them. The EU support strengthens the position of Greenland as an advanced outpost of the EU, based on the common values and history which links the two partners

Implementation mode

The EU provides financial support to the Greenland Education Sector through the implementation of a budget-support Sector Reform Performance Contract under Direct Management by the Commission. The Government of Greenland, through the Ministry of Education, Culture and the Church, is in charge of the implementation of the education programme together a visibility action plan. The Ministry of Finance is coordinating the accompanying action plan to maintain budget support eligibility of the Government of Greenland.

II. Programme Implementation Update

Following the Council Decision 2014/137/EU of 14 March 2014 on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other, the Commission agreed with the Government of Greenland the "Programming document for the sustainable development of Greenland 2014-2020" which was signed on 28 October 2014. The objectives and indicators follow those in the Council decision, complemented by indicators on education, taken from the programming document.

Implementation Status (2016-2018)

After Financing Agreements for 2014, 2015, 2016 and 2017, the Financing Agreement for the 2018 budget was signed with the Government of Greenland on 14 November 2018 (GL/2018/040-093). The Annual Work Plan 2018 was presented by the Government of Greenland and approved. Subsequently, the fixed tranche for the 2018 programme was paid in December 2018.

The Annual Implementation Report 2017 was received from the Government of Greenland providing adequate proof of programme implementation. The achievement rate was similar compared to the previous year, although one target out of five indicators was not met and one target partially met (*Transition rate to education 2 years after drop-out* and *Transition rate to education 1 year after elementary school* respectively). The variable tranche 2017 was paid in December 2018 amounting to EUR 4.6 million (74% of the total foreseen). During the latest Policy Dialogue Meeting in February 2019, the Government of Greenland and representatives of Greenland municipalities showed the further implementation of reforms in the Elementary School system and new planned reforms to increase the compulsory education age limit from 16 year to 18 years. The new reform will also create a cohesive and flexible education system based on 12 years of compulsory schooling, which in turn will create a basis for further education, both in Greenland and abroad. In addition, after an evaluation of the Teacher Training College, the Government implements reforms in the Teachers Education in order to align it with the reforms of the Elementary Schools. The Public Finance Management Reform Plan 2018-2020, a key element for Greenland to maintain its eligibility for budget support, went into implementation by the Ministry of Finance of the Government of Greenland.

Three Policy Dialog Meetings were held - one in Greenland (22-24 August 2018 in Qaqortoq, South Greenland) and two in Brussels (6-8 March 2018, and 6-8 February 2019). For each meeting an Aid-Memoire was signed between the Government of Greenland and the Commission detailing the main points discussed and conclusions reached.

Key achievements

Whereas Greenland Education Programme phase 1 (2007-2013) resulted in an increased capacity of the education system and a related improved general access to education, the emphasis during phase 2 (period 2014 – 2020) is on:

- increasing initiatives to reduce the dropout rate, including in vocational education and training (VET),
- improving the quality of the education system,
- the ability of the system to accommodate and include students who are in need of special attention,
- improvements in the transitions between different stages in the education system;
 - from elementary school to high school from 35.4% in 2013 to 40.0% in 2017 and targeted at 48% in 2020
 - from high school to higher education from 64.1% in 2013 to 46.3% in 2017 and targeted at 72% in 2020
- reducing the number of the 16 – 18 year olds outside the education system from 61.6% in 2013 to 60.1% in 2017 and to 40% in 2020.

Participation of children in the elementary schools upto the age of 15 is compulsory in Greenland and in general full participation of boys and girls is achieved. Participation in further education is not equal with more women attending and graduating in all types of education. Whereas 58.1% of female teenagers between 16 and 18 years do not attend education, 62.2% of male teenagers do not attend. Of the pupils enrolled into Vocational and Training (VET) education, 49.9% are women while 53% of the VET graduates are women. The graduation rate in VET education is 50.88% for women and only 44.87% for men.

Of the pupils enrolling in Highschool 60% are women, while 56% of the graduates of the Highschools are women. The graduation rate in Highschools is 55.42% for women and 47.15 % for men. From the graduates from the Highschools, 47.6% of women continue their education in Higher (=tertiary) education compared to 43.8% of men. Of all students enrolled in Higher education 68.4% are women and 31.6% men, while of the students completing their Higher education 64.3% are women and 35.7% are men.

These marked differences can partially be explained by the higher participation of men in the traditional occupations of hunting and fishing as well as their much higher employment in the industrial fisheries which is the most important economic sector in Greenland outside the government.

In the Annual Implementation Report 2017 the performance of the Greenland Education Programme II is measured against an agreed set of indicators. Targets for these indicators were set in the Annual Work Plan 2017. The indicators for the variable tranche payment for the Financing Agreement 2017 are shown in the table below with baseline values from 2013, targets and results for 2017 and weights used for the calculation.

Table: Variable tranche indicators

No.	Indicator	Weight 2017	Baseline 2013 ⁵⁹⁵	Target 2017	Result 2017	Target 2020	TA	CT
EU3	7 th grade test	0.20	56.25	58.25	59.25	63.00	1.5000	0.2000
EU4	Transition rate to education 1 year after elementary school	0.20	35.4 %	42 %	40.0 %	48%	0.6970	0.1394
EU8	Number of completions	0.20	968	996	999	1110	1.1070	0.2000
EU11	Transition rate to education 2 years after drop-out	0.20	41.4 %	45.0 %	39.6 %	50.0%	-0.5000	0.0000
EU13	Expenditure on education as percentage of total public expenditure***	0.20	25.8 %	25 %	25.3 %	25.0%	1.0000	0.2000
	Tranche	1.00						0.7394

* Target achievement in relation to baseline TA*** = (R-B)/(T-B)

** Contribution to tranche release CT*** = TA x W

*** If the target achievement is above 100% for a specific target, the figure of 100% will be used to calculate the amount to be released

Evaluations/Studies conducted

The The Mid-Term Review Report of the External Financing Instruments, which includes the Greenland Decision, was published by the Commission on 15 December 2017 and submitted to the Council and the European Parliament as required by Article 17 of the Common Implementation Regulation⁵⁹⁶. Accompanying this report is a Commission Staff Working Document; "Evaluation of the Council Decision on relations between the European Union, on the one hand, and Greenland and the Kingdom of Denmark on the other (Greenland Decision)" has also been published⁵⁹⁷.

An ex-post evaluation of the Greenland Decision will be undertaken in 2021 to be published by the Commission and submitted to the Council and the European Parliament as required by Article 17 of the Common Implementation Regulation.

Forthcoming implementation (2019-2020)

Following the external evaluations of the elementary schools and teacher training programme in 2015 and 2016 respectively, the Government of Greenland continues to focus on improving the elementary school system. However, challenges with regards to high dropout rates and low completion rates remain pertinent. The Government prepares an Educational Reform that seeks to create a cohesive and flexible education system based on 12 years of compulsory schooling (currently 10 years). A new law on Higher Education will be presented, which aims to fulfil the standards of the European certification ESG-2015. The Government of Greenland increases its focus on accessibility to education in view of the scattered population and limited infrastructure in Greenland. This includes initiative to strengthen distance learning for elementary and high school levels. Recommendations from a group of experts from Greenland, Denmark, Iceland and Canada to strengthen the quality of language training were received and are being incorporated into the Education Reform and the revised teacher training programme.

Targets for the various indicators used in the programme for the year 2020 are mentioned in section II.2 above.

Outlook for the period 2021-2027

The Commission has proposed to merge the Greenland Decision into the new Overseas Association Decision, covering support to all OCTs (see COM(2018)461 final). The cooperation programme with Greenland is expected to continue providing support to the Education Sector, probably in addition to one additional sector that still needs to be identified.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Council Decision 2014/137/EU of 14 March 2014 on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other	2014 - 2020	217,8

	Financial Programming (EUR million)							DB2020	Total Programme
	2014	2015	2016	2017	2018	2019			
Administrative support	0,2	0,2	0,2	0,3	0,3	0,3	0,3	1,8	
Operational appropriations	24,6	30,7	31,1	31,6	32,1	32,6	33,2	216,0	
Total	24,8	30,9	31,4	31,9	32,4	32,9	33,5	217,8	

⁵⁹⁵ The baseline 2013 values were amended for some indicators by letter of 9.11.2015 Ares(2015)4939504

⁵⁹⁶ https://ec.europa.eu/europeaid/sites/devco/files/mid-term-review-report_en.pdf

⁵⁹⁷ https://ec.europa.eu/europeaid/sites/devco/files/swd-mid-term-review-greenland_en_0.pdf

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	32,395	99,91 %	30,650	99,48 %	32,904	0,07 %	32,374	0,06 %
Authorised appropriations (*)	32,395	99,91 %	30,854	99,20 %	32,904	0,07 %	32,504	0,09 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General Objective 1: The EU/Greenland partnership aims to preserve the close and lasting links between the partners, while supporting the sustainable development of the Greenlandic society.

Indicator 1: Percentage of trade balance in GDP

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
-16.1%	-16.1%	-16.1%	-16.1%	-16.1%	-15.5%	-15.5%	-15%
	Actual results						
	-13.7%	-9.6%*	-11.7%	-2.7%			

No significant change in the trade balance for 2018, 2019 and 2020 is forecasted as only 2 small new mining activities have started up during 2018. The reduction in the trade deficit for 2017 is incidental and caused by the continuing high exports of fish and fisheries products and a reduction in importation of machines and vehicles. As the economy of Greenland is small, individual events, like the delivery of construction equipment for the new harbour and the prison construction in 2016, can have important effects on the trade balance which was elevated in 2016. The baseline and targets 2017 and 2020 have been recalculated by Statistics Greenland due to a change of methodology on their side.

*Source: Statistics Greenland; www.stat.gl, data have been extracted from the Greenland Figures 2018 (pamphlet provided by the Statistical Bureau of Greenland on an annual basis).

Specific objectives

Specific Objective 1: To support and cooperate with Greenland in addressing its major challenges in particular the sustainable diversification of the economy, the need to increase the skills of its labour force, including scientists, and the need to improve the Greenlandic information systems in the field of Information and Communication Technologies.

Indicator 1: Completion rate at high school, VET and higher education

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
51.1%				54%			60%
	Actual results						
	48.9%	49.3%	51.62%	50.8%			

Indicator 2: Share of age group outside education system

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
61.6%				57%			40%
	Actual results						
	63.5%	59.0%	56.5%	60.1%			

Indicator 3: Percentage of fisheries in total exports

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
89.8%		91%	91%	91%	89%		83%
	Actual results						
	91%	89.4%	87.4%	95.2%			

Source: Statistics Greenland; www.stat.gl, data have been extracted from the Greenland Figures 2018 (pamphlet provided by the Statistical Bureau of Greenland on an annual basis).

No significant change in the percentage of fisheries in total exports for 2014 to 2017 was realised as no new mining activities were operating during those years. It is forecasted that 2 small mines will be operating in 2018 and 2019, with however only a small economic effect on exports due to their small size. In fact, increased allowable catches and sustained high world market prices mean that fisheries will maintain its leading position in the economy in the near future.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020					
		Number	EUR million				
Support to the Greenland Education Programme Phase II	21 07 01	1	33.22				
Outputs	Number of outputs foreseen (F) and produced (P)						
	2014	2015	2016	2017	2018	2019	2020
Support to the Greenland Education Programme	F	1	1	1	1	1	1

Phase II	P	1	1	1	1			
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Specific Objective 2: To contribute to the capacity of the Greenlandic administration to formulating and implementing national policies in particular in new areas of mutual interest as identified in the PDS referred to in Article 4(1).

Indicator 1: Number of administrative staff completing training (participant days)

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
1350				1500			1500
	Actual results						
	1484	1467	1972	2466			

Indicator 2: Percentage of civil servants that are (long-term) residents in Greenland

Baseline 2013	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
87.2%							No target set by the government since it depends on external factors
	Actual results						
	87.8%	88.0%	87.7%*	87.6%			

•The definitions of the 2 indicators were changed following the signature of the Programming Document for the Sustainable Development of Greenland (C(2014)6775) on 28/10/2014, leading to modification of the baselines.

•Indicator 2 measures the civil servants with at least 5 years of residence in Greenland and the short term residents which were born in Greenland. Milestones and targets for indicator 2 have not been established as no specific support programme has been identified that influences this indicator directly. However, with a better educated population this indicator is indirectly influenced by the EU support to the education sector under Specific Objective 1. Data on this indicator are monitored and provided by Statistics Greenland.

Expenditure related outputs

Activities related to this objective are financed by the Government of Greenland directly without requiring support from the EU. Therefore there are no EU expenditures for this Specific Objective 2.

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output	Budget 2019	DB 2020
EU support for the sustainable development of Greenland*	7,5	7,4
Total	7,5	7,4

Programming climate action

2014-2017				2018-2019 estimates		2020 programming	Total
2014	2015	2016	2017	2018	2019	2020	
6,0	5,9	6,8	6,9	7,2	7,5	7,4	47,7

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

*This contribution is calculated each budget year following the same methodology and based for DB2020 on the following assumptions:

- that around 46.8% of the overall Greenland Education Programme II Budget is spent on building equivalent to EUR 25.64 million in the budget year (2017 is reference year for DB2020),
- that the current EU programme contributes 57.8% to the overall budget of the GEP,
- that the EU contribution allows the heavy investments in the school buildings and housing (dormitories)
- that most building activity under the GEP replaces old school buildings and especially old dormitories that the new buildings are 50% more energy efficient.

Gender mainstreaming

Relevant objective/output	Budget 2019 (EUR Million)	DB 2020 (EUR Million)
EU support for the human development of Greenland*	8.9	9.2

*This contribution is based on the following assumptions:

- around 50% of the children attending elementary school are female,
- 58.5% of the children completing further education are female (for 2017, female completion in high school, VET and higher education were respectively 56.0%, 53.0% and 64.3%),
- therefore overall 54.6% of the children benefitting from education in Greenland are female
- around 53.2% of the overall Greenland Education Programme II Budget is spent on non-building activity equivalent to EUR 29.1 million,
- the current EU programme contributes 57.8% of the overall budget of the GEP II.

5. Programme contribution to the Sustainable Development Goals

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all: The EU support to Greenland aims entirely at the Greenland Education Programme which contributes directly to the **SDG4** and ***SDG5 Achieve gender equality and empower all women and girls*** as expressed in its specific objectives:

1. Reduced inequality in education by ensuring a well-functioning pre-school and elementary school system, no matter where the children live. The elementary school system shall provide elementary school graduates with the skills needed for them to pursue further education
2. Increased quality of the education system with special emphasis on pre-school and elementary school and increased share of educated personnel in the system
3. Increased efficiency in the education system through reduced drop-out between stages in the system, increased completion in the post-elementary education system and a decrease in the time spent in the education system before graduation.

The overall objective of the programme (“to contribute to a higher standard of living through improved education, skills development and knowledge”) contributes to **SDG10 *Reduce inequality within and among countries***, especially in reducing the inequality within the country.

Financial Statement for the Macro Financial Assistance (MFA)

Lead DG: ECFIN

I. Overview

What the programme is about?

Macro-financial assistance (MFA) is a form of financial aid extended by the EU to partner countries experiencing a balance of payments crisis. It takes the form of medium/long-term loans or grants, or a combination of these, and is only available to countries benefiting from a disbursing International Monetary Fund programme. MFA is designed for countries geographically, economically and politically close to the EU. These include candidate and potential candidate countries, countries bordering the EU covered by the European Neighbourhood Policy (ENP) and, in certain circumstances, other third countries.

EU added value of the programme

The financial assistance provided under MFA operations and the policy measures attached to them aim at supporting the EU agenda vis-à-vis the recipient countries, notably by promoting macroeconomic and political stability in the EU's neighbourhood. The policy measures associated with MFA cover selected provisions related, where applicable, to the accession-related agreements, Stabilisation and Association Agreements, Association Agreements, Partnership and Cooperation Agreements and European Neighbourhood Policy Action Plans or equivalent documents. They also cover other conditions aimed at fostering a sustainable balance of payments and budgetary position, raising potential growth, promoting integration and regulatory convergence with the EU and strengthening public finance management.

MFA complements EU assistance under the "programmed" instruments (e.g. IPA, ENI) and maximises its effectiveness by alleviating the risks of disruption of the regular EU cooperation framework whilst at the same time laying the basis for structural change and sustainable economic and social development of the beneficiary countries. MFA is also complementary to the other EU crisis response mechanisms (e.g. the Instrument for Stability and humanitarian aid) and EIB lending.

When using loans, MFA operations increase the effectiveness of the EU budget through the leverage effect. MFA operations allow the EU as a whole to bundle financial resources and negotiate with recipient countries on modalities of the assistance and policy conditions as a unified actor. By complementing the resources made available by the IFIs and other donors, EU MFA contributes to the overall effectiveness of the financial support agreed by the international donor community.

Implementation mode

Management mode: Direct management. Type of EU assistance: Macro-financial assistance. Entities charged with implementation: Commission.

II. Programme Implementation Update

Implementation Status (2016-2018)

During the course of 2018, the Commission made important progress in the implementation of a number of MFA operations. These include:

(a) two MFA operations for which the Commission's legislative proposals were adopted by the co-legislators in 2016 and are being implemented:

Jordan II (EUR 200 million, in loans). The MFA Decision for Jordan II was adopted in December 2016. The first tranche (EUR 100 million) was disbursed in October 2017. The disbursement of the second and last tranche is foreseen in the first quarter of 2019, provided that the IMF programme is on track and the necessary conditions have been met.

Tunisia II (EUR 500 million in loans). The MFA Decision was adopted by the co-legislators in July 2016. The first tranche of EUR 200 million was disbursed in October 2017. The disbursement of the second tranche is envisaged in early 2019, while the third and last tranche is expected to be disbursed subsequently in 2019, provided that the IMF programme is on track and the necessary conditions have been met.

(b) one MFA operation for which the Commission's legislative proposal was adopted by the co-legislators in 2017:

Moldova (EUR 100 million, including EUR 40 million in grants). The MFA decision for Moldova was adopted by the co-legislators in September 2017. The first tranche of EUR 30 million may be disbursed in the first half of 2019, while the second tranche of EUR 30 million may be disbursed subsequently in 2019, provided that the IMF programme is on track and all the necessary conditions have been met.

(c) two follow-up MFA operations for which the Commission's legislative proposal were adopted by the co-legislators in 2018:

Georgia II. (EUR 45 million, including EUR 10 million is grants). The MFA operation was proposed by the Commission on 29 September 2017, and subsequently adopted by the co-legislators on 18 April 2018. The first tranche of EUR 20 million was

disbursed in December 2018. The second instalment of EUR 25 million (EUR 20 million in loans and EUR 5 million in grants) is envisaged in mid-2019, subject to fulfilment of a set of policy conditions laid down in the MoU.

Ukraine IV (EUR 1 billion in loans). The follow-up MFA operation for Ukraine was proposed by the Commission on 9 March 2018 and adopted by co-legislators on 4 July 2018. The first tranche of EUR 500 million was disbursed in December 2018. The second tranche of EUR 500 million in loans is expected to be disbursed in the first half of 2019, provided that the IMF programme is on track and that pending conditions are fulfilled.

Key achievements

Macro-Financial Assistance (MFA) is an EU financial instrument designed to address exceptional external financing needs of countries that are geographically, economically and politically close to the EU, in order to restore their macro-financial stability. It is conditional on the existence of an adjustment and reform programme agreed with the International Monetary Fund (IMF), and can take the form of either loans, for which the Commission borrows the necessary funds in capital markets and on-lends them to the beneficiary country, or, under certain circumstances, grants financed by the EU budget.

Following a request for assistance by the national authorities, the Commission assesses whether the necessary conditions are in place to propose MFA. Eligibility for MFA is guided by the Joint Declaration by the European Parliament and the Council adopted together with the decision providing further macro-financial assistance to Georgia of 2013⁵⁹⁸. The criteria for deciding whether the MFA will be in loans, grants or a combination of the two have been addressed in the above mentioned Joint Declaration as well as by a note that was endorsed by the Economic and Financial Committee in January 2011⁵⁹⁹ and relate mainly to the level of development of the recipient country and its debt sustainability and/or creditworthiness. Following the adoption of the proposal by the Commission, the European Parliament and Council adopt the Decision under the ordinary legislative procedure. The Commission and the beneficiary country agree on a Memorandum of Understanding (MoU) which will define the MFA programme conditionality, after having consulted the Member States Committee under comitology rules. Disbursement under the proposed MFA programmes is conditional on good progress by the beneficiary country with the IMF programme and on the implementation of the policy measures agreed in the MoU.

MFA has gained increasing prominence in the EU's external toolbox. Since 1990, the EU has implemented a number of MFA operations in candidate, potential candidate and neighbourhood countries, for a total amount of over EUR 10 billion. Since 2014, around EUR 4.19 billion have been disbursed and additional EUR 1.025 billion have been committed for and are expected to be disbursed between 2019 and 2020 (not considering the new MFA operations to be adopted soon or currently in the pipeline).

MFA volumes increased substantially following the global economic and financial crisis of 2008-2009, which profoundly affected the emerging economies of the European Union's neighbourhood. Six new MFA operations were approved between 2009 and 2010 in support of Armenia, Bosnia and Herzegovina, Georgia, Moldova, Serbia and Ukraine, accounting for a total of EUR 1.3 billion. The EU made an even greater use of MFA from 2011, partly reflecting the effects of the euro area's sovereign debt crisis and in response to regional developments. The political and economic upheavals in the Arab Mediterranean partner countries put heightened pressure on these countries' budgets and external financial positions, which led to an increased demand for MFA in 2012 and 2013, with requests for support from Egypt, Jordan and Tunisia. In 2014, the conflict in eastern Ukraine and the marked deterioration of the country's economic and financial situation triggered MFA support at an unprecedented level, all in the form of loans. Indeed, since 2014, a total of EUR 3.3 billion was disbursed to Ukraine under four MFA operations.

In response to persisting regional instability, in 2016 decisions on further MFA operations in Tunisia and Jordan were adopted, for a total amount of EUR 700 million, and in 2017 a new operation in Moldova for an amount of EUR 100 million was adopted. In 2018, two new, follow-up MFA operations in Georgia and Ukraine were adopted, for an amount of EUR 35 million and EUR 1 billion, respectively.

More details on past MFA operations, including under the current MFF, can be found in the Annual Report from the Commission to the European Parliament and the Council on the implementation of Macro-Financial Assistance to third countries, and related Staff Working Document⁶⁰⁰.

Evidence shows (see the ex-post evaluation reports published to date below), that MFA operations have contributed to restoring macroeconomic stability and returning the external financial situation of beneficiary countries on a sustainable path, whilst underpinning economic adjustments and structural reforms in the medium term through conditionality. However, given its specificities, MFA cannot be linked directly to identifiable outputs, and its concrete achievements are therefore difficult to assess.

Evaluations/studies conducted

All MFA operations are subject to an ex post evaluation, which is normally carried out within two years from the end of the availability period defined in the legislative decision granting assistance. The objective is twofold: (i) to analyse the impact of MFA on the economy of the beneficiary country and in particular on the sustainability of its external position; (ii) to assess the added value of the EU intervention.

⁵⁹⁸ Decision No 778/2013/EU of the European Parliament and of the Council of 12 August 2013 providing further macro-financial assistance to Georgia

⁵⁹⁹ "Criteria for Determining the Use of Grants in EU Macro-Financial Assistance", note of the European Commission to the EFC, January 2011.

⁶⁰⁰ The Annual Reports and Related Staff Working Documents can be found at following link: https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/international-economic-relations/macro-financial-assistance-mfa-non-eu-partner-countries_en

The evaluations carried out so far conclude that MFA operations do contribute, albeit sometimes modestly and indirectly, to the improvement of external sustainability, the macroeconomic stability and the achievement of structural reforms in the recipient country. In most cases, MFA operations had a positive effect on the balance of payments of the beneficiary country and contributed to relax their budgetary constraints. They also led to a slightly higher economic growth. The most recent completed ex-post evaluations of MFA operations are:

MFA I in Jordan: *"The evaluation concluded that the MFA, combined with a simultaneous IMF SBA programme, effectively contributed to the timely stabilization and the medium-term sustainability of Jordan's external financial and fiscal positions; [...], EU added-value was most prominent in reinforcing the promotion of structural reforms in several EU priority areas and in addressing short and medium-term social challenges".*⁶⁰¹

MFA I and II in Ukraine: *"The main conclusions from the evaluation are that the MFA, in part because of the speed of its deployment, had a positive impact on Ukraine's economy helping to stabilize the financial situation and avoided measures (such as further public spending cuts) that would have had serious negative social impacts. It also contributed to the reform effort in the country"*⁶⁰²

Ex post evaluations for the MFA programmes in the Kyrgyz Republic, Tunisia I and Georgia II are currently ongoing, and are expected to be finalised in 2019. Additionally, an MFA meta-evaluation is planned to be launched in the second half of 2019. This will provide a synthesis of the results of the evaluation studies of MFA operations carried out up to 2019. Furthermore, it will consider the reliability and relevance of the methodology, process, outputs, and outcomes of these evaluations.

All final reports of completed ex-post evaluations of MFA operations are published on https://ec.europa.eu/info/evaluation-reports-economic-and-financial-affairs-policies-and-spending-activities_en

Forthcoming implementation (2019-2020)

Currently, the pipeline of MFA programmes for 2019/2020 includes:

(a) Implementation of ongoing MFA operations, as described above. These include:

Jordan II (EUR 200 million in loans). The disbursement of the second and last tranche (EUR 100 million) is foreseen in 2019, subject to the successful implementation of the policy measures laid down in the MoU and satisfactory progresses with the IMF programme.

Tunisia II (EUR 500 million in loans). The second and third tranche (EUR 150 million each) are expected to be disbursed in 2019, subject to successful implementation of the policy measures laid down in the MoU and satisfactory progresses with the IMF programme.

Moldova (EUR 100 million, including EUR 40 million in grants). The first tranche of EUR 30 million is expected to be disbursed in the first half of 2019, while the second tranche of EUR 30 million may be disbursed subsequently in 2019, subject to fulfilment of political pre-conditions, successful implementation of the policy measures laid down in the MoU and satisfactory progress with the IMF programme.

Georgia II (EUR 45 million, including EUR 10 million in grants). The second tranche of EUR 25 million (EUR 20 million in loans and EUR 5 million in grants) is expected to be disbursed in mid-2019, subject to fulfilment of the policy measures laid down in the MoU and satisfactory progress with the IMF programme.

Ukraine IV (EUR 1 billion in loans). The second tranche of EUR 500 million in loans is expected to be disbursed in the first half of 2019, subject to successful implementation of the policy measures laid down in the MoU and satisfactory progress with the IMF programme.

(b) Launching of new MFA operations:

Jordan III: In a joint statement accompanying the MFA II Jordan decision, the Commission engaged to submit to Council and Parliament, if appropriate, a new proposal for extending and increasing MFA to Jordan, upon the successful conclusion of the second MFA operation to help the country maintain macroeconomic stability while preserving development gains and continuing with the country's reform agenda.

In addition, the European Commission may launch other new MFA operations, both in the enlargement and the neighbourhood regions, in 2019 and beyond, in view of the deteriorated economic environment in several of these countries as a result of, among other things:

- conflicts in some countries, which have a negative impact on the economy, notably through refugees/internally displaced persons (IDPs);
- terrorist attacks in some countries, which have a direct impact on some sectors of the economy and overall on economic sentiment, business environment and level of investment;
- deterioration of the economy of the major economic partner(s) of some EU neighbouring countries, which has a negative economic impact through the remittances, the trade and the currency/monetary channels;
- lower oil/gas prices;

⁶⁰¹ External evaluation available at: https://ec.europa.eu/info/sites/info/files/economy-finance/ex-post_evaluation_mfa-i_jordan_definite_final_report_ares.pdf

⁶⁰² External evaluation available at: https://ec.europa.eu/info/sites/info/files/economy-finance/evaluation_of_mfa_i_and_ii_to_ukraine_-_final_report_ecfin.pdf

- internal shocks in some countries (e.g. banking crisis) and/or structural weaknesses translating into high fiscal deficit and/or current account deficit.

Outlook for the 2021-2027 period

According to the Commission proposals for the MFF 2021-2027, MFA will maintain its current legal status, with assistance being granted on the basis of case-by-case Decisions adopted by Ordinary Legislative Procedure (OLP) under Article 209, 212 or 213 TFEU. MFA will remain separate from the new Neighbourhood, Development and International Cooperation Instrument (NDICI), proposed by the Commission in June 2018 in the context of the MFF 2021-2027 package.

NDICI foresees the creation of a new External Action Guarantee (EAG), in support of the new European Fund for Sustainable Development + (EFSD+) operations as well as MFA and Euratom loans, building on the existing Guarantee Fund for External Actions and the EFSD Guarantee. The total volume of operations under the EAG will amount to up to EUR 60 billion, of which EUR 14 billion is earmarked for MFA loans to be provisioned at a rate of 9% as is currently the case. This is consistent with the EUR 2 billion annual lending volume for MFA agreed in the Mid-term Review of the Multiannual Financial Framework 2014-2020, confirming the strong European value added and high leverage of the instrument. The related provisioning will be financed from the geographical lines of NDICI and from the new Instrument for Pre-accession Assistance, depending on the countries concerned.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application						Reference Amount (EUR million)	
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	
Operational appropriations	38,3	0,5	0,4	40,3	10,6	27,0	27,0	144,1
Total	38,3	0,5	0,4	40,3	10,6	27,0	27,0	144,1

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	10,586	97,34 %	10,186	50,09 %	27,000	0,00 %	27,000	0,13 %
Authorised appropriations (*)	10,586	97,34 %	10,186	50,09 %	27,000	0,00 %	27,000	0,13 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

General objectives

General note: Given the specificities of MFA, a precise assessment of its impact is difficult to make, as effects on macroeconomic variables over time cannot be uniquely attributed to MFA operations. In addition, as MFA is by nature a short-term crisis related instrument spanning over 2 to 3 years maximum, it is not possible to quantify its objectives in terms of indicators/milestones beyond the horizon of the MFA operations themselves or, at most, of the beneficiary countries' programmes agreed (or to be agreed) with the IMF. Therefore, the indicators are aligned with the timing of implementation of each individual MFA operation, with the baseline put at the year of application for MFA by the beneficiary country and the target for 2020 consistent with the availability period for the MFA.

General Objective 1: Restoring a sustainable external finance situation for countries facing external financing difficulties							
Indicator 1: Official foreign exchange reserves in months of imports of goods and services. Source of data: IMF							
Countries Baseline: Beneficiary countries' international reserves position in year of application	Milestones foreseen (as defined under the latest IMF programme review/forecast)						Target 2020: Maintain adequate level of foreign reserves broadly covering 3 months of imports and short-term foreign debt by the end of the programmes.
	2014	2015	2016	2017	2018	2019	
Jordan 7.6 (2016)					6.4	7.1	7.5
	Actual results						
			7.6	7.3			
Georgia						3.3	3.4

3.3 (2017)	Actual results						
				3.3	3.6	3.8	
Tunisia 4.7 (2015)	Actual results						4.0
		4.7	3.5	3.3	2.7	3.1	
Ukraine 3.3 (2017)	Actual results						3.2
				3.3	3.5	5.3	
Moldova 4.4 (2015)	Actual results						5.3
		4.4	4.6	5.0			

Specific objectives

Specific Objective 1: Providing macro-financial assistance to third countries in resolving their balance of payment crises and restoring external debt sustainability

Indicator 1: Current account balance (% of GDP). Source of data: Central Banks, IMF

Countries Baseline: Beneficiary countries' current account balance (% of GDP) in year of application	Milestones foreseen (as defined under the latest IMF programme review/forecast)						Target 2020
	2014	2015	2016	2017	2018	2019	
Jordan -9.4% (2016)					-8.5	-8.5	-8.2
	Actual results						
	-		-9.4	-10.5			
Georgia -8.8% (2017)					-9.0	-9.5	-9.3
	Actual results						
				-8.8			
Tunisia -8.9% (2015)						-8.5	-7.8
	Actual results						
		-8.9	-9	-10.5	-11		
Ukraine -2.2% (2017)					-3.3	-2.9	-2.2
	Actual results						
				-2.2			
Moldova -6.1% (2015)					-7.4	-6.3	-6.4
	Actual results						
		-6.1	-3.6	-5.9			

Indicator 2: External debt (% of GDP). Source of data: Central Banks, IMF

Countries Baseline: Beneficiary countries' external debt (% of GDP) in year of application	Milestones foreseen (as defined under the latest IMF programme review/forecast)						Target 2020
	2014	2015	2016	2017	2018	2019	
Jordan 37.0% (2016)					40.2	44.8	47.2
	Actual results						
			37.0	39.9			
Georgia 113.2% (2017)					108.9	113.3	111.5
	Actual results						
				113.2			
Tunisia 67.8% (2015)					89.4	91.7	93
	Actual results						
		67.8	78	82.6			
Ukraine 104.1% (2017)					95.5	92.3	86.7
	Actual results						
				104.1			
Moldova 79.4% (2015)					77.6	77.0	78.9
	Actual results						
		79.4	77.8	72.8			

Expenditure related outputs

Outputs	Budget line	Budget 2019		Draft Budget 2020	
		Number	EUR million	Number	EUR million
MFA grant commitments to third countries	01 03 02	1	26.4	1	26.4
Operational assessments, PEFA* studies and ex post evaluations	01 03 02	4	0.6	4	0.6
Total		5	27.0	5	27.0

* Public Expenditure and Financial Accountability

Programme related additional information

Commitments for grants 2017-2020 (tentative) - in million EUR

	2017	2018	2019	2020	Total 2017-2020
New MFA operations	40.3	10.6	27.0	27.0	104.9
Total	40.3	10.6	27.0	27.0	104.9

Payments for grants 2017-2020 (tentative) - in million EUR

	2017	2018	2019	2020	Total 2017-2020
MFA Moldova			20.0	20.0	40.0
MFA Georgia	10.0	5.0	5.0		20.0
New MFA operations			2.0	7.0	9.0
Total	10.0	5.0	27.0	27.0	69.0

MFA loan disbursements in 2017-2020 (tentative) - in million EUR

	2017	2018	2019	2020	Total 2017-2020
MFA Ukraine III	600				600
MFA Ukraine IV		500	500		1000
MFA Georgia I	13				13
MFA Georgia II		15	20		35
MFA Jordan II	100		100		200
MFA Tunisia I	100				100
MFA Tunisia II	200		300		500
MFA Moldova			40	20	60
Other new MFA operations*				950	950
MFF MTR budget allocations**				1030	1030
Total	1013	515	960	2000	4488

*Only identified new operations that are in the process of being approved or are being planned.

**These figures include new MFA operations in line with MFF MTR projections, in response to the needs of countries in the neighbourhood.

General note: Given the specificities of MFA, a precise assessment of its impact is difficult to make, as effects on macroeconomic variables over time cannot be uniquely attributed to MFA operations. In addition, as MFA is by nature a short-term crisis related instrument spanning over 2 to 3 years maximum, it is not possible to quantify its objectives in terms of indicators/milestones beyond the horizon of the MFA operations themselves or, at most, of the beneficiary countries' programmes agreed (or to be agreed) with the IMF. Therefore, for years going beyond the MFA operation or the IMF projections, the figures reflect the latest data available.

A hand holding a white card with a grid of yellow squares, set against a teal background with a white diagonal stripe. The card is held by a hand with a yellow band on the thumb. The card has a grid of yellow squares, some of which are slightly offset, creating a 3D effect. The text "Special instruments" is centered on the card.

**Special
instruments**

9: Special Instruments

Special Instruments

European Globalisation Adjustment Fund (EGF)

Lead DG: EMPL

Associated DGs: BUDG

I. Overview

What the programme is about?

The European Globalisation Adjustment Fund (EGF) is intended to provide support to workers made redundant as a result of major structural changes in world trade patterns due to globalisation or the negative effects of the global economic and financial crisis.

The EGF is an emergency relief instrument. It co-finances active labour market policy measures organised by the Member States to help the redundant workers. The implementation of cases takes the form of coordinated packages of personalised services which consist of tailor-made assistance. The EGF can co-finance a range of services for the redundant workers, from guidance, careers advice, coaching and training courses to assistance in setting up their own business. These services help the workers re-position themselves on the labour market and return to employment as quickly as possible by enabling them to update their knowledge and skills, or benefit from other suitable means, e.g. mobility allowances, child care allowance.

EU added value of the programme

The opening of economies to international competition brings new opportunities in terms of competitiveness and the creation of high-quality jobs. However, the opening of trade can also have negative consequences, including redundancies in some sectors and areas of the EU. The European Globalisation adjustment Fund addresses the adverse effects of globalisation, strengthens overall participation in the labour market and demonstrates the EU's solidarity with the workers affected. The scope of the fund has been broadened for the 2014-2020 period to include support for workers made redundant as a consequence of a global financial and economic crisis, fixed-term and temporary agency workers, self-employed workers and also under certain circumstances young people not in employment, education or training ("NEETs"). Union involvement through the EGF allows it to complement national and ESF resources available for the re-integration of workers made redundant as a consequence of trade related globalisation and a global financial and economic crisis.

Practice has shown that the EGF allows Member States to offer targeted beneficiaries better tailor-made and more in-depth assistance than would be possible without it, including measures to which they would not normally have access (e.g. third-level education). The EGF allows Member States to pay particular attention to vulnerable people, such as lower-skilled or those with a migrant background, and to provide support with a better counsellor-beneficiary ratio and/or over a longer period of time than it would be possible without the EGF.

The result of the beneficiary survey, carried within the frame of the EGF mid-term evaluation, has shown that 67% of the respondents were of the opinion that the EGF is creating EU added-value by offering assistance to workers made redundant in major restructuring events.

Implementation mode

Shared management with Member States

II. Programme Implementation Update

Implementation Status (2016-2018)

Between 2014 and 2018 a total of 51 applications have been submitted by 12 Member States (BE, DE, EE, ES, FI, FR, GR, IE, IT, NL, PT and SE) out of which 3 have later been withdrawn. The other 48 applications met the funding criteria, therefore resulted in the mobilisation of EUR 155 366 514 from the EGF funding for the benefit of 44 963 targeted workers and 4 099 NEETs.

29 out of 48 applications were submitted under the trade-related globalisation criterion and 19 under the economic and financial crisis criterion. The cases cover 25 different sectors, with the retail sector (6 cases) and the automotive sector (5 cases) being the sectors most often subject to EGF applications during the period under consideration.

Based on the experiences made during the previous programming period, several changes were introduced in the EGF Regulation for 2014-2020 as to speed up the application process significantly (up to 20 weeks as compared to 41 in the previous programming period). Besides procedural changes, the Commission also intensified its guidance measures to Member States.

Key achievements

The overall aim of each case is to ensure that the largest possible number of beneficiaries find sustainable employment as soon as possible.

Based on the final reports received from 2014 until 2018, it can be observed that on average 53% of the targeted workers have taken up new employment following EGF intervention, a figure that in general rises during the six to twelve months after the end of EGF support. As regards the final reports received in 2018, the re-employment rate is significantly higher and reaches 67%; however, it varied from 41% to 84%. Taking into consideration that the beneficiaries supported by EGF co-funded measures are usually among those facing the greatest difficulties on the labour market, these results are very encouraging.

It is worth pointing out that the results in terms of reintegration into work are influenced by absorption capacities of local and regional labour markets in the aftermath of the global economic and financial crisis. Hence, the reintegration rate is very case specific, it may considerably differ depending on the specific economic sector, and the area concerned.

Furthermore five Member States (BE, IE, GR, ES and PT) have targeted 4 099 NEETs through EGF measures.

In terms of both operational effectiveness and efficiency, the EGF Computer programming case in Finland can be regarded as a very successful project and best practise example. At the end of implementation period, 83% of the workers who benefited from the assistance have found reemployment. One of the challenges was that the eligible workers were employed by 69 companies located in 4 regions. That requested a huge organisational and coordination workload for the implementing bodies. Other key elements that played an important role in providing such good results were: 1) proactivity and early respond which helped to reach workers fast; 2) training based on market needs; 3) partnership between the private and public sector; 4) genuine cooperation and sharing of good practices between different regions which helped to generate good ideas for ways to find employment for the target group.

Evaluations/Studies conducted

The biennial report on the EGF activities in 2017 and 2018 will be published in 2nd semester of 2019.

2. Report from the Commission on the mid-term evaluation of the European Globalisation Adjustment Fund COM(2018) 297 was published on 16/05/2018. The mid-term evaluation covered 29 EGF applications and found that there are a number of positive effects arising from EGF support: (some 92 % of the respondents confirmed that):

- EGF increases not only the overall number of services, but also the variety of services offered
- EGF intensifies the regular services offered. For example, in a Spanish case, the case providers determined that the per capita amount available was almost five times higher with the EGF than with regular measures, enabling a far more personalised approach.
- Additional EGF measures raised awareness in the sense that other service providers stepped in to offer additional funding and to re-programme some funds initially earmarked for different purposes.
- In several countries the duration of specialised services was extended compared to what was available at national level.

The evaluation on the other hand pointed out several areas for improvement:

- The exact scope of the EGF and the criteria that trigger its use could be further defined (the notions of 'significant impact', globalisation and crisis are sometimes ambiguous). A possible solution would be the widening of the scope to all large-scale redundancy events that cause a significant impact on the regional economy and labour market. This simplification would also speed up the mobilisation of EGF assistance by a few weeks.
- Regarding the monitoring framework, the evaluation suggested the need for Member States to collect more detailed data, especially regarding the category of workers (professional and educational background) and their employment status (e.g. type of employment found).
- Furthermore it showed that Member States that would have had a potential EGF case refrained from applying for EGF assistance due to lack of institutional capacity, which could be addressed with enhanced technical assistance.

Finally, the evaluation showed that EGF assistance, if offered to NEETs, is picked up by a very high degree. However, thoughts should be given to whether the EGF is the right avenue to offer such assistance or if other channels would offer better chances of reaching out to the young people concerned.

Forthcoming implementation (2019-2020)

In order to promote the exchange of best practices and discuss issues of common interest EMPL organises biannually EGF Contact Persons' Meetings (CPM), inviting the Member States' representatives responsible for managing the EGF cases on the ground. In 2019 these meetings have been planned in March (in Greece) and in October (place to be confirmed).

At the same time as the CPM, the Commission organises the EGF Networking Seminars, which appeal to policy makers, project promoters, counsellors, trade unions and beneficiary representatives. The Commission will continue to conduct monitoring visits in the Member States, and to attend events or conferences related to the EGF in the Member States.

Outlook for the period 2021-2027

In regard to post-2020 Regulation on the EGF (COM/2018/380 adopted on 30/05/2018), the Commission will continue to support the negotiations by providing expertise to both Council and Parliament, aiming at the adoption of a final proposal as balanced as possible that can possibly accommodate the needs of all Member States. The Commission has proposed a much larger scope of the EGF post 2020, so that it can respond to the ever-changing world of work. Flexibility and simplification has been at the core of the Commission proposal.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application						Reference Amount (EUR million)	
Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006	2014 - 2020							
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Administrative support	0,3	0,6	0,4	0,3	0,3			2,0
Operational appropriations	120,1	159,3	165,2	168,6	172,0	175,7	179,3	1 140,2
Total	120,4	159,9	165,6	168,9	172,3	175,7	179,3	1 142,2

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	172,302	16,24 %	5,600	95,53 %	175,748	0,00 %	10,000	0,00 %
Authorised appropriations (*)	212,861	13,15 %	43,902	63,67 %	196,872	0,00 %	31,331	0,25 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific objectives

Specific Objective 1: To contribute to smart, inclusive and sustainable economic growth and to promote sustainable employment in the Union by enabling the Union to demonstrate solidarity towards and to support workers made redundant and self-employed persons whose activity has ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis addressed in Regulation (EC) No 546/2009, or as a result of a new global financial and economic crisis

Indicator 1: Proportion of redundant workers reintegrated into employment following EGF supported measures

Baseline 2012	Milestones foreseen						Target 2020
	2014	2015	2016	2017	2018	2019	
47 % *	Actual results*						> 50 %
	47 %	46%	47%	57%	67%		

*These figures are based on the results reported by the MS in the final reports submitted to the EC by calendar year.

The increase mostly results from the economic recovery in the Member States concerned, combined with targeted measures that help beneficiaries reintegrate quickly. It is important to note that reintegration rates vary widely not just across Member States, but also within Member States, depending on the regions or sectors concerned, the profiles of beneficiaries, etc.

Expenditure related outputs

Outputs	Budget line	Draft Budget 2020	
		Number	EUR million
Active labour market policy (ALMP) measures for workers made redundant as a result of changes in world trade and for NEETs	04 04 01		

Outputs		Number of outputs foreseen (F) and produced (P)						
		2014	2015	2016	2017	2018	2019	2020
Active labour market policy (ALMP) measures for workers made redundant as a result of changes in world trade (number people)	F	na	na	na	na	na	na	na
	P	13 848	13 273	5 030	11 166	1 730		
Measures supporting NEETs (number people)	F	na	na	na	na	na	na	na
	P	1 893	1 051	0	425	730		

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

75% of the population aged 20-64 should be employed
20 million less people should be at risk of poverty
100% (lines 04 04 01 + 40 02 43)

Gender mainstreaming

The EGF Regulation (Art.12) provides for the Commission and the Member States to ensure that equality between men and women and the integration of the gender perspective are an integral part of and promoted during, the various stages of the implementation of the financial contribution from the EGF. To that end, the Member States formally confirm the respect of this principle at the time of application, where they provide a breakdown of the workers targeted for assistance. This is however, a general principle applied across the implementation of the EGF and it is not relevant to produce estimate of budget contributions.

Between 2007-2018, the greatest number of redundant workers (in total 50%) was targeted in the sectors (motor vehicles, computer, electronic, machinery and construction of buildings) in which traditionally employ much more men than women. As consequence, the biggest share of workers made redundant and then targeted by the EGF applications are male (68% men and 32% women targeted for assistance).

5. Programme contribution to the Sustainable Development Goals

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all: Measures aimed at upgrading and updating skills are among the core measures offered by EGF assistance. Long-term educational programmes are eligible for EGF funding until the due date of the final report (thus 6 months longer period of eligibility than other measures).

SDG 5 Achieve gender equality and empower all women and girls: In many EU Member States, in certain areas, men are the disadvantaged. This is especially true for mass redundancy cases triggered by globalisation or the financial crisis – by far the biggest share of workers made redundant are male. The EGF is helping to achieve gender equality by providing help to such dismissed workers.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all: As stipulated by the EGF Regulation, the aim of the fund is to contribute to smart, inclusive and sustainable economic growth and to promote sustainable employment in the EU by enabling the Union to demonstrate solidarity towards, and to support workers made redundant. Thus, sustainability and inclusiveness are one of the core values of the EGF and the Member States, when drawing their application, should favour measures that strive towards the reintegration into sustainable employment. They are invited not only to show how the measures are compatible with the shift towards a resource-efficient and sustainable economy, but also how to foster this shift. Furthermore, EGF measures should particularly stimulate disadvantaged persons to return to the labour market.

EGF measures promoting high quality employment and decent work for all are the core of the EGF. Job creation and fostering entrepreneurship are in the focus of many EGF cases. The goal to achieve higher levels of economic productivity through diversification, technological upgrading and innovation is indirectly supported by upgrading and updating skills of workers made redundant due to restructuring events, and by making them ready for future job market needs. Under certain circumstances NEETs are also covered by EGF measures.

SDG 10 Reduce inequality within and among countries: The EGF is an emergency fund and is only mobilised in redundancy events that have a significant impact on the regional economy. By offering upskilling measures to workers made redundant, the EGF helps such regions to offer measures to make the workers ready for future labour market needs, fostering economic growth. Many EGF cases also include measures that foster responsible mobility of displaced workers.

Comprehensive information on the final performance of 2007-2013 EGF was reported in the 2019 programme statement.

Special Instruments

European Union Solidarity Fund (EUSF)

Lead DG: REGIO

I. Overview

What the programme is about?

The European Union Solidarity Fund (EUSF), created in 2002, can be mobilised in the event of major and regional disasters upon application from the national authorities of the country concerned; the Commission may not activate it upon its own initiative. Financial assistance from the EUSF is awarded from appropriations raised by the budgetary authority (Council and European Parliament) over and above the normal EU budget. This ensures that in each case EUSF aid comes as an expression of solidarity with the full backing of Member States and the Parliament, not just as an administrative act of the Commission.

EU added value of the programme

Solidarity is one of the core values of the European Union and a guiding principle of the European integration process. The European Union Solidarity Fund (EUSF), is one of the most concrete demonstrations of solidarity between Member States in acute times of need caused by the occurrence of a severe **natural** disaster by providing financial assistance to Member States and to countries negotiating their accession to the EU.

Implementation mode

The EUSF financial contribution helps alleviate national/regional budgets from the financial burden inflicted on them by the need to respond to natural disasters. It is implemented under the principle of shared management (indirect management for eligible non-Member States) and can be used to (re-)finance emergency measures from day one of the disaster. Eligible measures include the restoration to working order of basic infrastructure, providing temporary accommodation and funding rescue services to help the population affected, securing of preventive infrastructure, protection of the cultural heritage and cleaning-up operations. In order to have greater budgetary effect there is no national co-financing requirement.

II. Programme Implementation Update

Implementation Status (2016-2018)

The EUSF is activated upon request of an eligible State when major or regional natural disasters eligible for EUSF aid occur, such as earthquakes, floods, droughts, forest fires, storms, etc. Eligibility is essentially determined by total direct damage which must exceed a threshold specific to each Member State/country negotiating EU accession or region at NUTS level 2. The number and size of eligible disaster determines the amount of spending in a given year. The total annual budgetary allocation to the Fund which is laid down in the multi-annual financial framework is a ceiling rather than a spending target. The EUSF is therefore not programmable for example like the ESI Funds, as it entirely depends on the unpredictable occurrence, nature and magnitude of these disasters.

In 2019, the Commission, so far, received only one application, namely from Austria relating to floods and extreme weather at the end of 2018 and is currently being assessed.

In 2018, the Commission received four applications, namely from Bulgaria relating to flooding in 2017, from Cyprus relating to the drought in 2017- 2018, from Italy relating to the floods of 2018 and from Romania relating to flooding of 2018. Bulgaria received the payment of the EUSF financial contribution amounting to EUR 2.258 million in November 2018. The assessment of the 3 other cases continued into 2019.

Since 2015, under the terms of the EUSF Regulation as revised in 2014, Member States, when submitting their EUSF application, have the possibility to request an advance payment of 10 % of the anticipated aid amount, limited to a maximum of EUR 30 million. The applications received during 2018 did not request the payment of an advance or did not meet the requirements of the Regulation.

For each case, following the adoption of the mobilisation decision by the budgetary authority and prior to making the payment, the Commission adopts an implementing decision addressed to the beneficiary State, specifying the conditions for the use of the money (with indicative amounts per measure). Spending is limited to the four types of eligible emergency and recovery operations laid down in the EUSF Regulation. None of the EUSF cases from 2015 and 2016 mentioned above have been closed yet as the financial contribution from the Fund is to be used within 18 months from the date on which the Commission has disbursed the full amount of the assistance. Eligibility starts however from the first occurrence of the damage and costs (for emergency and recovery operations) taken before the Commission's decision may therefore be eligible for the intervention too. After the end of the 18 months implementation period, the beneficiary State has six months to present a report on the implementation of the financial contribution from the Fund with a statement justifying the expenditure incurred. It should be noted that the EUSF was not set up with the aim of meeting all the costs linked to natural disasters. The Fund is limited in principle to non-insurable damage and does not compensate for private losses. Long-term action – such as lasting reconstruction, economic redevelopment and prevention – are not eligible for

EUSF aid. In most of the above cases, the beneficiary States decided to dedicate EUSF aid for the restoration of public infrastructure.

Key achievements

In 2018 the Commission paid out EUSF contributions totalling EUR 151 889 676 for 9 applications relating to disasters which all occurred in the course of 2017: namely one case from France (hurricanes Irma and Maria), two cases from Greece (earthquakes in Lesbos and Kos), Latvia (flooding), Lithuania (flooding), Poland (storm), Portugal (major forest fires), Spain (fires in Galicia) and Bulgaria (flooding). Additional amounts totalling EUR 4 million had already been awarded as advance payments to France, Greece and Portugal during 2017.

After assessment of the implementation reports and independent audit opinions received for earlier EUSF cases, the Commission also closed 2 interventions concerning France (2010 cyclone Xynthia) and Poland (2010 flooding).

The EUSF contribution is determined by awarding 2,5 % for the part of total direct damage up to the "major disaster" threshold and 6 % for the part of the damage exceeding the threshold; accordingly, for regional disasters and disasters accepted under the "neighbouring country" provision, the EUSF contribution is 2,5 % of total direct damage. The overall impact of the EUSF is targeted on the affected population. However as, by its nature, the EUSF cannot follow the programme approach (unlike the ESI Funds), it is usually not possible to identify the specific part of the population or areas covered by the EUSF intervention alone as most emergency and recovery operations are substantially covered by the beneficiary State's own budget.

Relevant findings of evaluation and/or programme related studies' (if any)

In September 2017 an external in-depth ex-post evaluation of the EUSF was launched and is expected to be completed during the first half of 2019. The purpose of the ex-post evaluation is to assess the implementation and performance of the financial assistance provided by the EUSF over the period 2002-2016. The evaluation will assess also the synergies between the reformed EUSF and other EU policy instruments in contributing to strengthened measures for the prevention and management of natural disasters in beneficiary States. It is intended to enhance policy learning and ensure transparent communication on the implementation and performance of the instrument.. The evaluation results will be disseminated to the general public, national and regional authorities, the Council, the European Parliament, the Court of Auditors, as well as to stakeholders interested in the activities and the performance of the EUSF.

Forthcoming implementation (2019-2020)

The occurrence of natural disasters cannot be predicted and applications are submitted if and when an eligible State decides to make an application following the ad hoc nature and impact of such natural disasters.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application		Reference Amount (EUR million)					
Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund, amended by Regulation (EU) No 661/2014 of the European Parliament and of the Council of 15 May 2014	2014 - 2020							
	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	DB2020	Total Programme
Operational appropriations	126,7	82,8	81,5	1 241,2	181,6	50,0	50,0	1 813,8
Total	126,7	82,8	81,5	1 241,2	181,6	50,0	50,0	1 813,8

2. Implementation rates

	2018				2019			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	181,638	83,62 %	176,638	85,99 %	50,000	0,00 %	50,000	0,00 %
Authorised appropriations (*)	181,638	83,62 %	176,638	85,99 %	79,749	0,00 %	50,000	0,00 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2019

3. Performance information

Specific Objective 1: To grant financial assistance to Member States or countries negotiating their accession to the EU in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy for the financing of emergency operations undertaken by the public authorities in support of the affected population

Indicator 1: Number of population helped in overcoming a crisis situation where their living conditions have been affected

Former results	Latest known result	Target 2020
<p>2017: Italy severe earthquakes of 2016/2017 which was fully paid from 2017 and 2018 allocation frontloaded in accordance with Article 10(2) of the MFF regulation.</p> <p>10 EUSF applications were received, of which 8 were accepted in 2018, 2 were rejected.</p> <ul style="list-style-type: none"> - From Spain for the Murcia flooding of 2016 and for the Doñana fires of 2017 <p>Advance payments for 3 cases were executed in 2017.</p> <ul style="list-style-type: none"> - From Spain for the Galicia fires of 2017; - From Portugal for the fires of 2017; - From Greece for the Lesbos and Kos earthquake 2017; - From Poland for the storm of 2017; - From Latvia for the flooding of 2017; - From Lithuania for the flooding of 2017 and; - From France relating to hurricanes Irma and Maria of 2017. <p>2018: Payments for 8 EUSF applications from 2017 were executed. 4 new EUSF applications were received, from which 3 are still in the progress of assessment and 1 was paid in 2018.</p> <ul style="list-style-type: none"> - From Bulgaria relating to Burgas flooding of 2017. <p>2019: 1 EUSF application was received from the floods of 2018 in Austria and is still under assessment.</p>	<p>In the course of 2018, the Commission decided in early 2018 on 4 cases and mobilised EUSF aid over EUR 104 million for France, Portugal, Spain and Greece (Lesbos). The remaining 4 cases were decided in the second half of 2018. The EUSF financial contribution of EUR 34 million were mobilised for Bulgaria, Greece (Kos), Poland and Lithuania.</p> <p>The EUSF aid of EUR 18 million was mobilised for Latvia in December 2018.</p> <p>3 EUSF applications were received from Cyprus (drought of 2018), Italy (floods of 2018) and Romania (summer flooding of 2018) and are still under assessment.</p> <p>The EUSF aid is used for recovery operations in the areas of basic infrastructures mainly for transport (road, rail) and water management (securing of flood protection constructions), energy, temporary accommodation and cleaning up operations. Private damage cannot be compensated.</p> <p>The combination of these measures covers 100 % of the affected population.</p>	<p>100 % of population affected and eligible under the EUSF Regulation upon the Member States' request</p>

¹⁾ 10 applications were received in 2017, two were rejected and 8 applications were still in the progress of assessment by the end of 2017. Award decisions and commitments were done in 2018.

²⁾ For 4 applications received in 2018, one award decision was adopted in 2018 and commitment/payment was done in the same year

4. Contribution to Europe 2020 Strategy and mainstreaming of policies *not applicable*

5. Programme contribution to the Sustainable Development Goals

SDG 13 Take urgent action to combat climate change and its impacts

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