



Management Plan 2024

DG BUDG

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Introduction

In a global context marred by geopolitical challenges, high inflation, rising interest rates, competing needs have put EU finances under significant strain. The Directorate General for Budget (DG BUDG) is in charge of helping the EU budget navigate this complex environment and deliver on the political priorities in line with applicable rules. To better address the needs that have emerged since the political agreement on the 2021-2027 Multiannual Financial Framework in July 2020, in 2023, DG BUDG prepared the mid-term review of the 2021-2027 long-term EU budget alongside a proposal for its revision.

While the mid-term revision should help address the challenges until the end of this multiannual financial framework, looking ahead, 2024 will be a pivotal year for reflecting on what the post-2027 European budget should seek to achieve, and how it can best deliver results. In 2024, DG BUDG will lay the groundwork for the preparation of a comprehensive proposal for the future multiannual financial framework beyond 2027. Such preparation process will involve not only the whole DG, but also expand across Commission services, under the joint steer of DG BUDG and the Secretariat-General.

The EU budget delivers not only within its Member States, but also alongside its borders. In 2022 and 2023, DG BUDG mobilised the EU budget to secure support to Ukraine following Russia's war of aggression, to help the EU countries face the unprecedented inflow of refugees. In 2024, DG BUDG will keep working on a more predictable approach of EU financing support for Ukraine, including through the proposed Ukraine Facility covering the period 2024–2027, which will require significant work in DG BUDG to put in place the preparatory steps and processes to enable disbursement of funding through this new instrument. Such geopolitical challenges, along with other developments, led to a growing interest in strategic autonomy and kickstarted reflections on the possible need for a future Sovereignty Fund at European level. Following the European Council conclusions of March 2023, DG BUDG prepared and steered the Commission proposal for a "Strategic Technologies for Europe Platform" (STEP), presented as part of its mid-term revision of the MFF.

Following the finalisation of negotiations on the Financial Regulation recast in December 2023, and its formal adoption expected in April 2024, DG BUDG will take all necessary follow up steps required by the new rules.

In parallel to these priorities, DG BUDG will continue to support actively the implementation of the funds under the 2021-2027 long-term budget and steering all borrowing and lending activities related to NextGenerationEU and other programmes. Spending in line with applicable rules and protection against any misuse will remain a priority.

In 2024, DG BUDG will continue implementing the conditionality regulation which offers an extra layer of EU budget protection in cases where rule of law deficiencies or risks threaten the financial interests of the Union. Moreover, DG BUDG will continue working on SUMMA – the new corporate platform for the management of budgetary implementation, accounting, and treasury – which will make financial management for the entire Commission, agencies and other EU Institutions easier and more efficient.

To continue to organise its work effectively and in full support of the priorities of the von der Leyen Commission, DG BUDG is setting out this management plan for 2024, a pivotal year which will usher in the next College of Commissioners following the European Elections of June 2024. The Management Plan builds onto the structure of DG BUDG's strategic plan for 2021-2024, outlines the operational outputs that will shape DG BUDG's work during 2024 and explains how DG BUDG will deliver on three general objectives of the von der Leyen Commission (i) an economy that works for people; (ii) promoting our European way of life; and (iii) a modern, high performing, sustainable Commission, translated into seven specific objectives:

- Design, negotiate and manage the EU budget expenditure and revenue, including the borrowing and lending activity;
- Develop policy-relevant knowledge, performance and financial intelligence;
- Enhance the agility of the budget;
- Ensure that the amounts allocated from the EU budget are invested for the intended purpose paving the way to the discharge;
- Strengthen the protection of the EU budget;
- Promote a strong enforcement culture to protect the EU budget;
- Act as a centre of expertise and trustful partner for Commission services, other institutions and EU entities, Member States and beneficiaries regarding financial governance, internal control, accounting, treasury, financial corporate IT systems, financial risks and management of debt, assets as well as contingent liabilities.

The Management plan is organised in two parts:

- Part 1 - “Delivering on the Commission’s priorities” - describes main policy ambitions and deliverables supported by external communication actions. The related performance indicators and targets are presented in the annex.
- Part 2 - “Modernising the administration” - focusses on organisational aspects and describes the various steps that will be taken to modernise the way we work together, covering gender equality, digitalisation, collaborative working, sustainability and how we make the most efficient and effective use of the resources at our disposal.

PART 1: Delivering on the Commission's priorities: main outputs for 2024

Through its many roles and activities, DG BUDG contributes directly or indirectly to all Commission priorities. More specifically, it contributes significantly to the delivery of the three objectives outlined below.

General Objective 3: AN ECONOMY THAT WORKS FOR PEOPLE

3.1. Design, negotiate and manage the EU budget expenditure and revenue that delivers efficiently on Union priorities and provides added value through the financing of EU public goods

Continue to secure funds for EU's priorities

Though the multiannual financial framework (MFF) was adopted merely three years ago, the past months and years have been rife with challenges ranging from a post-pandemic economic crisis to Russia's war of aggression in Ukraine along with its humanitarian, economic and budgetary, consequences. Inflation and interest rates have spiked, drastically increasing funding costs for NGEU and supply chains have been disrupted. In light of these challenges, the Commission adopted its **mid-term revision of the multiannual financial framework 2021-2027** in June 2023. Beyond securing Ukraine relief and recovery financing, the revision addresses number of concerns and challenges in the area of migration and external challenges, EU competitiveness, and the rising borrowing costs for NextGenerationEU. Depending on how quickly the interinstitutional discussions can be concluded, in 2024, DG BUDG may still need to help the co-legislators find common ground as well as implement the agreement found, possibly through an amending budget. The implementation of the Ukraine Facility, once agreed by the co-legislators, will require significant resources in BUDG to set up the processes ahead of any disbursement through this new instrument.

2024 will set the stage for the preparation of a comprehensive proposal for the future multiannual financial framework (MFF) beyond 2027, as the Commission must present its proposals for the future MFF by 1 July 2025. The process will be steered centrally by DG BUDG and SG and will involve most of the DGs in the Commission - requiring alignment of work at technical level and with the political priorities of the new Commission. Performance of spending programmes will first be evaluated through spending reviews. DG BUDG's role will be crucial in identifying areas for improving the functioning of the EU budget, proposing structural and legal simplifications, ensuring consistent communication on the matter with stakeholders and preparing a financially and politically sound MFF proposal.

In its conclusions of 23 March 2023, the European Council, taking note of the Commission's intention to propose a European Sovereignty Fund, called upon the Commission to *"ensure full mobilisation of available funding (...) so as to provide timely and targeted support in strategic sectors"*. In June 2023, within the overall package proposal for a revision of the MFF, DG BUDG prepared and steered the "Strategic Technologies for Europe Platform" (STEP) proposal, as a first step towards a possible full-fledged Sovereignty Fund in coming years. An agreement between the co-legislators is expected swiftly, with the focus shifting towards the implementation in 2024. DG BUDG is setting up the STEP taskforce, which will centralise information and provide guidance on access to EU funds. This has resulted in a change of the organigram of DG BUDG with the creation of an additional unit.

Following the presentation of an amended **proposal on new own resources in June 2023**, consisting of own resources based on the Carbon Border Adjustment Mechanism, the Emissions Trading System and a

statistical own resource based on company profits, DG BUDG will continue to support the negotiations with a view to find a political agreement before the European elections. New Own Resources are important to support the financing of the EU budget, including to help repaying NextGenerationEU borrowing from 2028 onwards. A political agreement would need to be translated into the Own Resources Decision, the Making Available Regulation and the Implementing Measures Regulation, ideally by the end of 2024.

As regards political priorities, the green transition towards net zero emissions will benefit both EU citizens and the environment. However, those on a lower income as well as micro businesses may be more adversely affected by the higher fossil fuel prices resulting from the introduction of a new emissions trading system for buildings and road transport and fuels. That is why the Social Climate Fund will provide support to vulnerable groups most affected by this new system, as part of the Fit for 55 package. In 2024 BUDG will take an active role in deployment of this Fund, including taking the role of auctioneer of the EU Emissions Trading System certificates.

Enhance the transformative role of the EU budget

The EU budget is a central EU tool to deliver on the twin green and digital transition. DG BUDG will work to make sure the budget plays its role both on the spending and on the revenue side, in the current long-term budget and beyond. 30% of the 2021-2027 long-term budget and NextGenerationEU goes to fighting climate change and helping meet the climate neutrality target agreed in the European Climate Law, and a specific biodiversity tracking methodology has been devised to measure the contribution of the budget to biodiversity. Moreover, 20% of the Recovery and Resilience Facility should promote the digital transition. The EU budget also holds a clear potential to contribute to gender equality in the EU, as demonstrated by the results of the implementation of the gender tracking methodology. DG BUDG will support the other Commission services in integrating the gender dimension in the all the relevant EU budget interventions.. In summary, DG BUDG will continue to work closely with the other Commission services to guarantee the adequate monitoring and reporting of key horizontal priorities, such as climate, biodiversity, gender equality and SDGs, and to make sure that the EU budget delivers on its targets.

To display the performance information in a user-friendly manner, DG BUDG will continue producing a single document on each EU spending programme which will be made available on the website. Reporting will also continue on the revenue side, and in particular when it comes to the NextGenerationEU green bonds. Real-time information about the allocation of the funds is available online in the NGEU green bond reporting tool. As committed at the time of publication of the NextGenerationEU green bond framework, in 2024, DG BUDG will again release its annual allocation and impact report, showing both how the proceeds from NextGenerationEU green bonds have been used and the results on the ground. With this, DG BUDG delivers on its commitment to the investors in EU securities, demonstrating that the funds raised with green securities have financed sustainable objectives.

Translate the long-term budget into annual budgets

The EU budget combines a multiannual nature which sets the big picture with regular annual cycles which clearly define how the funds are allocated across the priorities. To ensure that the annual budgets address the most pertinent policy objectives, DG BUDG will continue to manage the annual budget cycle in a predictable and comprehensive manner, through (i) a proposal for a draft budget, (ii) facilitating agreement and the adoption of the budget, and (iii) following up on budget implementation including any necessary amendments of the budget to incorporate new priorities. If and when an agreement on the MFF revision is reached, it may require an amending budget to integrate the impact on the financial year 2024.

3.2. Develop policy-relevant knowledge, performance and financial intelligence in order to optimise the use of resources, influence policy design and ensure efficient and effective implementation of the spending programmes

Lead the way in financial management, internal control and knowledge management

DG BUDG will implement the outcome of the interinstitutional negotiations concluded in December 2023 on the revision of the Financial Regulation launched in 2022, which will be formally adopted by April 2024. The revision aims at further improving the protection of the Union budget, increased transparency of Union funding including with respect to shared management, and facilitating crisis management.

As part of its responsibilities as Central Financial Service, DG BUDG will continue to advise on the interpretation of the financial rules including those for decentralised agencies, joint undertakings and executive agencies, and ensure that the internal rules of the Commission remain adapted to the needs of authorising officers. DG BUDG will also continue to provide extensive policy, legal and financial advice in the establishment of new EU policy initiatives.

In addition, DG BUDG will continue to play a key role in negotiations and implementation of key sectoral legislative proposals, in supporting other DGs with the negotiation and implementation of agreements with international partners, in negotiations and implementation of agreements of association of third countries to Union programmes, in supporting key procurement operations by the Commission, supporting the design of simplified forms of funding and in promoting harmonised rules and synergies between different funding programmes.

DG BUDG will also continue to ensure a decisive steer in the modernisation, digitalisation, standardisation and simplification of the Commission's budget implementation. To that end, DG BUDG will keep providing guidance and promoting the use and development of integrated corporate tools and solutions for financial and operational management, across the Commission and by the other EU institutions and bodies (eGrants, eProcurement, PAAW for Indirect management, SEDIA, etc.). As regards in particular indirect management, DG BUDG will continue to further improve the functionalities of the IT corporate tool for the automation of the pillar assessment process (PAAW-Pillar Assessment Automated Workflow), while also providing policy DGs with guidance and support for an efficient use of the new tool. The above streams will underpin the day-to-day support of DG BUDG to other policy DGs, EU bodies and agencies in implementation of Union financing.

DG BUDG will also continue to drive **knowledge-sharing across the Commission, EU institutions and bodies** on financial management matters. DG BUDG experts will continue to feed BUDGpedia, the one-stop-shop collaborative platform for financial and budgetary information hosted by DG BUDG, with up-to-date, accurate and topical information on financial management, including training materials, guidance documents and corporate templates, relevant news and learning opportunities (see also point 7.1 below).

3.3. Enhance the agility of the budget by strategic planning and foresight, harmonised asset management as well as efficient use of financial instruments, budgetary guarantees and the budgetary headroom.

Optimal use of resources - performance

In 2024, DG BUDG will start the preparations of the spending reviews, which will serve as a key input in the preparation of the post-2027 MFF. The analytical work, encompassing drafting and release of dedicated

policy papers, organisation of debates, and engaging with stakeholders, is underpinned by an integrated economic data modelling and EU programmes' performance analysis to assess the socio-economic impact of the EU budget.

DG BUDG will continue to coordinate the preparation of the annual reports on the performance of the EU budget, namely the Annual Management and Performance Report, and its annex the 'Programme Performance Statements'. These reports are key sources of information for the EU budgetary and discharge authorities on the performance of the individual programmes, and with regard to the EU horizontal priorities, such as climate, biodiversity, digital transition and gender equality.

Efficient asset and risk management of the EU budget guarantees, debt issuance and loan administration

DG BUDG will work to prepare for the new financial challenges which will inevitably emerge in the year ahead, and which the Commission must be ready to anticipate and respond to. The EU budget's room for manoeuvre to react to unforeseen circumstances is constrained by the size of the unallocated margins under the MFF ceilings and the special instruments defined in the rules that govern the MFF. DG BUDG's role is to ensure optimal use of these limited resources through careful forecasting of the expected implementation.

DG BUDG will moreover ensure prudent management of the budgetary headroom. This will include two main types of activities. First, monitoring the sustainability of the EU fiscal capacity to cover borrowing liabilities by applying a dedicated EU adapted assessment methodology. Second, ensuring that at any point of time, the headroom is sufficient to cover all contingent liabilities falling due in the same year in full respect of the Own Resources Decision in force. In addition, DG BUDG will continue to ensure close coordination of relations and interactions with credit rating agencies and provide analytical support to underpin the EU credit rating.

DG BUDG will continue to **report on the sustainability of the Union contingent liabilities** and share its findings with the European Parliament, the Council of the European Union and the Court of Auditors in a transparent and informative manner, through the annual report on sustainability of Contingent Liabilities (Art. 250 Financial Regulation) encompassing budgetary guarantees, borrowing and lending activities and headroom sustainability.

DG BUDG will continue to deliver on its mandate of borrowing from the international capital markets on behalf of the European Union, securing the revenue needed to fund EU priorities, under a **unified funding approach**, with the Commission issuing single-branded "EU-Bonds" instead of separately denominated bonds for individual programmes. By the beginning of 2024, some EUR 264 billion have been disbursed to finance NGEU, leaving about EUR 450 billion to be raised for NGEU in the period 24-27 subject to the requests from Member States under the Recovery and Resilience Facility (RRF) along with any additional amounts for Ukraine or other financial assistance, subject to agreement and adoption by the Parliament and Council of the relevant legislations.

The priority during 2024 will be to further consolidate the implementation of the Unified Funding Strategy so as to allow EU Bonds trade and price on better terms available to the largest liquid European Government Bond issuers. Steps to be taken in 2024 will include (1). the introduction of a repurchase facility to support liquidity and Primary Dealers in quoting prices for EU-Bonds; (2). development of an active liquidity management capacity to help the Commission to optimise its off-balance sheet cash management over

longer periods; (3). Structured engagement with index managers to work towards the inclusion of EU-Bonds in 'sovereign indices'.

Elsewhere, the focus will be on continued efforts to strengthen DG BUDG's oversight of the contingent liabilities for the EU budget arising from budgetary guarantees and provisioned loans through enhanced monitoring and reporting on the adequacy of provisioning, based on new corporate risk management tools to be used for the first time in 2024.

DG BUDG, through its Chief Risk Officer, will continue to monitor the risks, arising from the EU borrowing debt management and related lending operations to ensure that the identified risks are effectively managed and mitigated. The Chief Risk Officer reports annually to the College on the risk management activities related to those financial operations and ensures that the dedicated risk management framework provides adequate protection of the financial interests of the European Union through sound governance, effective risk management, and oversight of borrowing, debt management, and lending operations.

Efforts will continue to strengthen DG BUDG's oversight of the contingent liabilities for the EU budget arising from budgetary guarantees and provisioned loans through enhanced monitoring and reporting on the adequacy of provisioning, based on new corporate risk management tools to be used for the first time in 2024. Considering the increasing size of the lending exposures and related credit risk, a fit for purpose credit risk assessment process for lending risk exposures to third countries should be deployed and replace the current solutions used to measure the risks.

General Objective 5: PROMOTING OUR EUROPEAN WAY OF LIFE

5.1. Secure that the amounts allocated from the EU budget are invested for the intended purpose, and ensure strict compliance with the financial rules in order to minimise errors, prevent fraud, enhance transparency, and pave the way to the discharge.

Making sure that every euro from the budget is spent in line with the rules and generates added value is a priority for the European Commission. The Commission works closely with Member States – which implement a large portion of the budget – and with the other EU institutions towards this objective.

DG BUDG plays a key role in this work. The Commission's multiannual control systems are designed to ensure that EU funds are spent according to the rules, avoiding double funding and preventing errors and, if it is not possible to prevent errors, to detect and correct them, during the programme's lifecycle and take appropriate remedial action to address root causes of errors. To help the managers of EU funds reduce errors, DG BUDG provides support and guidance for the establishment and improvement of their internal control systems as well as their audit and control strategies.

With this, DG BUDG will steer the work related to the annual **discharge procedure** across the entire Commission. In 2024, DG BUDG will work to successfully complete the annual discharge for 2022 – the last one to be granted before the European elections – and kick-start the work for the 2023 discharge. To that end, DG BUDG will work for a positive and constructive relationship with all relevant stakeholders, in particular the European Parliament's committee on budgetary control, and the European Court of Auditors, as well as with EU Member States in the Council. DG BUDG will also continue to cooperate on specific files of common interest with the European Parliament. In addition, it will **ensure a corporate steer of**

exchanges with the European Court of Auditors on its strategic goals and work programme, as well as on operational issues such as the streamlining of procedures and communication around ECA reports.

5.2 Strengthen the protection of the EU budget from financial risks including through the Early Detection and Exclusion System (EDES), the generalised deficiencies as regards the rule of law in the Member States by greater transparency, knowledge sharing, and accountability achieved by regular dialogue between all concerned stakeholders.

Financial risk management

Financial risk management has gained further importance in view of the challenges brought first by the pandemic and more recently by Russia's war of aggression against Ukraine, the increase in energy prices and the ensuing inflation.

A centralised risk register steered by DG BUDG and the Secretariat-General

In 2024, together with the Secretariat-General, DG BUDG will continue to exert corporate oversight on risk management to foster coherence in the identification, assessment and response to critical risks and to identify and address any crosscutting critical risks. More specifically, DG BUDG will start to reap the benefits of its newly implemented **centralised risk register** which will streamline the work of the Commission's departments and will facilitate and improve corporate monitoring. DG BUDG will also continue to provide guidance to the Commission services for the set-up and implementation of cost-effective audit and control strategies.

Enhancing the use of Arachne and EDES

Within the context of the Financial Regulation recast, an agreement was reached on the compulsory feeding of a single data mining and risk-scoring tool with information on recipients of EU funding to enhance the control and audit in all management modes as from 2028. DG BUDG will continue to work on necessary improvements. The use of the tool will help preventing and detecting fraud, conflict of interests, double funding, and other irregularities. DG BUDG, in cooperation with all DGs, will continue working on the development of the data mining and risk-scoring tool (Arachne Corporate), in line with the final agreement reached by the co-legislators on the Financial Regulation recast, and improve its functionalities taking into account concerns expressed by certain Member States.

The protection of the EU's financial interests in relation to fraud prevention, detection, deterrence, and sanctioning will also be ensured through the continued operation of the **Early Detection and Exclusion System (EDES)**. The System allows to early detect fraudulent or unreliable economic operators, to possibly ban them from receiving EU funds and to impose financial penalties. In this context, the Secretariat of the EDES Panel in DG BUDG will still be in charge of assisting the Panel before and during the administrative proceeding which may lead to the adoption of an EDES measure.

To further increase the effectiveness of the EDES system, DG BUDG will continue to raise awareness, notably by organizing trainings and targeted workshops addressed to the EU institutions, bodies and agencies. In addition, as of 2024, DG BUDG will launch the EDES experts' platform with a view to facilitate productive discussions and share experiences on EDES matters within the Commission and executive agencies.

Finally, in the context of the targeted revision of the Financial Regulation, it was agreed to strengthen EDES by broadening its scope and improving its efficiency through targeted amendments. These include, *inter alia*, a targeted extension as from 2028 to shared management funds and funds disbursed in direct management with Member States, introduction of new exclusion grounds, a legal basis to exclude beneficial

owners and natural persons. Following the adoption of the new regulation expected in April 2024, DG BUDG will lay out the next tasks, encompassing further guidance and trainings addressed to Member States authorities and implementing partners.

The prevention of fraud will also continue to be reinforced through the Commission's anti-fraud strategy where DG BUDG works in close collaboration with OLAF.

Protecting the EU budget through the general regime of conditionality and monitoring conflict of interests

As an additional layer of protection of the EU budget, DG BUDG will continue to apply the provisions of the **Regulation on a general regime of conditionality for the protection of the Union budget**. The Regulation makes sure that the EU is better able to protect the EU budget from breaches of the principles of the rule of law in the Member States. DG BUDG led the work which resulted in the first ever measures adopted by the Council in December 2022 and has developed standard contractual clauses for use in agreements with international partners. In 2024, DG BUDG will continue to lead the implementation and enforcement of the Regulation.

DG BUDG will also pay particular attention to the application of Article 61 of the Financial Regulation on **conflict of interest**. It will support the actions of other relevant Commission services to ensure its enforcement and continue to raise awareness both within EU Institutions and in Member States. Furthermore, DG BUDG is promoting particular attention to the need to ensure the absence of professional conflicting interests, that will ensure the impartiality of contractors of EU Institutions.

Managing risk for borrowing and lending operations

When it comes to risk management for borrowing and lending operations and debt management, DG BUDG, as a 'first line of defence' together with the Chief Risk Officer (CRO) as a 'second line of defence' ensure the monitoring and management of any potential risks (e.g., related to market and liquidity risks). The role of the CRO is to provide adequate protection of the financial interests of the European Union through sound governance, effective risk management, and oversight of borrowing, debt management, and lending operations. Since the appointment of the CRO, the CRO has developed the risk governance and compliance framework ('the Framework') for NGEU operations, comprising the High-Level Risk and Compliance Policy ('HLRCP'), Market and Funding Liquidity Risk Policy and Operational Risk Management Policy. The Framework was extended to cover all borrowing and lending operations and debt management in December 2022. It sets the Commission's strategic risk objectives; risk appetite and risk tolerance levels; defines the main financial and non-financial risks stemming from borrowing and lending operations and debt management as well as the processes for risk management, monitoring, and mitigation. It also promotes a strong risk culture in DG BUDG, i.e., the set of values, competencies, and behaviours of the staff, necessary to ensure proper risk management in the institution. The framework will continue to be enhanced through the implementation of the necessary risk management IT tools and continued improvement of the existing risk policies, development of further policies where and as necessary, and periodic reviews. Work will continue in 2024, in particular to fully align the HLRCP and other related policies to the extension of the diversified funding strategy which covers all borrowing, lending and debt management activities of the Commission.

Providing information on beneficiaries and recipients of EU funds

DG BUDG is already running a system which provides detailed information about the beneficiaries of the EU budget under direct and indirect management – the **Financial Transparency System**. Within the context of the recast of the Financial Regulation, BUDG proposed to publish data of recipients as defined in sector-specific rules. DG BUDG will liaise with DIGIT to finalise technical capabilities on the

interconnection of the FTS and Arachne, with the aim of achieving an automatic upload in FTS of the data to be published.

DG BUDG is also leveraging on the SUMMA project to improve the quality of reporting of awarded contracts through the Financial Transparency System.

5.3. Promote strong enforcement culture to protect the EU budget on the revenue side

EU budget protection matters on the revenue side as much as on the expenditure side. In 2024, DG BUDG will continue working with relevant stakeholders to make sure all revenue due is collected in full and on time. To that end, in 2024 DG BUDG will continue to work for the proper implementation of the own resources legislation. This will include work on the governance framework of own resources in cooperation with other services, and practical work on the correct collection of different own resources.

In addition, DG BUDG will continue to carry out revenue controls for own resources. This work will include implementation of the annual risk-based inspection programmes for traditional own resources (TOR) and for the VAT-based own resource, targeted desk audits based on specific identified risks, where required; recovery of unpaid own resources, among others.

Moreover, DG BUDG will continue to provide guidance to Member States on how to increase effectiveness in collecting and making available own resources.

When it comes to the effective management and control of the EU's own resources, in 2024 DG BUDG will ensure strict compliance with the financial rules to minimise errors, prevent fraud and enhance transparency. To achieve this, DG BUDG will:

1. ensure timely and correct budgeting, calling, collection and recording of Member States' own resources contributions,
2. call late interest when own resources are made belatedly available,
3. carry out inspections in Member States to support national authorities in their implementation of the own resources legislation,
4. place and lift reservations concerning the correctness of own resource bases,
5. advise internal and external stakeholders on legal issues relevant to own resources matters,
6. manage any questions with respect to the Protocol on the Privileges and Immunities of the EU and the VAT exemption of the Commission (recovery of VAT for official purchases), and
7. ensure effective and targeted cooperation with ECA, OLAF and other Commission services in the follow-up of financial recommendations addressed to Member States to protect the financial interest of the EU revenues.

Moreover, DG BUDG will continue to follow up on identified shortcomings in Member States and infringement cases involving a loss of own resources, taking appropriate action to recover the losses into the EU budget.

General Objective 7: A MODERN, HIGH PERFORMING, SUSTAINABLE COMMISSION

7.1. Act as a centre of excellence and trusted partner for Commission services, other institutions, agencies and bodies, Member States and beneficiaries regarding:

- **high performing financial governance**, single (simplified) rulebook, transparency, smart reporting and derived intelligence, single audit approach, compliance and accountability
- modern, sound and efficient management of **accounts, treasury, financial risks and corporate financial and contract management IT systems**
- stronger central oversight and **management of debt, asset, and contingent liabilities** in view of ensuring sustainability of the EU budget
- **performance optimisation** through developing, implementing, monitoring and evaluating policies in an evidence-based, transparent and collaborative way with stakeholders and experts
- **robust internal control** that helps the Commission to achieve its objectives and sustain operational and financial performance.

DG BUDG is a central service which cooperates with colleagues across the board both in terms of policy making and when it comes to day-to-day operations. It communicates regularly with its stakeholders via multiple networks and knowledge management initiatives.

In its role of financial domain leadership, DG BUDG will continue to simplify processes and infrastructure to make them more efficient and fit for the digital age, while ensuring compliance with the Financial Regulation. In addition to work undertaken in several strands such as performance or management of debt, assets, and contingent liabilities already presented earlier in this plan, DG BUDG will provide state-of-the-art accounting and treasury services and continue with the implementation of the new state-of-the-art corporate financial and data management system, SUMMA.

Domain leadership

The Central Financial Service plays a key role in the dissemination of a solid internal control culture at all levels of the institution. It will continue to support the services in implementing the Commission's internal control framework while pursuing the modernisation of the internal control monitoring and reporting tools. More specifically, as detailed under specific objective 5.2, after its full roll-out in 2023, DG BUDG will further enhance its new tool centralising the registers that are compulsory in the context of the internal control framework. Among others, this tool allows to obtain harmonised information, to store information in a secure way and to facilitate corporate monitoring. The extension of the use of this tool outside the Commission will also be considered.

In addition to sharing information via [BUDGpedia](#), the Central Financial Service (CFS) will continue to improve its support to the Commission services, and other institutions and bodies as regards the Financial Regulation, its application and interpretation. For the first time, it will provide the wide financial community with full annotations to the Financial Regulation made available on BUDGpedia. The CFS will promote a **financial knowledge-sharing culture** and the exchange of good practices among Authorising Officers by Delegation. It will carry out sustained communication and coordination activities including via inter-DG networks (such as the network for Finance Heads of Unit, known as RUF) and communities of practice. The

Helpdesk of the Central Financial Service will continue to play an active support role in explaining and disseminating information about the applicable financial rules.

In terms of **learning and professionalisation of the financial community**, the CFS will further improve the learning offer through blending physical and online training sessions, together with offering video training capsules and e-learning tools, aligning this offer to emerging learning needs in the finance community. It will also further share recommended learning paths per given staff profiles and per topic, linked with the overall promotion of knowledge management in the finance domain.

Centralised reporting

Centralisation of reporting is the key to ensure coherence when disseminating information on the various financial aspects managed within DG BUDG. This centralisation provides **modern and high-quality reports** to the Commission and external stakeholders. A robust database for performance results went into production in early 2023, to allow the collection of high-quality performance data. The focus is now on data rationalisation and preparation of data for the SUMMA system implementation. Interactive dashboards show the current and future datasets to share knowledge and raise awareness on the forthcoming changes. In addition, users are alerted about data quality issues that would prevent a smooth migration of data into SUMMA to allow them correcting the records in due time.

DG BUDG will continue to publish the annual data on the EU spending and revenue allocated to the Member States. From September 2022, the interactive charts with supporting data file are updated annually and are available for the internal and external users on the Europa website. Further work on the full automation of data reporting will be continued in 2024.

Accounting and treasury

DG BUDG is the central treasury service of the Commission, managing all the treasury operations related to the implementation of the EU budget. It also provides treasury services to 32 other EU Institutions and bodies. It will continue to use the latest banking technologies to ensure cost and time efficient, reliable and secure payment processes with a specific focus on integrating latest banking technologies within the SUMMA framework. It will complete the SWIFT ISO20022 project to be a frontrunner of banking modernisation ahead of the banking sector deadline of 2025. In 2024 the treasury will introduce new liquidity management mechanisms.

DG BUDG will maintain a high-quality central accounting function that provides guidance and support and is a centre of expertise on accounting for EU Institutions and bodies consistently producing world class annual accounts, prepared according to the highest international standards. The Accounting officer is responsible for preparing the Commission and EU annual accounts, which are adopted by the College and audited by the European Court of Auditors. The objective, as every year, is to get a clean opinion from the Court. As well as aiming for a transparent and value-added reporting to stakeholders, as is done for all elements of the annual accounts, a specific objective for financial instruments reporting in the 2023 EU

annual accounts is to create a clear link between accounting for contingent liabilities and the Commission's risk management framework.

DG BUDG will continue to be involved in global accounting discussions, to ensure that the Commission influences developments appropriately – in September 2024, DG BUDG will host a quarterly meeting of the International Public Sector Accounting Standard Board (IPSASB).

DG BUDG will continue focussing its action of validation of local systems on the assessment of the pilot projects preceding the introduction of SUMMA while preparing the field work for the assessment of SUMMA's introduction for the whole Commission. Work will also continue on supporting the integration of the local and corporate systems with SUMMA from a business point of view and on improving the quality of accounting via the accounting quality programmes.

DG BUDG will also pursue a robust recovery process at Commission level. This is key to ensuring that amounts owed to the EU budget are duly paid and that the EU's financial interests are adequately protected. In 2024, it will continue to implement an enhanced corporate debt management strategy aimed to improve the effectiveness and efficiency of the recovery process across the Commission.

In 2024, DG BUDG will also pay particular attention to recoveries following OLAF's financial recommendations; in cooperation with OLAF an active follow-up of these measures will be undertaken.

Recast of the Financial Regulation

In 2022, DG BUDG proposed targeted adjustments to the Financial Regulation to align it with the rules adopted for the current long-term budget 2021-2027, and to further improve the already very high standards of EU financial rules, for an even more transparent, better protected and more agile budget. Negotiations in the European Parliament and in the Council were concluded in December 2023. In 2024, DG BUDG will assess the impact of the recast of the Financial Regulation on current practices, guidance documents and templates.

Corporate financial IT systems

DG BUDG, in its role as leading service in the financial domain, will continue the preparation and deployment of the new IT corporate financial platform, SUMMA, which will replace the current ABAC. SUMMA will be a modern and integrated financial system, incorporating state of the art financial processes based on best practices and industry standards, and fully integrated within the EC corporate IT landscape.

This major project contributes to the implementation of the Commission's digital strategy. As such, SUMMA will provide an important contribution to the modernisation and digitalisation of the EU administration. It will support the Commission's key financial day-to-day activities with the latest available technology from SAP. Beyond the technology replacement, this project provides the opportunity to standardise and simplify the Commission's financial and accounting processes and facilitates the decision-making process through integrated reporting and enhanced analytics capabilities. SUMMA went live for three pilot agencies (ERA, CINEA and EUROJUST) in January 2022 and for an additional pilot agency (Clean Aviation JU) in January 2023, including also the integration with the corporate system eGrants. The work on designing, building and testing the core solution for the Commission specific business processes was completed by the end of 2023. Due to the complexity of the integration of the Commission's other systems with SUMMA, which will

be completed and tested in the first half of 2024, the system will be prepared for going live in the Commission in January 2025, one year later than originally planned.

In the meantime, the new version of the system will be used by the pilot agencies as from January 2024, as well as by the Commission for the management of its Financial Assets and Debt Management operations. In addition, the SUMMA module for budget planning went live in 2023. Several local tools are phased out thanks to the deployment of this SUMMA planning tool. As SUMMA and ABAC continue to co-exist, DG BUDG will also ensure the business continuity of the current ABAC and related systems.

As analysed in specific objective 3.2, DG BUDG will also continue supporting the development and operation of integrated corporate tools and solutions for financial, operational and contract management (eGrants, eProc, e Indirect management, SEDIA, etc.).

Strategic communication

Communication, as a cross-cutting activity which contributes to the achievement of all the general objectives of this Management Plan, is key in supporting DG BUDG policy work. Over the past years, communication has been instrumental to position the EU budget as a key tool to respond to the new and existing challenges before the EU, and to ensure outreach to key stakeholders to the benefit of successful policymaking. The last point was particularly important in the context of the EU's borrowing operations, where outreach to and engagement with existing and potential investors is essential for the optimal functioning of EU as an issuer.

External communication

In 2024, DG BUDG will continue to carry out targeted communication work directed at specific audiences and with the goal to support the delivery on a set of clear objectives. DG BUDG will work to support the implementation of the budget, communicate about its added value and its impact, which is essential for the better understanding and acceptance of this topic by the target audiences, including by the general public.

This includes communication on sound financial management and the protection of the EU budget, notably in relation to the recast of the Financial Regulation and ongoing proceedings against Member States under the Rule of Law Conditionality Regulation. Further key issues are the proposed New Own Resources as well as support to the ongoing negotiations on the proposed revision of the MFF including the STEP proposal. Over the coming months, preparatory work for the next MFF will become increasingly important – with communication as a key factor to ensure fruitful exchange with stakeholders and prepare the ground for constructive negotiations.

Investor outreach will remain key for the success of DG BUDG borrowing and lending operations. In this vein, DG BUDG will continue to engage with the investment community through the channels established back in 2021 and by exploring new channels where relevant. Key focus in 2024 will be the communication of the ongoing development of the EU-Bond ecosystem to allow EU Bonds to trade and price on terms available to the largest liquid EGB issuers with the aim of obtaining the most advantageous debt issuance terms for the EU budget and Member States.

Through the regular publication of EU budget policy briefs, DG BUDG will contribute to the policy debate among specialised stakeholders. In addition, DG BUDG will continue maintaining its web presence and

release a series of publications and reports as per a pre-defined calendar available on the following pages of the current management plan.

Finally, in line with the STEP proposal, DG BUDG will prepare the ground for the launch of the Sovereignty Portal. The objective of the Sovereignty portal will be to help project promoters and companies seeking funds to find the relevant information about funding opportunities under EU budget programmes. The portal will bring together information about the calls for proposals from the different funds managed by the Commission, funding opportunities under indirectly managed programmes such as InvestEU, as well as the funding opportunities stemming from the managing authorities under the cohesion policy funds and the Member States under the Recovery and Resilience Facility. Moreover, the Sovereignty portal will help increase the visibility for STEP investments towards investors, by listing the projects that have been awarded a Sovereignty Seal.

The visuals below summarise the target audiences, the main communication objectives and contains a non-exhaustive list of deliverables per strategic objective.

AN ECONOMY THAT WORKS FOR PEOPLE



Target audience

In Brussels

- Other institutions (EESC, ECA, etc.)
- Think tanks, industry associations, business organisations
- Social media multipliers
- Commission staff to serve as multipliers
- Brussels press corps (together with the SPP)

In the Member States:

- National and regional administrations
- National and regional parliaments
- Multipliers: NGOs, think tanks, industry associations, business organisations, online influencers
- Beneficiaries of EU funding
- Media and social media on the ground
- Commission Reps, European Direct Centres
- Citizens

Beyond the EU:

- Third countries
- International Organisations (WB, UN, etc.)

Specific to investor outreach:

- The investment community and the PDN banks



Objectives

- Support the smooth implementation of the EU's long-term budget and [NextGenerationEU](#)
- Urge stakeholders to make the most out of the opportunities that the EU creates for them
- Communicate on the impact of the EU budget on the daily life of the Europeans and thus reinforce a pro-EU feeling
- Contribute to neutral media coverage or pro-Commission media coverage;
- Generate positive talk about the added value of the EU budget both in Brussels and across the EU
- Pass the message that the EU budget is well-protected
- Support the general reflection on the evolving nature of the EU budget

Specific to investor outreach:

- Ensure open and transparent communication to the investment community to support borrowing and lending operations

Non-exhaustive list of actions

- ▶ Ongoing communication and outreach work to media in cooperation with the Spokesperson's Service and the Cabinet Communication Adviser
 - ▶ Constant update of the DG BUDG web presence
 - ▶ Contribution to the corporate recovery campaigns
 - ▶ Actions to support the reflection on the evolving nature of the EU budget: promotion of the policy briefs, Annual Budget Conference
 - ▶ Outreach to specialised stakeholders and targeted presentations
 - ▶ Enhanced use of social media
- Specific to investor outreach:**
- ▶ Outreach on EU DSF to steer the market
 - ▶ Ongoing regular and open communication on borrowing and lending including website, three-monthly newsletter, IIIA announcements, press communication and outreach to specialised media outlets

PROMOTING OUR EUROPEAN WAY OF LIFE

Target audience

In Brussels

- Council of the EU, individual PERM REPS
- Other institutions (EESC, ECA, etc.)
- Social media multipliers
- Brussels press corps (together with the SPP)

In the Member States:

- National and regional administrations
- National and regional parliaments
- Multipliers: NGOs, think tanks, industry associations, business organisations, online influencers
- Beneficiaries of EU funding
- Media and social media on the ground
- Commission Reps, European Direct Centres
- Citizens

Objectives

- Improve the understanding of the public that the EU has zero tolerance to fraud and that the Commission is doing its best – together with EU countries and other partners – to make sure every euro from EU budget is well-spent and generates EU added value
- Improve the understanding of how this is being achieved (e.g. simplification, enforcement activities, e-governance, fight against fraud / conflict of interest etc.)
- Contribute to positive media coverage / neutralise and rebut negative media coverage
- Improve the image of the Commission

Non-exhaustive list of actions

- ▶ Ongoing communication and outreach work to media in cooperation with the Spokesperson's Service and the Cabinet Communication Adviser
- ▶ Constant update of the DG BUDG web presence and promotion of the updated web content
- ▶ Promotion of specialised publications such as the IFAR package
- ▶ **Mythbusting** activities – EU budget fact check
- ▶ Specialised events – participation in third party events
- ▶ Enhanced dialogue and exchange of information with the European Court of Auditors, proactive communication around ECA reports, where relevant
- ▶ Support of topics events organised by the Commission Representations on the ground

A MODERN, HIGH PERFORMING, SUSTAINABLE COMMISSION

Target audience

In Brussels

- European Commission management and staff
- EU Institutions – European Parliament, Council of the European Union, European Court of Auditors
- Agencies and bodies

In the Member States and beyond:

- EU budget implementing partners
- National and regional administrations
- National and regional partners
- Citizens

Objectives

- Improve the understanding of the public that the EU has zero tolerance to fraud and that the Commission is doing its best – together with EU countries and other partners – to make sure every euro from EU budget is well-spent and generates EU added value
- Improve the understanding of how this is being achieved (e.g. simplification, enforcement activities, e-governance, fight against fraud / conflict of interest etc.)
- Contribute to positive media coverage / neutralise and rebut negative media coverage
- Generate a positive talk about the management of the EU budget both in Brussels and beyond
- Contribute to the positive image of the EU public administration and DG BUDG in particular as a Central Financial Service

Non-exhaustive list of actions

- ▶ Enhanced cooperation with the DGs and agencies via existing and new networks
- ▶ Regular update of internal and external information resources and wide distribution of the information
- ▶ Opportunities for blended financial learning
- ▶ Strategic coordination and communication on modernisation (Sedia, Summa...) and improved E-governance

Internal:

- ▶ BUDG Net + BUDGpedia
- ▶ BUDG Times + Media review

Internal communication

DG BUDG will continue to keep staff well informed, engaged and connected through a wide variety of internal communication actions (see Part 2 A).

Enhanced cooperation between the internal and external communication teams will ensure that internal audiences receive the same information and with the same level of detail as external ones.

BUDGpedia will continue to be used as a platform for targeted communication towards the finance community of the Commission, other EU institutions, agencies and bodies, along with other RUF (Réseau des Unités Financières) outreach activities for strategic dissemination.

COMMUNICATION ACTIVITIES AS DOMAIN LEADER ON FINANCIAL MANAGEMENT



Networks for better collaboration

Existing corporate networks animated by BUDG will provide 2-way communication to all services on the most important topics in financial management and internal control.



One-stop-shop: BUDGPedia

BUDGPedia website, the corporate one-stop-shop will continue to provide the staff of all EU institutions and agencies easy access to the latest financial rules, procedures, models, information about blended financial learning and more.



Reliable information, training and advice

BUDG will offer a wide range of information and advice for the finance community, including the Financial Helpdesks, blended financial learning, messages, monthly newsletters and communities of practice.



Improved financial governance

BUDG will communicate about joint budget planning, a uniform application of pillar assessment rules, single audit approach and cross reliance on existing audits and controls as well as on public internal control and risk management.



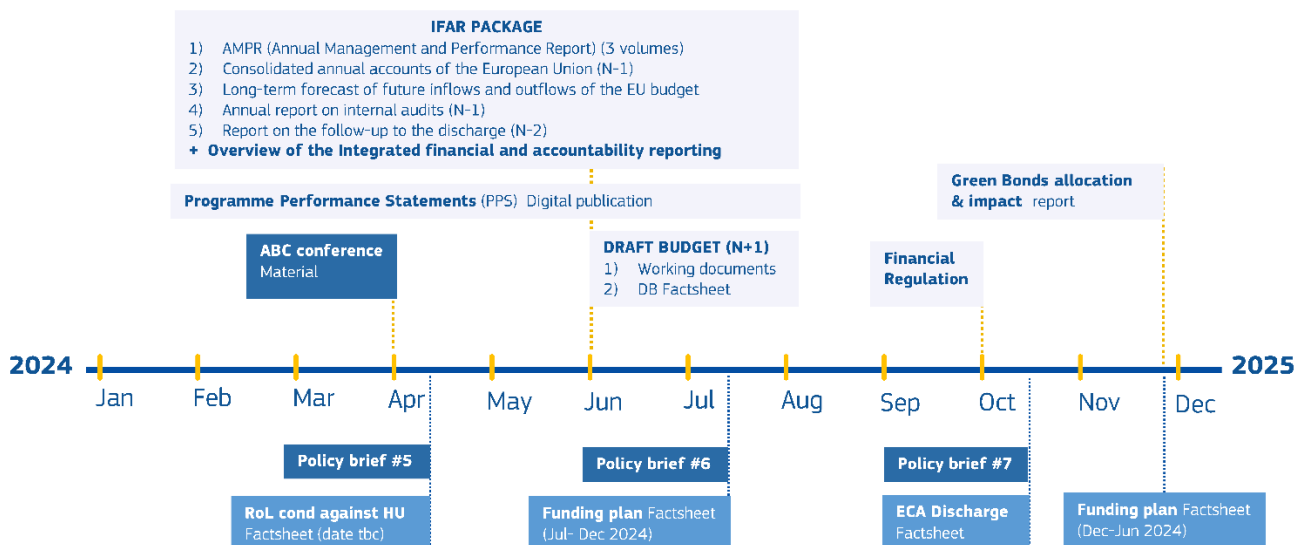
Streamlined processes through digitalisation

The communication about new corporate IT tools for grants and procurement as well as SUMMA financial system will inform future users about new functionalities for simplified and more harmonised corporate management of EU funds.

Publications plan

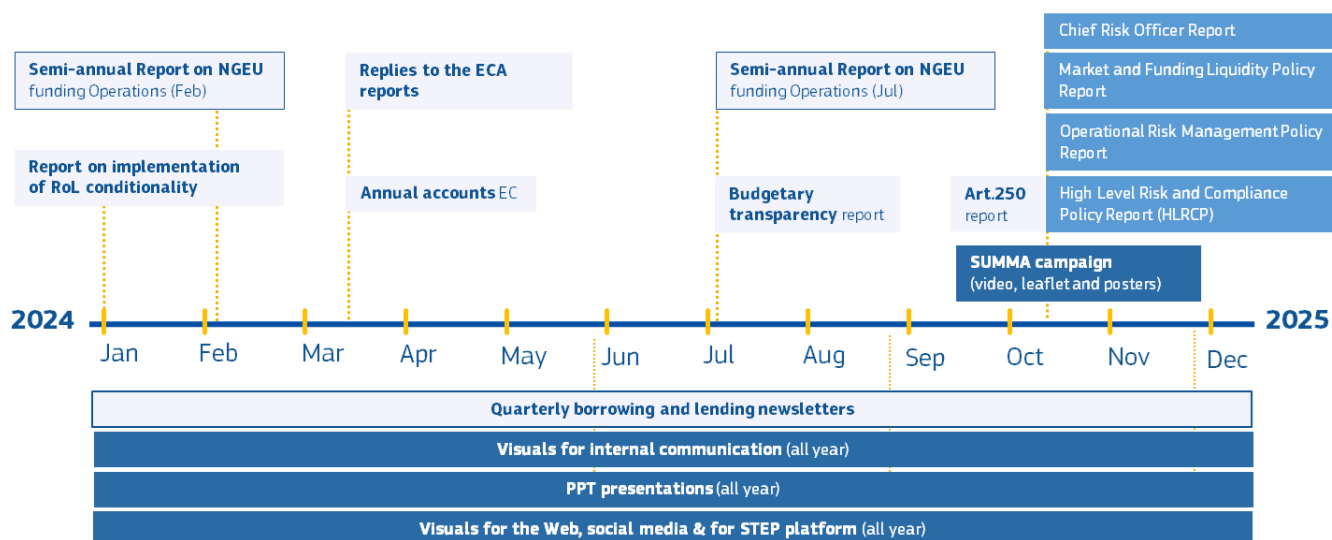
BUDG PUBLICATIONS – ANNUAL OVERVIEW 2024

Main titles



BUDG PUBLICATIONS – ANNUAL OVERVIEW 2024

Other reports, communications



CONCLUSION:

As this Commission nears the end of its mandate, in 2024 DG BUDG will continue to contribute to the delivery of the policy priorities of the von der Leyen team and start the preparations for the next MFF. Though the Management Plan identifies three main objectives through which DG BUDG’s work can be presented, its support extends beyond these objectives, ensuring both the performance of the EU budget as a whole and that the budget is equipped to deliver its results to the citizens that European institutions are accountable to.

While this Management Plan sets out the main priorities for 2024, such priorities are subject to change in accordance with any events which may impact the political agenda of the European Commission.

PART 2: Modernising the administration: main outputs for 2024

As a modern public administration, the Commission implements an internal control framework ⁽¹⁾ inspired by the highest international standards. It supports sound management and decision-making. It ensures that risks to the achievement of objectives are considered and reduced to acceptable levels through cost-effective controls.

Directorate General for Budget (DG BUDG) has established an internal control system tailored to its circumstances. The effective functioning of the service's internal control system will be assessed on an ongoing basis throughout the year and be subject to a specific annual assessment covering all internal control principles.

This part focusses on organisational aspects and describes the various steps that will be taken to modernise the way we work together and how we make the most efficient and effective use of the resources at our disposal.

A. Human resource management

In autumn 2022 DG BUDG adopted its HR Strategy 2022-2024 and related action plan, in line with the Commission's HR Strategy and the 2021 Staff Survey results. In 2024 DG BUDG will continue to implement the HR action plan and effectively manage its human resources to deliver on the political priorities it is responsible for. DG BUDG will foster a positive work environment, support talent management through career development opportunities and effective recruitments and deliver high quality HR services to DG BUDG's management and staff.

DG BUDG will continue to reach out to existing and new employees to show that DG BUDG is an attractive place to work, and to promote cooperation across teams. To attract skilled colleagues, we will communicate via BUDG Times newsletter, DG BUDG's intranet, MyIntracomm platform, at conferences and other internal events, and inside internal communicators' network.

Several actions in the local HR action plan relate to internal communication, including the communication between senior management and staff. Two communication initiatives include the identification of relevant colleagues to provide further expertise on BUDGpedia, as well as the launch of a survey on the perception of DG BUDG – and if need be - develop a strategy to address eventual shortcomings. As a result, DG BUDG staff will be kept informed about the processes before each major policy announcement and staff-related matters, which should deepen a sense of belonging and increase motivation.

HR strategy 2022-2024 and Action Plan

The main objectives of the local HR Strategy 2022-2024 and related actions are equal opportunities, staff engagement, well-being, mobility, and career. The Implementation Working Group will complete the remaining actions and initiatives.

Regarding **equal opportunities**, reaching the 50% gender parity target among managers by 2024, as set by President von der Leyen, is a priority for DG BUDG. Women currently account for 45.4% of DG BUDG's

⁽¹⁾ [Communication C\(2017\)2373 - Revision of the Internal Control Framework](#)

senior management and 43% of DG BUDG's middle management population. In line with the agreed target for the first female appointments to middle management positions, in 2024 DG BUDG will appoint at least one female Head of Unit, who will become a manager for the first time.

In 2024, DG BUDG will further encourage women to apply to deputy Head of Unit positions to provide them with managerial experience. DG BUDG will also work on the quality, content and attractiveness of vacancy notices. DG BUDG will continue to identify the best candidates to participate to the corporate Female Talent Development Programme (FTDP) as in the past years to further develop the management skills of female team leaders below head of unit level. Furthermore, DG BUDG will continue to run its Talent Management Programme, combining training and coaching to foster leadership abilities, which is available to all staff members, irrespective of grade and gender.

The equality actions from DG BUDG Equality Work Plan 2021-2024 will continue to ensure an inclusive and diverse work environment where all people enjoy equal rights, opportunities, obligations, influence, and consideration. DG BUDG will support informal networking initiatives for parents with small children and colleagues returning from a longer leave, and for LGBTQIA+.

The previous overall **Staff Survey result of 74% confirmed that DG BUDG's staff is highly engaged** ⁽²⁾. Results of the next Staff Survey will be analysed once available in 2024 and the HR action plan revised and adjusted accordingly by the Implementation Working Group, to maintain the level of engagement and to address the weaker areas.

DG BUDG will continue to promote a manageable workload and a good work-life balance for everybody. In 2024, DG BUDG will organise the actions from both its own and the Commission's **well-being** (BeWell@work) programmes. This includes indoor and outdoor sports ⁽³⁾, wellbeing conferences, art events (including BUDG's art@work activities) and organising of summer and Christmas events to bring colleagues closer together.

When it comes to **mobility and career development**, DG BUDG will continue to apply a dynamic approach to management of vacant positions and recruitments. In 2024, DG BUDG will continue contributing to the organisation of the specialist competitions to ensure that we recruit the profiles we need. In collaboration with DG HR, special attention is paid to filling vacancies in Luxembourg.

DG BUDG will continue to promote inter-DG cooperation and intra-DG project teamwork by identifying knowledge clusters and gaps and by preparing colleagues to be more involved in policy design.

To facilitate mobility within DG BUDG, all vacancies will continue to be published on BUDG's intranet in addition to publication in Sysper. DG BUDG will also meet the corporate requirement regarding external publications.

⁽²⁾ The results in range of 86-89% show that we particularly appreciate teamwork: we believe that we have good working relationships with others, that our colleagues are doing quality work, and that we work together to improve the way we deliver on our tasks.

⁽³⁾ e.g., DG BUDG table tennis and table football tournaments and participation in the EKIDEN relay race, vélomai and the Schuman Trophy.

B. Sound financial management

As the domain leader in financial management, DG BUDG aims to foster excellence in financial governance within the DG, across the institution and even in Member States, in collaboration with the Commission services responsible for shared management.

At the corporate level, DG BUDG plays a leading role in the discharge procedure by ensuring the effective management of relations with all relevant stakeholders in the process, in particular the European Parliament and the European Court of Auditors.

DG BUDG manages the borrowing and lending activities, guarantees, financial instruments and trust funds, with risk management and controls specific to these domains.

DG BUDG also manages the Commission's treasury activities and executes payments on the EU and EDF budgets, for the Commission, the EEAS and other institutions and bodies. The significant volumes and amounts of payments are run under a strong internal control framework. The applied payment procedures are fully aligned with international banking standards.

Furthermore, DG BUDG manages its own administrative expenditure, including procurement, and defines and oversees the correct implementation of the financial rules applicable to the general budget. In this context, DG BUDG will continue to ensure full implementation of its budget and timely reporting to senior management and other stakeholders.

To this end, DG BUDG's Procurement Sector will ensure the timely implementation of the procurement plan 2024. The full use of all functionalities of Public Procurement Management Tool (PPMT) and the available parts of the e-Submission tool (e-Request, e-Ordering, and e-Invoicing) will help to achieve this objective. Finally, publication of DG BUDG's updated procurement guidelines and procedures, with regular trainings, will continue in 2024 ensuring a common understanding and application of the rules across DG BUDG.

In 2024, one of the main challenges will be the migration to the e-Procurement corporate tool under development by DIGIT. The Procurement Sector will further raise awareness amongst external users of DG BUDG framework contracts and will reinforce the monitoring of contract management to ensure its timely execution.

DG BUDG's Financial Cell will continue to provide support to the NextGenerationEU (NGEU) programme by financial verification and preparation of the related transactions. Playing a key role in the payment of cost of funding in the context of the NGEU transactions, we plan to streamline this process during 2024. We will also promote the use of a newly created local DG BUDG dashboard, breaking down the budget by different DG BUDG IT projects (Govis codes), which allows operational units to easily follow-up on their own appropriations.

The risk of payment-related errors in DG BUDG is considered very low. In 2024, we will revise our procedures related to the non-compliance events registered in 2023. The accounting checks will continue to ensure the good data quality of ABAC transactions, following the risk-based plan and with the focus on the fields having a primary impact on the quality of data to be migrated to SUMMA.

C. Fraud risk management

DG BUDG has an updated Anti-Fraud Strategy (AFS), covering all the relevant activity areas of the DG, both from a local and corporate perspective, aligned with the objectives of the current Commission Anti-Fraud Strategy.

DG BUDG's AFS and the implementation of its Action Plan is monitored on an annual basis. The Action Plan will be updated in 2024, considering the new Commission Anti-fraud strategy where DG BUDG leads or co-leads 11 actions.

The main actions concern the development of the envisaged IT system (corporate Arachne) for data mining and risk scoring, in line with the final agreement on the financial regulation recast); the use of the Early Detection and Exclusion System (EDES) amongst Commission services, agencies, other EU Institutions and Member States; the strengthening of anti-fraud features in SUMMA; the sharing of best practices on preventing, detecting, and addressing conflict of interest situations in Member States.

DG BUDG will also continue to cooperate with the European Anti-Fraud Office (OLAF) and the European Public Prosecutor's Office (EPPO) on the follow up on their administrative and financial recommendations.

Together with OLAF and TAXUD (DG Taxation and Customs Union), DG BUDG will further work on the mitigation measures for the undervaluation of imports to the EU (including implementation of the enforcement strategy) and an (upstream) fraud-proofing exercise on spending programmes.

As part of the fraud prevention and detection system in the area of Traditional Own Resources (TOR), DG BUDG will continue to actively participate, at director and at technical level, in the strategic steering meetings with DG TAXUD along with OLAF as permanent members and other interested services (in particular DGs TRADE, AGRI and MARE) on an ad-hoc basis.

The Chief Risk Officer for borrowing, debt management, and lending operations will oversee a risk and compliance framework to ensure the sound financial management of, among others, EU borrowing operations and adequate protection of the financial interests of the EU. The Director-General of DG BUDG and the staff responsible for the NGEU operations, as the first line of defence, will continue to identify and mitigate all the related risks (financial and non-financial). This is particularly important given unprecedented monetary tightening, with rapid increase of the policy rates by the European Central Bank (ECB) to fight inflation and the recent message of "higher for longer" by central banks, leading to a sharp increase in yields for all sovereign and supranational issuers and heightened market volatility.

DG BUDG will also manage risk in the collection of all revenue owed to the EU budget, including amounts unduly paid. Risks pertaining to the treasury management will be managed, including for instance payments to countries facing difficult situations (e.g., Ukraine, Sudan, Palestine), those linked to the setup of new liquidity and payment circuits for new budgetary structures, as well as onboarding of new agencies for treasury services. DG BUDG also ensures the proper management of bank guarantees received in the context of competition fines and their associated risks.

In 2024 DG BUDG will continue to play an active role in OLAF's Fraud Prevention and Detection Network. DG BUDG will raise awareness among DG BUDG's staff on fraud related matters, by organising two dedicated information sessions for staff and by communicating regularly related tips and reminders on ethical rules via BUDG Times articles to all BUDG Staff.

D. Digital transformation and information management

Digital transformation

As financial domain leader and owner of 20 IT systems, DG BUDG will actively collaborate with DIGIT as ICT domain leader, and other DGs, to obtain the maximum synergies possible in implementing the 2022 European Commission Digital Strategy⁴, which shapes the next generation digital Commission, and contribute to the fulfilment of its five strategic objectives.

When migrating to the new collaborative tools DG BUDG will focus on increasing the **digital literacy**, in particular with regards to the use of Microsoft Office. The preparation of the future MFF and the implementation of the new Financial Regulation will be supported by wider use of data visualisations and of artificial intelligence. DG BUDG training and a dedicated Community of Practice will focus on SUMMA, to prepare Commission's staff for the go-live in January 2025.

DG BUDG will continue to **involve IT units in the preparation of policy initiatives and legislative acts**, those linked to the revision of Financial Regulation and the preparation of the future MFF. Building on the vast experience with the implementation of various corporate IT tools, DG BUDG will continue using multidisciplinary teams and ensure that IT aspects are duly reflected in policymaking.

DG BUDG plans to further automate various processes: risk scoring, operational risk management, financial assets and debt management, data mining, archiving documents, budget planning and forecasting and workflow design. DG BUDG will continue its cooperation with all DGs, EU institutions, bodies and agencies reflecting their **business needs** while improving the processes, workflows to reflect the experience of the state-of-the-art information platforms, such as SAP S4Hana.

To ensure a seamless digital landscape, DG BUDG will draw fully on its wide experience from the implementation of SUMMA, based on an off-the-shelf system following the Dual Pillar Approach (DPA) ⁽⁵⁾. DG BUDG will also continue to look for re-usable solutions, e.g., EU Login, Compass Corporate, to use corporate platforms, e.g., Microsoft 365, ServiceNow, or solutions developed by other DGs, e.g., CENTRICS developed by DG INTPA. As a result, DG BUDG will continue to increase the interoperability of its IT systems portfolio and contribute to the improvements in the Commission's corporate interoperability. In view of ensuring **a green, secure, and resilient infrastructure**, all DG BUDG IT systems or modules, in particular SUMMA, will be analysed as for the possible migration to cloud. All BUDG IT systems or modules will continue to have an updated IT security plan.

IT applications developed by DG BUDG

During 2024, as detailed in part 1, DG BUDG will implement the **new corporate financial platform SUMMA** and will finish developing PAAW, an IT corporate database of entities entitled to work under indirect management. DG BUDG's **local applications** will be further rationalised, either by replacing them by SUMMA, or moving them to modern platforms with the preference for low code/no code solutions. After replacing RAD - the application used to follow-up the recommendations-with **RESPOND**, all BUDG information systems will have an up to date 'fully supported' status and apply reusable corporate solutions.

⁽⁴⁾ C(2022) 4388 final.

⁽⁵⁾ Under the dual-pillar approach, future digital solutions will first try to reuse existing solutions and then off-the-shelf products and platforms. Only in exceptional situations own developments are authorised.

In addition, in line with the agreement reached in the political trilogue on 7 December 2023 on the Financial Regulation recast, a modernized data-mining and risk-scoring tool based on the existing local tool **Arachne** will be further developed. As from the next MFF, its scope will be extended to all EU budget management modes and its feeding with data on recipients of EU funds will be compulsory for entities involved in EU budget implementation. The possibility of its compulsory use will be rediscussed after assessment of its readiness by the Commission by 2027.

Business continuity (availability, reliability and security) of the BUDG corporate IT systems (ABAC, BadgeBud, EDES, Unified Funding Approach System) and all BUDG local applications will continue to be assured.

In 2023 a Task Force was set up in BUDG to coordinate the **transition to M365**. In 2024 this group will prepare and coordinate the migration of over 100 collaboration sites, notably BUDGpedia (BUDG's corporate financial management knowledge management system). Depending on the speed of migration of BUDG staff to the Welcome platform, key for handling sensitive non-classified information, DG BUDG will also use the M365 tools for collaboration and co-authoring, local intranet and daily operations of the units and project teams.

Information and IT security rules

In 2024, DG BUDG will continue the assessment of the move of SUMMA to the cloud, with the collaboration of IT service providers and DIGIT. Work will also continue to meet the 2023 and 2024 IT security strategy objectives, and to improve the KPIs as displayed in the IT Security and Risk Reports, making active use of the IT tools: GovSec, GRC and Govis2 and improving the quality of the data.

DG BUDG will review its IT security plans and follow up on identified cases of non-compliance with the corporate security standards, providing a remediation plan as needed. The compliance with the security requirements will be ensured also for all the new Information Systems. DG BUDG Local Informatics Security Officer (LISO) will continue to verify if the systems or services procured from external suppliers, and the external consultants' access to Commission information systems and data, respect the relevant rules and guidelines of HR.DS, together with the operational units. A major yearly milestone will be the reporting to SWIFT by the LISO of the attestation under the SWIFT customer security control framework, consisting of mandatory and advisory security controls for SWIFT users, which are being adjusted over time to combat emerging cybersecurity threats. Under this framework, all organisations using the SWIFT network are required by SWIFT to report on their compliance with the security controls. This declaration is posted then on the SWIFT protected website.

In addition, DG BUDG will continue to raise awareness on the security risks (including specific threats and phishing campaigns) and share the best practices.

Data, information and knowledge management

Financial data management

In line with the European Commission Digital Strategy and the Data governance policies, the strategic use of data, information and knowledge is an essential part of a new way of working of the Commission.

BUDG will continue to improve the management and exploitation of data related to MFF performance, monitoring and evaluation”, as part of the [Rolling Action Plan 2022-24 for data, information, and knowledge management](#).

Knowledge management

In addition to being a knowledge hub for the Commission, other EU institutions and bodies, as well as executive and traditional agencies (cf. sections 3.2 and 7.1 of Part 1), BUDGpedia, under the lead of the cross-directorate Knowledge Management Steering Board, will continue to foster collaboration and knowledge-sharing within DG BUDG and prevent knowledge losses due to staff turnover. The community of nearly a hundred BUDGpedia ‘Gardeners’, who work together to expand, update, and improve BUDGpedia daily, will remain a key asset of the DG.

Document and information management, and data protection

Document management widely supports DG BUDG’s mission, as accounting, financial and legal activities must be accompanied by solid evidence. In 2024 DG BUDG will continue to ensure compliance with e-Domec rules and to raise awareness, as regards the preservation needs and handling of sensitive information. Regular communication with the units will be maintained via the meetings of the internal network of correspondents.

DG BUDG will continue to ensure, in cooperation with the DPO and other Commission services, that the most relevant processing operations involving personal data are documented and updated in the corresponding records and privacy statements. In 2024, the welcome sessions for newcomers will also provide information on data protection and in addition, one specific data protection information session for all staff will be organised, covering the compliance requirements stemming from Regulation (EU) 2018/1725 and the EC implementing rules (C(2020) 969). The objective is to reach more than 30% of staff every year between 2021 and 2024.

E. Sound environmental management

DG BUDG follows and implements at a local level, the Commission’s corporate environmental and EMAS actions, by actively promoting measures to reduce the environmental day-to-day impact of the administration and to raise staff environmental awareness.

In 2024, DG BUDG will continue contributing to the implementation of the Commission Communication and Action Plan on Greening the Commission. As regards the EU climate targets, DG BUDG will continue to support the special measures to further reduce the already low energy and water consumption of its buildings. In 2024, BUDG EMAS team will continue to promote the waste sorting and reduction of paper consumption via communication actions promoting more ecological behaviours, such as through an art exhibition.

In addition, DG BUDG will continue to reduce the emissions and its carbon footprint caused by travel and commuting, by authorising only essential missions, by promoting environmentally friendly means of transport (e.g., VELOMAI) and by allowing staff to telework up to three days per week. Regular communication will be provided (e.g., articles, tips on sustainable events practices in line with the guidelines on organising sustainable meetings and events at the Commission, interviews) and participation in EMAS

campaigns will be ensured. This will raise awareness about greening in addition to the regular updating of EMAS@BUDG web page and various communication in “BUDG Times” newsletter.

F. Initiatives to improve economy and efficiency of financial and non-financial activities

In its role of financial domain leader of the Commission, DG BUDG monitors the economy and efficiency of the EC’s financial processes and seeks ways to improve. The revision of the Financial Regulation, for which DG BUDG is in the lead, is expected to be formally adopted by April 2024, to enhance the protection of the EU financial interests, improve crisis management and introduce technical updates.

Following the adoption of the Artificial Intelligence (AI) Local Action Plan in March 2022 DG BUDG will continue to focus on AI usage aiming at reducing human efforts while increasing the quality of its outputs. The main opportunities and challenges are linked to the SUMMA programme and the Arachne project. As a member of the Corporate Management Board, the Information Technology and Cybersecurity Board, the Information Management Steering Board, and the Group of Resources Directors, BUDG will support corporate AI activities, through cooperation with DIGIT and other DGs, to implement AI technologies in other projects.

Annex: Performance tables - main outputs for 2024

Part 1 - Delivering on the Commission's priorities

General objective: 3. AN ECONOMY THAT WORKS FOR PEOPLE

Specific Objective 3.1: Design, negotiate and manage EU budget expenditure and revenue that delivers efficiently on Union priorities and provides added value through the financing of EU public good.

Main outputs in 2024:

New policy initiatives

Output	Indicator	Target
Preparation of the next MFF.	Completion of the spending review, preparation of the priorities, analytical and quantitative work.	Throughout the year.

Other important outputs

Output	Indicator	Target
Establish an annual budget for 2025 according to needs within legal deadlines respecting the political priorities.	Statement of Estimates adopted in June; Draft Budget by mid-July.	2025 budget adopted at the latest in the December 2024 plenary.
Annual budget implementation making use of transfers and carryovers.	All budgetary authority transfers and Draft Amending Budgets adopted by the EP and the Council.	Throughout the year.
Regular monitoring of annual budget execution to ensure full implementation, including by providing guidance to the DGs.	Information notes on budget Implementation. Working document on implementation and assigned revenue produced on time. Regular information to the EP and the Council in the framework of interinstitutional meetings on payments. Full implementation of the 2024 budget.	Throughout the year.
Technical adjustments of the MFF in line with Articles 4, 5 and 6 of the MFF Regulation.	Timely adoption for the annual budget procedure.	June 2024.
Enhance agility of the budget by strategic planning and foresight.	Long term forecast report of revenue and expenditure produced.	June 2024.

Output	Indicator	Target
ACOR forecast - Calculation of Own Resources basis.	<i>Member States approval in the ACOR meeting; revised TOR, bases for VAT, non-recycled PPW and GNI own resources for 2024; forecasts of TOR, and bases for VAT, non-recycled PPW and GNI own resources for 2025.</i>	May 2024.
Calculation of UK payments.	Calculation of the relevant amounts to be paid by the UK – ‘the UK invoice’ as specified in Article 148 of the Withdrawal Agreement.	April 2024 and September 2024.
Follow-up on the financial and legal issues of the implementation of the EU-UK Trade and Cooperation Agreement and the Withdrawal Agreement.	Preparation of the reports based on the relevant Articles of the Part V of the Withdrawal Agreement. Continuous support to policy DGs on implementation of the TCA (Union programmes).	March 2024. Throughout the year.

General objective: 3. AN ECONOMY THAT WORKS FOR PEOPLE

Specific Objective 3.2: Develop policy-relevant knowledge, performance and financial intelligence in order to optimize the use of resources, influence policy design and ensure efficient and effective implementation of the spending programmes.

Main outputs in 2024:

Other important outputs

Output	Indicator	Target
Publication of reinforced performance analysis, with focus on EU added value.	Timely publication of programme performance statements.	June 2024.
Tracking of climate, biodiversity and gender expenditure.	Third iteration of gender equality tracking pilot methodology. Second application of digital expenditure stocktake.	June 2024.
Enhanced economic and budgetary analyses.	Enhanced modelling capabilities to assess the socio-economic impact of the EU budget.	3 EU budget policy briefs in Q2, Q3, Q4 2024.
Enhanced revenue policy analysis.	Analysis of developments of own resources and other revenue.	Throughout the year.
Coordination of internal procedures (legislative coordination, comitology, briefings, access to documents, citizens questions, ombudsman, corporate management board).	Quality in the running of procedures and respect of deadlines in the submission of quality documents.	Smooth running of procedures; timely submission of quality documents.

Output	Indicator	Target
Coordination of inter-institutional activities (GRI, EXCO, EP questions, national parliaments opinions, consultative committees).	Quality in the running of procedures and respect of deadlines in the submission of quality documents.	Smooth running of procedures; timely submission of quality documents.

General objective: 3. AN ECONOMY THAT WORKS FOR PEOPLE

Specific Objective 3.3: Enhance agility of the budget by strategic planning and foresight, harmonized asset management as well as efficient use of financial instruments, budgetary guarantees and the budgetary headroom.

Main outputs in 2024:

Other important outputs

Output	Indicator	Target
Borrowing, debt management and lending activities for the EU.	<p>Implementation of robust governance procedures across borrowing and lending operations.</p> <p>Active liquidity management.</p> <p>Support of EU bonds' secondary market liquidity.</p> <p>Accounting of flows and budgetary reporting.</p> <p>Codified relations with bank counterparties.</p> <p>Reinforced communication channels with investor base.</p> <p>Comprehensive reporting to Parliament and Council.</p>	<p>Throughout the year.</p> <p>Minimum of four Risk and Compliance Committee meetings per year.</p> <p>Annual CRO report to the College.</p> <p>Monthly CRO risk report to top management.</p>
NextGenerationEU green bonds.	<p>Third allocation report.</p> <p>Second impact report.</p>	<p>December 2024.</p> <p>December 2024.</p>
Sound Governance of CPF (Common Provisioning Fund) assets.	Effective governance of the asset and financial risk management in DG BUDG.	Governance is in place. Regular review at Asset Management Board every 2-3 months. Monthly meetings of Risk Committee. Frequent reporting to top management, including on risk and performance.

Output	Indicator	Target
Asset Management.	<p>1) Implementation of financial investments according to established asset management guidelines.</p> <p>2) Performance comparable with relevant financial market benchmarks.</p>	<p>1) Ensure 100% compliance with guidelines.</p> <p>2) Deliver performance in line with relevant benchmarks (long run).</p>
Prudent management of budgetary headroom.	<p>Monitor the sustainability of the EU fiscal capacity to cover borrowing liabilities by applying - independently of the borrowing management - a dedicated EU-adapted assessment methodology.</p> <p>Ensure that at any point of time, the headroom is sufficient to cover all contingent liabilities falling due in the same year in full respect of the Own Resources Decision in force.</p> <p>Ensure close coordination of relations and interactions with credit rating agencies and provide analytical support to underpin the EU credit rating.</p>	<p>Maintain high ratings, account being taken of evolving circumstances throughout the year.</p> <p>Positive headroom in every year.</p>

General objective: 5. PROMOTING OUR EUROPEAN WAY OF LIFE

Specific Objective 5.1: Secure that the amounts allocated from the EU budget are invested for the intended purpose and ensure strict compliance with the financial rules in order to minimize errors, prevent fraud, enhance transparency, and pave the way to the discharge.

Related to all spending programmes.

Main outputs in 2024:

Other important outputs

Output	Indicator	Target
Continuous support to Commission DGs on association of third countries to any Union programme and on the implementation of association agreements.	<p>BUDG agreement on the proposed association agreements.</p> <p>Support for the implementation of association agreements (ex. Ukraine, New Zealand etc).</p>	<p>Prompt reply by BUDG throughout 2024 depending on the interest expressed by third countries to be associated and on the demand of DGs.</p> <p>Prompt replies/guidance to specific consultations throughout 2024.</p>
Increased use of simplified forms of funding.	BUDG agreement to proposed authorising decisions.	Prompt reply by BUDG throughout 2024 depending on demand of DGs.

Output	Indicator	Target
Provision of corporate grants and procurement guidance.	<p>Publication and updating of Guidance documents.</p> <p>Development and updating of procurement and guidance documents and corporate templates in view of modifications introduced by the Revision of the Financial Regulation.</p> <p>Enhancement of guidance on contract management and on sustainable and innovation procurement (ex. possible development of contractual clauses for the procurement of AI following the adoption of the AI act).</p>	Throughout 2024.
Continuous development and roll out of eGrants, eProcurement, the Pillar Assessment Automated Workflow (PAAW) with support from contractors.	<p>Support to policy DGs for the onboarding to corporate IT tools in line with their policy objectives.</p> <p>Finalisation and rollout of the eProcurement contract management solution.</p> <p>Further improvement of the new IT tool for the automation of the pillar assessment process (Pillar Assessment Automated Workflow).</p> <p>Development and update of guidances and corporate templates used by the system.</p>	Throughout 2024.
Increased oversight in indirect management.	<p>Support to policy DGs in the pillar assessment of entities for cooperation under indirect management.</p> <p>Publication and updating of guidances and models for use of the AODs, as the need arises.</p> <p>Validation of decisions to apply (or not) supervisory measures and of the draft text proposed by lead DGs.</p> <p>Support for the adoption of exemption decisions.</p>	Prompt reply by BUDG throughout 2024.

Output	Indicator	Target
Effective management of the EU's own resources.	<p>Timely and correct revenue budgeting and calling of own resources from MS.</p> <p>Follow-up of all own resources due (recovery or contradictory procedure); correct recording of all transactions of the MS in respect of own resources.</p>	<p>100%</p> <p>100%</p>
Advising internal and external stakeholders on legal issues relevant for own resources matters and managing any questions with respect to the Protocol on the Privileges and Immunities of the EU.	Satisfaction by stakeholders with adequateness and timeliness of output delivered.	High satisfaction achieved.

General objective: 5. PROMOTING OUR EUROPEAN WAY OF LIFE

Specific Objective 5.2: Strengthen the protection of the EU budget from financial risks including to the generalized deficiencies as regards the rule of law in the Member States by greater transparency, knowledge sharing, and accountability achieved by regular dialogue between all concerned stakeholders.

Main outputs in 2024:

Other important outputs

Output	Indicator	Target
Report to the European Parliament and the Council on the application of Regulation 2020/2092 on a general regime of conditionality.	Transmission of the report to European Parliament and Council.	By 12 January 2024.
Effective management of the discharge process.	EP grants the 2022 discharge. Adoption of the follow-up report to the 2022 discharge.	May 2024. By 30 June 2024.
Maintain constructive relations with the ECA and the CONT Committee.	Ensure high-quality and timely Commission replies to numerous ECA reports. Streamline processes with the ECA	Throughout the year
For Arachne: Following the agreement on the compulsory feeding of the data-mining tool in the FR recast negotiations, to finalise Phase 1 and commence Phase 2 of the Project Arachne Corporate. These include definition of potential databases to be interconnected, consolidation of data in order to safeguard proper IT functionalities and identification of risk-indicators.	Assessment of COM databases compatibility with Arachne: Establish a baseline for technical interconnection of chosen databases with Arachne. Identification of personal data issues through the finalisation of the data protection questionnaire. Risk indicators to be reduced and improved.	Throughout the year.
Update of the High-Level Risk Compliance Policy (HLRCP).	Incorporate last developments and ongoing projects – Alignment with Commission implementing Decision (EU, EURATOM) 2022/2544.	By the end of 2024.
Further enhancement of the central risk register for all risks (part of Centrics).	Regular use of the register by the DGs, new analyses carried out at corporate level.	By the end of 2024.

General objective: 5. PROMOTING OUR EUROPEAN WAY OF LIFE

Specific Objective 5.3: Promote strong enforcement culture to protect the EU Budget including the revenue side.

Related to all spending programmes.

Main outputs in 2024:

Other important outputs

Output	Indicator	Target
Control of the VAT-based own resource.	Number of effective inspections in close cooperation with Member States, ESTAT and TAXUD.	12 inspections in 2024.
Control of Traditional Own Resources.	TOR inspections carried out.	100% TOR inspections planned are carried out.
Desk audits in Member states.	Desk audits carried out.	Ongoing desk audits finalised and new desk audits started in case of need.
Assessment of TOR write-off reports (in coordination with TAXUD, OLAF and LS).	Number of cases assessed/re-assessed and reviewed and their financial impact (TOR + late payment interest).	Finalise the re-assessment of cases (7) sent to COM prior 3/5/2022 (entry into force of the New MAR). Increase the number of cases self-assessed by Member States in 2024 and their ancillary voluntarily making available to the EU budget.
Launching infringement procedures against Member States in breach of own resources rules.	Adoption by the College of the relevant documents: Letter of formal notice, Reasoned Opinion, Referral to Court.	Throughout the year.

General objective 7: A MODERN, HIGH PERFORMING, SUSTAINABLE COMMISSION

Specific objective: 7.1. Act as a centre of excellence and trusted partner for Commission services, other institutions, agencies and bodies, Member States and beneficiaries regarding:

- **high performing financial governance, single (simplified) rulebook, transparency, smart reporting and derived intelligence, single audit approach, compliance, and accountability.**
- **modern, sound, and efficient management of accounts, treasury, financial risks, and corporate financial and contract management IT systems.**
- **stronger central oversight and management of debt, assets, and contingent liabilities in view of ensuring sustainability of the EU budget.**
- **performance optimisation through developing, implementing, monitoring and evaluating policies in an evidence-based, transparent and collaborative way with stakeholders and experts.**
- **robust internal control that helps the Commission to achieve its objectives and sustain operational and financial performance.**

Main outputs in 2024:

Other important outputs

Output	Indicator	Target
Final adoption of Financial Regulation recast.	Formal adoption of the agreement between EP and Council.	End of March 2024.
Efficient treasury management.	Full execution of budget payments to ensure credibility and achievement of all policy objectives. Implementation of SWIFT ISO20022 standard.	All authorised payments executed without delay. All payments and bank transfers executed via central and commercial banks are using the new ISO20022 XML format (end 2024).
Deliver EU, Commission, EDF and other accounts, as well as providing prompt, high quality guidance and support to all EU entities on accounting matters.	Annual accounts adopted on time by the Commission and by relevant other authorities and positive DAS on annual accounts from ECA.	30 June 2024.
Timely recovery of accounts receivable.	Proportion of ROs fully 'cashed' on time.	> 95 %
Reduction of doubtful & bad debts.	Amount of overdue Ros.	< EUR 500 million (aim = reducing following the measures of the debt management strategy).
More systematic recovery by offsetting against next payments.	Number of offsetting opportunities not taken up ('exceptions').	< 5 'exceptional' cases per month.
Increased management attention in authorising departments.	Number of pending AOD replies to the AccO's requests for taking stance.	< 100

Output	Indicator	Target
Monitoring the authorising departments' compliance with the recovery performance standards. Recovery orders KPIs.	Regular reporting to the DGs and Corporate Management Board, with possible escalation levels. Formalisation of the recovery orders related key performance indicators and selection of 1 or 2 indicators to be integrated in the scorecard.	At least 2 times. Upon adoption of the new debt management strategy.
Efficiency gains, inter alia through combined waiver decisions.	Number of combined waiver decisions taken.	2 (subject to the debt management strategy being in place).
Business continuity (availability and reliability) of the BUDG corporate IT systems (ABAC, SUMMA, BadgeBud, EDES) and all BUDG local applications including the borrowing and lending activities.	Availability and reliability of the IT systems. Aligning the IT systems with legal obligations and business requirements.	Continuous availability (monitored during 2024). All.
Implement the new Commission's corporate financial and accounting system SUMMA.	Level of completion and readiness of SUMMA, in view of its rollout to the Commission in January 2025.	SUMMA core solution for the Commission completed and deployed to Pilot Agencies by January 2024. Further advanced functionalities developed and tested by end June 2024. SUMMA ready for the anticipated budget operations at the end of 2024.
Strengthen the integration of the corporate financial systems with the other corporate and local systems and contribute to the rationalisation of the IT landscape.	Level of completion of the integration. Reduction of the number of local systems integrating with SUMMA compared to ABAC.	>90% integration completed. >10% reduction.
Ensure the budgetary financial year transition.	Timely opening in ABAC of the budget year (appropriations + RAL).	Interruption of payment operations not to exceed 7 days. Complete carry-forward expenditure by 14 January.
Annual data on the EU spending and revenue allocated to the Member States (for year 2023).	The publication of the interactive chart with supporting data file on the Europa website.	June/July 2024.
CENTRICS: Further enhancement of the registers centralised in Centrics (reservations, exceptions and non-compliance events, internal control monitoring criteria (for the risk register see objective 5.2) to facilitate use, reporting and analyse.	Simplified use and reporting improved.	By the end of 2024, positive feedback from DGs.

Output	Indicator	Target
CENTRICS consider extension outside the Commission.	Decision taken and, if positive, SLAs signed with at least 5 of these entities.	By the end 2024.

Cross-cutting communication activities contributing to all three general objectives.

Main outputs in 2024:

External communication

Output	Indicator	Target
Annual EU Budget Conference.	Number of participants	500
	Feedback received from participants.	At least 50% of good or excellent.
EU BUDG talks.	Number of participants.	At least 3 talks.
	Feedback received from participants.	50-100 At least 50% of good or excellent.
EU budget policy briefs.	Importance of issues.	At least 2 issues.
	Number of readers reached.	>250
EU budget website on Europa.	Number of visits [web analytics].	350 000
	Number of page views [web analytics].	700 000
Sovereignty Portal.	Number of visits [web analytics].	100 000
	Number of page views [web analytics].	200 000
EU budget X (formerly Twitter) account.	Number of impressions.	100 000 / month 24 000.
	Number of followers.	3 per week.
	Number of posts.	
Posting on Haailo (formerly SMARP) with specific focus on borrowing and lending operations.	Number of posts.	At least one per syndicated transaction and other borrowing and lending communication milestones.
Production and publication of the IFAR package including the overview brochure.	Number of readers of the publication or online readers [EDICS, OP orders, REPS].	1000 downloads.

Internal communication

Output	Indicator	Target
Promotion of BUDG related initiatives.	Number of articles on Intracomm.	At least 5.

Output	Indicator	Target
BUDGTimes Newsletters.	Regular weekly publication. Openings per issue. Unique clicks per issue. Unsubscribe rate. Spam complaint rate.	> 90% > 400 (85% of all staff) > 350 (75% of all staff) < 5% of all staff < 5% of all staff
Lunchtime presentations and learning seminars.	Organisation and communication of BUDG lunchtime conferences and learning activities.	At least 12.
Internal communication network.	Number of meetings. Number of articles submitted by the members.	8 6 per month.
Support professionalisation of the budget and finance community.	Number of learning activities delivered. Average satisfaction rate. Average satisfaction rate of correspondents addressing questions to the Central Financial Service Helpdesk.	≥50 Learning activities per year on average. ≥80% average satisfaction rate for 90% of respondents. ≥80% average satisfaction rate for 90% of respondents.
Communication and coordination activities as domain leader on financial management.	Number of RUF meetings. Number of participants to the RUF meetings. Number of finance community newsletters published. Number of subscribers to the RUF newsletter. Number of openings of the newsletter.	10 meetings per year. ≥ 100 participants on average per month. ≥8 per year. Maintain ≥1400 subscribers. Maintain ≥ 5000 openings on average per month.

PART 2. Modernising the administration: main outputs for the year

A. Human resource management

Objective: DG BUDG employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business.

Main outputs in 2024:

Output	Indicator	Target
BUDG staff engagement.	DG BUDG staff engagement index. Revision of HR action plan by the Implementation Working Group, following the Staff Survey results.	≥74% By the end of 2024.
Promotion of equal opportunities.	% women in senior and middle management positions (43.2% on 1/12/2023). First female appointments to middle management positions.	≥45% 1
Reach gender parity in middle management positions.	Level of representation of women and men in middle management positions (42.9%/57.1% on 1/12/2023).	+/- 50%
Sound allocation of human resources ensuring effective and efficient operation of the DG.	Occupation rate of posts in the DG.	>95%

B. Sound financial management

Objective: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions.

Main outputs in 2024:

Output	Indicator	Target
Effective controls: Legal and regular transactions.	Risk at payment.	Remains: <2% of relevant expenditure. <1% of revenue.
	Estimated risk at closure.	Remains <2% of relevant expenditure. <1% of revenue.

Output	Indicator	Target
Effective controls: Safeguarded assets. Safeguarded information.	1) Implementation of financial investments according to established asset management guidelines. 2) Performance compared with relevant financial market benchmarks (mix of fixed income indices, source: Bloomberg, covering government bonds, covered bonds, corporate bonds).	1) 100% compliance with guidelines. 2) Performance in line with relevant benchmarks (long run) (mix of fixed income indices, source: Bloomberg, covering government bonds, covered bonds, corporate bonds).
Efficient controls.	Timely payments. Time to pay.	Remains, at least 95% of payments (in value) made on time. Remains, at least, 95% of payments (in number) made on time.
Economy of controls.	Overall estimated cost of controls. 1) Administrative expenditure implementation. 2) Own Resources collection. 3) Fin. assets and loans.	Remains: 1) <4% of funds managed. 2) <0.01% of funds managed. 3) <0.01% of funds managed.

C. Fraud risk management

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CAFS) ⁽⁶⁾ aimed at the prevention, detection, and correction ⁽⁷⁾ of fraud.

Main outputs in 2024:

Output	Indicator	Target
Awareness raising about ethics and fraud matters.	Percentage of staff included in awareness-raising activities. BUDG Times articles for all BUDG Staff.	>20% of staff. At least 4 per year.
Actions are implemented as described in the AFS Action Plan.	Degree of implementation.	100% for each year covered by the Action Plan.
Implementation of actions, for which BUDG is in the lead in the CAFS Action Plan.	% of implemented actions due in 2024.	100%

⁽⁶⁾ [Communication from the Commission 'Commission Anti-Fraud Strategy Action plan - revision 2023 COM\(2023\) 405 of 11 July 2023](#) – 'the Communication on the 2023 revision' – and the accompanying document, [SWD\(2023\) 245](#) – 'the revised Action Plan'.

⁽⁷⁾ Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

D. Digital transformation and information management

Objective: DG BUDG is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission

Main outputs in 2024:

Output	Indicator	Target
Transition of DG BUDG knowledge management, intranet, collaboration and document management to the new corporate collaborative tools based on Microsoft 365.	Completion of transition of DG BUDG intranet and collaborative sites, BUDGpedia and document management.	DG BUDG intranet and all collaborative sites by Q3/2024 (about 100 items). At least 70% of BUDGpedia and document management by Q4/2024.
<p>Digital Culture</p> <p>Digital literacy.</p> <p>Cybersecurity awareness and training.</p> <p>Ensuring active knowledge management in DG Budget and promoting knowledge management in the budget and finance domain.</p>	<p>Promotion of training in M365, and tools using AI and data visualisations.</p> <p>Percentage clicking rate for BUDG on phishing exercise emails compared to the average for the Commission.</p> <p>Usage of BUDGpedia: Number of visits</p> <p>Quality of BUDGpedia pages: Yearly user satisfaction survey.</p> <p>Yearly focus group from various DGs to test BUDGpedia usage and envisaged improvements.</p> <p>Extensive editorial checks.</p> <p>Collaboration on BUDGpedia: Number of active gardeners.</p> <p>Dissemination of information: Number of communication activities and interactive content featured via BUDGpedia.</p>	<p>All BUDG units involved in discussion with M365 Task Force in the preparation of M365 migration.</p> <p>At least 2 % lower than the Commission average for each exercise. If 4% higher than the average for an exercise, organisation of specific awareness sessions in BUDG in collaboration with DIGIT.</p> <p>≥ 25.000 visits per month</p> <p>One yearly user survey to improve quality.</p> <p>One yearly focus group from various DGs to test BUDGpedia quality.</p> <p>Two editorial checks per year.</p> <p>Maintain a network of ≥ 50 active gardeners.</p> <p>≥ 40 news items published per year; ≥ 8 Newsletters sent to the Finance Community per year.</p>
<p>Business-driven Digital Transformation</p> <p>Effective implementation of e-Domec rules.</p> <p>Continuous roll out of eGrants to Union programmes.</p>	<p>Completion of awareness raising activities.</p> <p>% of documents filed.</p> <p>Number of Union programmes onboarded and share of grant budget managed in eGrants.</p>	<p>Two meetings with Document Management Correspondents per year.</p> <p>95 % filed timely by the year end.</p> <p>Finalisation of onboarding by Q3 2023 corresponding to ~69 programmes using eGrants representing at least 90% of grant budget.</p>

Output	Indicator	Target
<p>Green, Resilient and Secure Digital Infrastructure.</p> <p>Continuous improvement of the department's performance as captured in the risk maturity quadrant (RMQ).</p> <p>IT Security Strategy 2023-2024 actions that concern DG BUDG.</p> <p>Re-usable IT solutions.</p> <p>Automation of processes.</p> <p>Interoperability of new IT systems.</p>	<p>Attestation of compliance for the 55 IT priority controls for all IT systems, reported in corporate Governance Risk and Compliance module.</p>	100%
	<p>% of the IT security plans up to date.</p>	100%
	<p>% of newly developed systems in line with Dual Pillar Approach.</p>	100%
	<p>Creation of IT support tool(s) for next-MFF.</p>	Solution operational in Q2/2024.
	<p>Ensuring widest possible interoperability of the future Arachne Corporate tool with other BUDG systems, in particular EDES and FTS.</p>	Reflection in Arachne Corporate updated Project Charter to be presented to the ITCB in Q1/2024.
<p>List of key actions on information management and data protection.</p>	<p>Percentage of staff included in awareness-raising activities.</p> <p>BUDG Times articles for all BUDG Staff.</p>	<p>>30 % of staff annually.</p> <p>At least 4 per year.</p>
<p>List of actions to implement the corporate principles for data governance for DG BUDG key data assets ⁽⁸⁾.</p>	<p>Percentage of implementation of the corporate principles for data governance for DG BUDG key data assets.</p> <ul style="list-style-type: none"> • For SUMMA. • All BUDG systems. 	<ol style="list-style-type: none"> 1. 100 % (2024 target). 2. 80 % (2024 target).

⁽⁸⁾ For each key data asset, departments should assess if the following principles have been respected (see also this [practical guidance](#)):

- Identify and designate the data owner and the data steward(s).
- Instruct their data stewards to share the metadata of their data assets in the Commission's data catalogue and to keep them up to date.
- Design and document processes for data collection/creation, acquisition, access, sharing, use, processing preservation, deletion, quality, protection, and security. Information concerning these processes should be made available to anyone interested, as long as any confidentiality restrictions are respected.
- Make any necessary changes and updates to the IT systems used for storing, managing, and disseminating these data assets to implement the aforementioned requirements and processes.

E. Sound environmental management

Objective: DG BUDG takes account of the environmental impact of its day-to-day actions, taking measures to reduce the impact of the administration work, supported by their respective EMAS Correspondents or EMAS Site Coordinators.

Main outputs in 2024:

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

Output	Indicator	Target (2019 as baseline)
Staff awareness events on reduction of GHG emissions (Velo-Walk-, Ekiden-event, bike parking and availability of showers and lockers).	Number of events. Increase of the number of staff participating in the 3 events.	3 +10%
Communication to staff through intranet to raise awareness about more efficient use of resources.	Number of communication actions organised.	1

II. Reducing CO2, equivalent CO2 and other atmospheric emissions.

Output	Indicator	Target
Reduction of emission of the missions resulting from staff and experts' travel, by using online meetings and train travel wherever possible.	Level of the carbon footprint of the missions (influenced by the choice of transport used in the missions).	Reduction of 2% of the emissions of the missions compared to 2019.
End of the year energy saving action: closure of the DG buildings during the Christmas and New Year's holiday period. Staff awareness actions and communication on energy saving, greener working methods and organisation of sustainable meetings.	Number of DG buildings which take part in the action. a. Number of communication actions. b. Number of staff reached.	MO15 building will remain closed during the end-of-year period. a. 3 actions b. 300

III. Reducing and management of waste.

Output	Indicator	Target
Implementation of the EC guidelines for sustainable meetings and events, e.g. sustainable catering, reduce single-use plastics, gadgets/gifts.	Percentage of BUDG events in which the guidelines are implemented.	100%
Paperless: DG Budget is using digital tools for e-signatories, colleagues are using collaborative tools and financial circuits are digital.	a. Percentage of staff using collaborative tools. b. Percentage of staff informed through internal communication.	a. 100% b. 100%
Campaign for reduction of waste and paper.	Number of communication actions. Number of staff reached.	3 300

IV. Promoting green public procurement (GPP).

Output	Indicator	Target
Green Public Procurement: Increase awareness of the criteria through the trainings and through communication tools.	Number of articles promoting GPP. Number of staff reached.	1 300

V. Supporting biodiversity

Output	Indicator	Target
DG BUDG will explore the possibility of the creation of a collaborative vegetable garden in Montoyer 15 building..	Communication action. Number of staff involved in the action.	2 10

