



Management Plan 2017

Structural Reform Support Service

SRSS



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INTRODUCTION

The European Commission, under the presidency of Jean-Claude Juncker, has committed itself to a positive agenda to help Member States recover from the crises and to unlock the growth potential of their economies to the benefit of all the population.

Effective implementation of structural reforms, timely and adequate transposition of the Union acquis and efficient and effective use of the EU funds are vital for encouraging investment, unlocking the growth potential, raising living standards and supporting the process of convergence in the EU.

To help Member States to address this implementation challenge, the European Commission set up the Structural Reform Support Service (SRSS) in July 2015.

The SRSS, acting upon requests for support from Member States, steers and coordinates the delivery of technical support in cooperation with other Commission services, other Member States and/or international organisations. Support is provided for institutional, structural and administrative reforms, including assistance for the efficient and effective use of the Union Funds.

In addition to providing and coordinating the provision of support for reforms in Member States, the SRSS coordinates the Commission's efforts to support the process led by the United Nations for the reunification of Cyprus. The SRSS is also responsible for the implementation of the EU Aid Programme for the Turkish Cypriot community and for monitoring the application of the Green Line Regulation.

The SRSS, in close collaboration with the relevant Commission services and EU agencies, supports the Greek Authorities on migration management. The Head of the SRSS is the EU-coordinator for the implementation of the EU-Turkey Statement on migration, reporting directly to the President of the Commission.

On 26 November 2015, the Commission adopted a proposal for a new regulation on the establishment of the Structural Reform Support Programme (SRSP), which proposed the creation a new dedicated funding envelope for the provision of support by the Commission to Member States (based upon requests from Member States). Following the political agreement with the European Parliament and Council of Ministers reached in February 2017¹, the SRSP is expected to be adopted in spring 2017. Once adopted, this new programme will constitute an integrated instrument for providing support to Member States for the implementation of reforms across a wide range of thematic areas related to EU economic governance process and EU law, and including support for reforms identified by Member States as their own priorities. In this context, 2017 will be the first year of implementation of the above-mentioned programme.

The SRSS will deploy its efforts to build a Service based on excellence and a timely response to the needs of Member States.

¹ European Commission press release "Political agreement reached on Structural Reform Support Programme – a new tool to help Member States implement reforms", Brussels, 8 February 2017, available at: http://europa.eu/rapid/press-release_IP-17-233_en.htm

The actions will be based on the three main specific objectives as set out in the SRSS Strategic Plan 2016-2020.

With the focus on supporting reforms that enhance growth, the SRSS directly contributes to the general objective **(1) "A New Boost for Jobs, Growth and Investment"**. Additionally, as the areas of support to Member States are broad, the SRSS contributes indirectly to all General Objectives of the Commission. Areas of support include: governance and public administration, revenue and public financial management, growth and business environment, labour market, health and social services, financial sector and access to finance, agriculture and rural development, environment and transport, energy, trade, transport, management of state-owned enterprises, economic regulation, migration, promotion of social and economic development in the Turkish Cypriot community and support for the process led by the United Nations for the reunification of Cyprus.

The Strategic Plan of the SRSS identified three specific objectives that contribute to general objective (1) "A New Boost for Jobs, Growth and Investment":

Specific objective 1.1: Help Member States to prepare and implement growth-enhancing administrative and **structural reforms**, in particular in the context of EU economic governance processes **through the provision of relevant technical support**.

Specific objective 1.2: Efficient **steering and coordination** of technical support provision to Member States **across different Commission services** and with respect to **external actors** in the field.

Specific objective 1.3: Provision of **assistance to the Turkish Cypriot community** and efficient **coordination of the Commission's efforts** to support the process led by the United Nations for the reunification of Cyprus.

PART 1. MAIN OUTPUTS FOR THE YEAR

The main event for the 2017 is the expected adoption of the proposal for a regulation on the establishment of the Structural Reform Support Programme (SRSP), creating a new dedicated funding envelope for the provision of support by the Commission to Member States. The main outputs related to the SRSP are set out under the specific objectives 1.1 and 1.2, while objective 1.3 focusses on the implementation of the Aid Programme for the Turkish Cypriot community and the efficient coordination of the Commission's efforts to support the process led by the United Nations for the reunification of Cyprus.

With respect to specific objectives 1.1 and 1.2, the main challenges of the SRSS mission are:

- to make its expertise available in a timely manner to Member States for the preparation and implementation of growth-enhancing institutional, structural and administrative reforms, in particular in the context of economic governance processes and the implementation of EU law, and including assistance for the efficient and effective use of the Union Funds;

- to provide relevant and high-quality technical assistance in support of these reforms;
and

- to improve the coordination of the ongoing and future technical support provided by the Commission to Member States.

Specific objective 1.1: Help Member States to prepare and implement growth-enhancing administrative and structural reforms, in particular in the context of EU economic governance processes and the implementation of EU law, through the provision of relevant technical support

The nature of the Structural Reform Support Service is best described as a provider and coordinator of technical support² to Member States, in a context where the support may be activated at the request of a Member State.

The aim of the technical support is to help with the preparation and implementation of growth-enhancing administrative and structural reforms. The following indicators could be considered reliable proxies for measuring the geographic and thematic scope and the relevance of the support provided by the SRSS to Member States for the preparation and implementation of reforms.

These indicators are linked to the indicator chosen in the SP 2016-2020 for the specific objective 1.1: "The extent to which the support provided helps MS prepare and implement structural reforms, inter alia, reforms related to Country-Specific Recommendations" (CSRs).

Relevant general objective(s): A New Boost for Jobs, Growth and Investment		
Specific objective 1.1: Help Member States to prepare and implement growth-enhancing administrative and structural reforms, in particular in the context of EU economic governance processes and the implementation of EU law, through the provision of relevant technical support		Related to spending programme(s) ...yes
Main outputs in 2017:		
Important items from work programmes/financing decisions/operational programmes		
Output	Indicator	Target
Establishment of the Annual Work Programme (AWP) for the SRSP	Adoption	Q3 2017
Technical support coverage	Number of beneficiary Member States for which support was provided*	10 by end of 2017
Technical support projects ³ related to	Number of ongoing projects related to implementation of Country Specific	<i>Increasing trend</i>

² Technical support may be defined as technical expertise (in the form of general administrative and institutional capacity-building activities, exchange of knowledge, good practices and policy advice, seminars, conferences, workshops, working visits, training actions, IT capacity building, communication, studies, etc.) that the service mobilises in various forms.

implementation of Country Specific Recommendations, Union priorities and the implementation of Union law	Recommendations, Union priorities and the implementation of Union law*	
Technical support projects related to economic adjustment programmes	Timely response to the requests of a Member State in line with needs under an economic adjustment programme*	<i>Continuously</i>
Technical support projects related the Member State's own-initiative reforms	Number of ongoing projects related the Member State's own-initiative reforms*	<i>Increasing trend</i>
Other important outputs		
Output	Indicator	Target
Ex-post evaluation of the activities of the Task Force for Greece (TFGR)	Contract signed with the external contractor and first draft of the interim report delivered	Q 4 2017

* The SRSS will start reporting on indicators as of 2017; the indicators are related to new activities in line with the Structural Reform Support Programme. The regulation establishing the Programme is expected to be adopted as soon as possible in 2017. The SRSS is working to establish a monitoring and evaluation system; indicators will provide the basis for monitoring progress towards the aims set at the Strategic Plan level. A sound indicator framework will provide a management tool for the activities of the service and their targets to support implementation strategies by measuring progress towards the objectives set.

Specific objective 1.2: Efficient steering and coordination of technical support provision to Member States across different Commission services and with respect to external actors in the field

As a matter of principle, technical support provided at the request of a Member State should foster synergies, and be complementary and add value to existing EU policy initiatives or projects, including funding programmes. In order to achieve these objectives, the SRSS has established a coordination mechanism, which aims at: (i) aligning the technical support provided with the policy priorities of the Commission and the reform priorities of the Member States; (ii) enhancing synergies and complementarity and avoiding overlaps across the support activities of the Commission; and (iii) ensuring consistency of communication with Member States that have requested support.

The coordination of technical support provided to Member States is needed not only within the Commission but also with other stakeholders and, in particular, other international organisations providing technical support to these countries. The SRSS will, therefore, also create a coordination mechanism with external stakeholders.

³ A project means a planned set of interrelated tasks with (a) clear final objective(s) to be executed over a fixed period and within a certain cost.

Relevant general objective(s): A New Boost for Jobs, Growth and Investment		
Specific objective 1.2: Efficient steering and coordination of technical support provision to Member States across different Commission services and with respect to external actors in the field		Related to spending programme(s) NO
Main outputs in 2017:		
Other important outputs		
Output	Indicator	Target
Building a coordination mechanism within the European Commission	Technical support country teams are in operation	Q1 2017
	The working group for technical-support capacity is operating	Q3 2017
Building a coordination mechanism with external stakeholders	Regular meetings with International Organisations and Member States	Meetings are being organised regularly by Q2 2017

Specific objective 1.3: Provision of assistance to the Turkish Cypriot community and efficient coordination of the Commission's efforts to support the process led by the United Nations for the reunification of Cyprus

For specific objective 1.3, which includes all the Commission's activities relating to the reunification of Cyprus, the main challenge for 2017 is to respond to the developments and outcome of the Cyprus Settlement process under the auspices of the UN, which have an impact on the planning of activities for 2017.

Talks on Cyprus settlement are being held between the leaders of the Greek Cypriot and Turkish Cypriot communities under the auspices of the UN. The EU has no formal role in this process but is understood to be a vital player therein through President Juncker's Personal Representative to the UN Good Offices Mission in Cyprus.

In 2017, the Unit "Cyprus Settlement Support" will continue to pursue the general objective of facilitating the reunification of Cyprus by supporting the settlement process under the auspices of the UN 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 Turkish and Greek Cypriot communities and on preparations for the rollout of the *EU acquis following a comprehensive settlement of the Cyprus issue and by monitoring the implementation of the Green Line Regulation (Council Regulation (EC) No 844/2004)*.

During the year 2017, the Aid Programme for the Turkish Cypriot community will continue to target the key areas of the Aid Regulation 389/2006 and to support social and economic development.

Relevant general objective(s): A New Boost for Jobs, Growth and Investment

Specific objective 1.3: Provision of assistance to the Turkish Cypriot community and efficient coordination of the Commission's efforts to support the process led by the United Nations for the reunification of Cyprus

Related to spending programme(s) YES

Main outputs in 2017:

Important items from work programmes/financing decisions/operational programmes

Output	Indicator	Target
Social/economic development actions in the Turkish Cypriot community	Number of major social/economic development actions started	12 by end of 2017
EU <i>acquis</i> preparation of the Turkish Cypriot community and monitoring of the implementation of the Green Line Regulation	Number of TAIEX actions, with specific reference to independent expert Green-Line missions (fresh fish, honey, phytosanitary issues)	310 TAIEX actions, of which 10 Green Line missions by end-2017
Establishing a coordination mechanism on Cyprus settlement within the European Commission	Coordination mechanism established	Q1 2017
Increase EU visibility within the Turkish Cypriot community	Number of communication actions	60 by end of 2017

PART 2. MAIN ORGANISATIONAL MANAGEMENT OUTPUTS FOR THE YEAR

A. Human resource management

The HR Modernisation project implemented according to the Communication on Synergies and Efficiencies of April 2016 makes changes to the way that HR services are delivered. HR services will be delivered by an Account Management Centre (AMC) inside DG HR. Each DG will have an HR Business Correspondent, responsible for defining HR strategy and taking HR decisions, in consultation with the management of the DG, and for ensuring that the DG gets the HR service it needs, in cooperation with the AMC.

The SRSS, as part of the SG, will move to the new way of working in 2017. The SRSS will be supported by AMC 5, which will serve the following group of DGs: College, COMM, EPSC, HOME, IAS, JUST, OLAF, SG and SJ.

The definition of the HR strategy and priority actions to make progress towards the Strategic Plan targets are the responsibility of the HR Business Correspondent and will continue to be addressed in the DG Management Plan and Annual Activity Report.

Objective: The DG is deploying its resources effectively in support of the delivery of the Commission priorities and core business, and has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions

Main outputs in 2017:

Output	Indicator	Target
<i>Female candidates interviewed for management positions</i>	<i>% of female candidates interviewed for management positions</i>	<i>>30%</i>
<i>Middle managers engagement with staff</i>	<i>% SRSS heads of units to have followed people management training</i>	<i>> 75%</i>
<i>local fit@work actions</i>	<i>Number of actions</i>	<i>3</i>

B. Financial Management: Internal control and Risk management

The SRSS 2017 expenditure is geared towards supporting the provision of technical support to Member States for the implementation of structural reforms and providing financial support to the Turkish Cypriot community to encourage its economic development. To this end the SRSS will respectively:

- ✓ Start implementing a new Programme – the Structural Reform Support Programme (SRSP) – for the period 2017 to 2020 (Proposal for a Regulation of the European Parliament and the Council -C(2015) 701 of 26.11.2015).

The Union financial operational support for the implementation of the SRSP will be up to EUR 142.8 million for a period of 4 years (EUR 23.6 million in commitment appropriations for the first year), and it will cover activities under direct and indirect management;

- ✓ continue to implement the technical assistance activities under previously established Financing Decisions⁴:
 - The 2016 work programme for operational technical assistance managed by the Commission at the request of the Hellenic Republic in the framework of the European Regional Development Fund, the European Social Fund and Cohesion Fund (C(2016)3835 of 21.6.2016) – implemented by direct and indirect management;
 - The 2016 work programme for operational technical assistance to implement the activities of the Structural Reform Support Service in Cyprus at the initiative of the Commission in the framework of the European Regional Development Fund, the European Social Fund and the Cohesion Fund (C(2016) 3746 of 26.6.2016) – implemented by direct management;
 - The Preparatory Action "Capacity development and institution building to support the implementation of economic reforms" (C(2016) 4011 of 30.6.2016) – implemented by indirect management;
 - Ongoing commitments to work programmes for operational technical assistance to implement the activities of the Support Group for Cyprus and the Task force for Greece adopted in 2014 and earlier;
 - The Action Programme for the Turkish Cypriot community for the year 2016 - (C(2016)6688 of 21/10/2016) – implemented by direct and indirect management;
 - The Action Programme for the Turkish Cypriot community for the year 2015 - (C(2015)8757 of 11/12/2015);
 - The Action Programme for the Turkish Cypriot community for the year 2014 - (C(2014)9366 of 12/12/2014);
 - The Action Programme for the Turkish Cypriot community for the year 2013 - (C(2013)7969 of 19/11/2013);
 - Ongoing commitments to action programmes for the Turkish Cypriot community for the years 2012 and earlier.

The SRSS priorities for 2017 in the area of internal control and risk management will consist of **strengthening and, where necessary, establishing**:

- Appropriate ex-post controls in addition to ex-ante controls. This will include a review of the financial circuits and workflows, as appropriate;
- An effective and efficient control system to ensure that ex-ante financial advice/support is in place to reduce the risks of errors/irregularities and of complaints/legal proceedings from unsuccessful tenderers/candidates;
- A more structured approach in the area of:
 - budget programming, monitoring of credits appropriations and reporting;
 - implementation of the budget;
 - working methodology with relevant stakeholders, such as the international organisations.

⁴ Including their amendments as appropriate

Some **control activities started in 2016** as part of the improvement of the implementation of the Aid Programme (e.g. establishing a quality support function, development of procedures and corresponding documentation, etc.) will be pursued also in 2017.

Further to the application of the **internal control standards**, the SRSS will ensure that these are aligned with the Commission framework in force and that they are proportionate to the risks of the Services' operations. In 2017, the SRSS will deliver appropriate implementation of the new internal control framework following its adoption by the Commission.

The SRSS will continue to implement the **audit recommendations** received in the context of the ECA's performance audit of the mandate of the Task Force for Greece (TFGR) and the contributions of the assistance provided thereunder to the reform process.

Finally, in 2017, the SRSS will establish its **anti-fraud strategy** and start to raise awareness on fraud prevention and detection.

Objective 1: Effective and reliable internal control system giving the necessary guarantees concerning the legality and the regularity of the underlying transactions			
Main outputs in 2017:			
Output	Indicator	Target	Lead Unit(s)
Legality and regularity of the underlying transactions in the Service	Error rate detected on the legality and regularity of the underlying transactions	Error rate below 2%	SRSS.01

Objective 2: Effective and reliable internal control system in line with sound financial management			
Main outputs in 2017:			
Output	Indicator	Target	Lead Unit(s)
Strengthening the control system to ensure efficient and effective ex-ante and ex-post controls of operations	Documentation of procedures, financial circuits, and control activities	Q4 2017	SRSS.01
Strengthening/establishing control measures related to the Aid Programme's operations	Implementation of an action plan to absorb the backlog of files and to ensure improvement in the quality of operations	80% of implementation of the activities as set out in the action plan	SRSS.01 and SRSS.05
Timely execution of payments	Percentage of payments on the operational budget made within the time limits	66%	SRSS.01

Execution of the annual voted budget, in compliance with the legal requirements applying to transactions	% of budget commitment appropriations made	95%	SRSS.01
Adaptation of the new Commission control framework at SRSS	Control mapping exercise and assessment by internal control component, principle and characteristic	100%	SRSS.01
Annual assessment of the cost effectiveness of controls	Cost of controls/expenditure	Positive trend compared to the previous year	SRSS.01
Procurement/grant procedures carried out in compliance with the principles and rules governing public procurement and grant management at the Commission and according to sound financial management	Number of legal proceedings following complaints in procurement/grant procedures	None	SRSS.01
Addressing recommendations from European Court of Auditors (ECA)	Number of critical or very important recommendations overdue for more than 6 months	None	SRSS.01

Objective 3: Minimisation of the risk of fraud through application of effective anti-fraud measures, integrated in all activities of the DG, based on the DG's anti-fraud strategy (AFS) aimed at the prevention, detection and correction of fraud

Main outputs in 2017:

Output	Indicator	Target	Lead Unit(s)
Developing an anti-fraud awareness at the SRSS	<ul style="list-style-type: none"> - Establishment of an SRSS anti-fraud strategy (AFS) and an associated action plan - Implementation of the action plan started (e.g. presentation of the AFS to all Units; factsheets on 	100% (AFS)	SRSS.01

	fraud prevention and detection offered to SRSS staff)		
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C. Better Regulation

The main planned output linked to the Better Regulation objective in the Strategic Plan is listed in Part 1 under specific objective 1.1. It is presented in the table under the heading "other important items".

D. Information management aspects

The Commission adopted a new corporate strategy for data, knowledge and information management in October 2016. The new strategy establishes a corporate framework, while leaving room for DGs to develop and implement their own approach tailored to their unique needs.

In 2017, the SRSS will strive to contribute to the SG high standards in the areas of Informatics Technology and Document Administration. Focus will be put on:

- creating awareness about effective document management (with documents properly registered, filed and preserved) to facilitate exchange and retrieval of information; and
- developing electronic practices aimed at creating economy and efficiencies.

Objective: Information and knowledge in the DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable

Main outputs in 2017:

Output	Indicator	Target	Lead Unit(s)
Awareness-raising by all staff (managers included) about the use of ARES, including registration of important emails via Areslook	Organising presentations by Document Management Officer to SRSS Units to promote consistent and correct use of ARES	Q4 2017	SRSS and SRSS.01
	Monitoring of reports on unfiled documents	Decreasing rate by Q4 2017	SRSS
Better use of electronic workflows to reduce paper consumption/storage	Percentage of registered documents with a fully approved e-signatory (no paper circulation in parallel)	Increasing rate (59.6% in 2016)	SRSS

E. External communication activities

Objective: 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 and they know about their rights in the EU

Main outputs in 2017:

Output	Indicator	Target
Communication strategy of the SRSS, notably towards external stakeholders	Communication strategy in place	June 2017

Annual communication spending:

Baseline (2016)	Estimated commitments (2017)

F. Example(s) of initiatives to improve economy and efficiency of financial and non-financial activities of the SRSS

The establishment of the Structural Reform Support Service is in itself a Commission initiative contributing to efficiencies. The SRSS optimises the provision of EU practical technical support and ensures that no duplications occur by steering and coordinating technical support for individual Member States (MS) in cooperation with other Commission services, other Member States and/or other international organisations.

In order to provide for the delivery of permanent, tailored and flexible expertise and practical technical support to a Member State that requests it, the SRSS has developed a **technical support coordination mechanism**. This includes all Commission services involved in the technical support coordination process and it contributes to enhancing the efficiency of the support delivered.

In 2017, the SRSS will also focus on strengthening its capacity to provide technical support, by means of e.g. framework contracts and lists of experts. Such an approach will contribute to speeding up support interventions, while delivering appropriate (up-to-date, economic and quality) technical support.

Example(s) of economy and efficiency	Unit(s) providing the example(s):
Flexible (procurement) tools to provide ad-hoc technical support	SRSS.01

ANNEXES TO THE MANAGEMENT PLAN

Annex 1. Tables are included in the body of the document