DIRECTORATE-GENERAL FOR STRUCTURAL REFORM SUPPORT

Delivering on Reforms
Supporting EU Member States to implement new legislation, reap opportunities and deliver on their strategic reforms has been high on the agenda throughout my mandate as Commissioner in charge of Cohesion and Reforms. In the past 5 years, EU support for reforms has exceeded expectations, helping Member States to implement sustainable growth policies and to stimulate job creation, as well as by de facto changing the paradigm of reform support altogether.

As Europe faces many challenges, from a direct security threat at our borders, to fostering economic competitiveness and social cohesion, while making the twin green and digital transition agenda a success, Member States need to reform and adapt to keep up with these changes; in particular, they have to ensure that their public administrations are fit to adjust and adapt to so many new requirements and deliver the best possible services to citizens.

Reforms are at the core of our policy agenda; they shape our future. We cannot change today’s problems with yesterday’s methods and recipes. This should be uncontroversial. However, for many years, structural reforms were associated with top-down injunctions and painstaking fiscal adjustment programmes.

The work of the European Commission has been instrumental to support Member States at national, regional and local levels. In 2020 the Directorate-General for Structural Reform Support (DG REFORM) was set-up by President von der Leyen and a year later the Technical Support Instrument (TSI) came to life. Reforms have since received a special attention to induce a ‘change for the better’ and the Commission has activated its support with a special emphasis on EU public administrations to modernise and enhance their capacity to deliver. This was only possible due to a different culture, a different method, and a different type of interaction with Member States; bottom-up instead of top-down, nationally owned instead of centrally imposed.

The TSI filled the gap for a tool at European level to help Member States implement the reforms they identify, to build administrative capacity, and to exchange best practices across Europe. And over these last years, the TSI has demonstrated a remarkable ability to help Member States to embrace change, respond to challenges, and react to crises.

The wide range of the TSI reform projects in all 27 Member States demonstrates that reform needs and opportunities exist everywhere. They are not a stigma on countries. And EU technical support adds value in addressing them. Thanks to the TSI, and its predecessor – the Structural Reform Support Programme, over 1800 cutting-edge reform projects have been implemented all over Europe in the last five years, with the European Commission supporting Member States and responding to their requests and needs.

Since its inception, the TSI has promoted a number of successful reforms and initiatives. DG REFORM has for instance supported 18 Member States, as they prepared their Territorial Just Transition Plans to move to a carbon neutral economy, helping every region, every country, to find its own path. The TSI was also instrumental in helping all Member States to design and implement their Recovery and Resilience Plans, in the aftermath of the pandemic. And in the wake of the Russian aggression against Ukraine, the TSI supported reforms to reduce Member States’ dependence on Russian fossil fuels.

The TSI’s Public Administration Cooperation Exchange – PACE – often referred to as the “Erasmus for civil servants” is offering peer learning opportunities and fostering the exchange of good practices between civil servants from different Member States.

It takes long-term thinking to look at the foundations and see the house yet to be built. It takes good governance, responsible decision making and foresight to embrace change and to build resilient and future-oriented public administrations. And this is what reforms do. They lay solid foundations for progress in every field, from competitiveness and a successful green and digital transition to the modernisation of public services and delivering a better life for citizens.

When the TSI was launched I said: ‘To reform, is to hope’. Now I can say that we are turning that hope into action.

And this is what we must continue to do in the years ahead. Continue the method and spread the culture of change for the better while expanding the political focus and the resources allocated to this transformational tool.

ELISA FERREIRA

European Commissioner for Cohesion and Reforms
I. INTRODUCTION

Created at the beginning of the current European Commission’s mandate, DG REFORM has emerged as the centre-piece of EU support for the implementation of EU policies and the further integration and convergence of the Member States within the single market. Amid a period of economic and social instability (inter alia due to the COVID crisis, the Russian war of aggression on Ukraine, the related energy issues, the economic slowdown, and the social fallout of the above situations), it has been instrumental to foster the implementation of EU economic and social policies, contributing to the recovery and resilience of the Union.

The Technical Support Instrument (TSI), DG REFORM’s main tool for action, has helped Member States to implement EU laws and policies, providing support to strengthen the capacity of public administrations to deliver services to citizens and build their ability to design and implement reforms in specific policy areas. TSI support to Member States has paved the way for mainstreaming a novel approach to the delivery and implementation of EU policies focused on exchange and cooperation with national administrations and on practical help tailored to the needs and capacity of each partner administration.

This has been complemented by the increasing attention paid to the leading role which Member States’ public administrations have in translating EU policy initiatives into action and the recognition of the added value the Commission can bring them by providing further instruments and tools to cope with current and future challenges. Building on the extensive experience acquired thanks to the support provided by the TSI (under which each project includes a capacity building aspect for the national public administrations involved, besides the specific knowledge needed for the advancement of a given reform), DG REFORM has developed a policy to help Member States to modernise their public administration. The initiative on Enhancing the European Administrative Space (ComPAct), launched by Commissioner Elisa Ferreira in 2023, laid out a broad set of actions to support the modernisation of national administrations and to strengthen the cooperation between them for the first time.
Since its creation in January 2020, and building on the work of the Structural Reform Support Service (SRSS), the Commission has been providing technical support through DG REFORM to administrations designing and implementing Member States’ reform agendas in a vast array of public policy areas, in line with the TSI regulation. DG REFORM has done so while remaining an agile, service-oriented Directorate General, capable of responding both to EU priorities and to the longer-term needs of the beneficiaries, as well as to crisis situations.

DG REFORM is also the Commission service that leads the policy strand on public administration and governance (PAG). DG REFORM helps all 27 Member States to build more effective institutions, stronger governance frameworks and efficient public administrations.

DG REFORM fully delivered on its mandate encompassing both technical support to reform and policy on public administration, i.e., to help EU Member States in designing and implementing reforms to support job creation and sustainable growth.

**II. OBJECTIVE: DELIVERING ON REFORMS**

**DG REFORM**

Since its creation in January 2020, and building on the work of the Structural Reform Support Service (SRSS), the Commission has been providing technical support through DG REFORM to administrations designing and implementing Member States’ reform agendas in a vast array of public policy areas, in line with the TSI regulation. DG REFORM has done so while remaining an agile, service-oriented Directorate General, capable of responding both to EU priorities and to the longer-term needs of the beneficiaries, as well as to crisis situations.

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**Close partnership with Member States’ authorities**

DG REFORM has become a reliable strategic partner of national, regional and local authorities by providing the best expertise available in the public policy and institutional spectrum and facilitating exchanges of good practices.

**Country Knowledge**

As it is fundamental for ensuring the sustainable impact of technical support provided on the ground, DG REFORM has invested in deepening its knowledge of the various Member States with a view to targeting its offer towards the most important national challenges that are also crucial for meeting EU common objectives and goals. DG REFORM also deployed staff on the ground in Athens, Bucharest, and Zagreb.

**Swift Action**

DG REFORM is a dynamic and service-oriented Directorate General, which has emerged as the centrepiece of support for delivering on many EU priorities. It operates across policy areas, liaising with all Directorates-General of the Commission to ensure synergies. DG REFORM steers and coordinates the provision of technical support to Member States across EU policies, as part of the European Semester process and in relation to the Recovery and Resilience Facility (RRF).
The Technical Support Instrument

The TSI provides a regulatory framework to enable the provision of technical support to reforms on the ground. Reform support is:

- **Demand-driven**, i.e. based on the needs of the Member States, gathered through annual and ad-hoc calls.

- **Flexible and agile**, as it can adapt to various circumstances, including crises, it poses minimum administrative burden on the requesting Member States and requires no co-financing.

- **Tailor-made**, as the design of the projects is informed by the support needs and expectations of the requesting authorities, at national, regional and local levels, respecting the principles of co-creation and stakeholder consultations.

- **Concrete**, as it offers a variety of support tools, such as provision of expertise related to policy advice, institutional, administrative or sectoral capacity building, seminars, and workshops, exchanges of good practices, including study visits, trainings, IT capacity building, studies, research and analyses, as well as communication and dissemination projects.

Evolution of demand for technical support

Member States’ demand for technical support has increased significantly over the years. All 27 Member States benefitted from technical support (under the TSI and its predecessor, the Structural Reform Support Programme – SRSP) regardless of their size, geography or their administrative capacity. From 2019 until 2024, Member States submitted more than 3 700 requests for the annual general calls, of which about 1 800 have been selected by the Commission. The submitted and selected requests covered a full spectrum of public policy areas.

The estimated value of requests submitted by Member States to the annual general calls has exceeded the SRSP/TSI’s available budget per year by an average 2.5 times. This signals the high interest Member States attach to the instrument. The budget available per year is shown in the table below:

<table>
<thead>
<tr>
<th>Year</th>
<th>2019 (SRSP)</th>
<th>2020 (TSI)</th>
<th>2021 (TSI)</th>
<th>2022 (TSI)</th>
<th>2023 (TSI)</th>
<th>2024 (TSI)</th>
<th>2025 (TSI)</th>
<th>2026 (TSI)</th>
<th>2027 (TSI)</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>79.3</td>
<td>89.9</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>/</td>
<td>165.2 (SRSP)</td>
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**Source:** DG REFORM, million € – Figure 1: SRSP and TSI budgets

Besides the annual general calls, DG REFORM has also organised a number of dedicated calls to respond to urgent emerging needs. In 2020, a dedicated call was organised to support Member States with the preparation of their Territorial Just Transition Plans (TJTP) under the Just Transition Mechanism: 18 Member States benefitted from this support. In 2021, a dedicated call offered support to Member States in the preparation of their national Recovery and Resilience Plans (RRPs), resulting in cooperation with authorities in 20 Member States. In 2022, DG REFORM launched a dedicated call to support Member States in the wake of Russia’s aggression against Ukraine, in relation to three strands, notably: (i) refugees fleeing Ukraine (7 Member States received support); (ii) the energy crisis due to Russia’s weaponisation of gas supplies (17 Member States were supported on REPowerEU); (iii) the implementation of sanctions measures (10 Member States received support).
Supporting Member States in delivering on policy priorities

Throughout the four TSI annual cycles (2021-2024), close to 780 projects support around 1,200 reforms in all the 27 Member States in a vast array of public policy areas (the term “reforms” encompasses both the individual projects and all the national components of the multi-country projects). Whilst preserving the demand-driven nature of the TSI, DG REFORM stimulated reform priorities closely aligned to EU priorities.

Flagship technical support projects

Introduced under TSI 2022, these projects (developed in consultation with Member States and relevant Commission services) propose reform areas that address Member States’ needs and converge with EU priorities. Requests for technical support under Flagship projects represented more than 50% of all submitted requests and almost 40% of all the selected requests in the last three TSI rounds (2022-2024 included), hence they have become a valued feature of the TSI.

Multi-country projects testify that Member States value the opportunity to work together

Introduced in 2021, they showcase an increasingly ‘cross-border’ dimension of reforms and a willingness of Member States to find common solutions to similar challenges. The multi-country approach allows the TSI to generate substantial EU added value.

Support to reforms linked to recommendations under the EU Semester

Under the TSI and the SRSP, a great number of requests were selected and implemented in relation to EU Semester country specific recommendations. DG REFORM’s involvement in the European Semester process also focussed on its policy competence on public administration.

Pilot support to reforms with the involvement of enlargement countries

Considering that the TSI Regulation limits the geographical scope of support to EU Member States, the Commission has put in place in 2023 a pilot initiative allowing enlargement countries to be “observers” in selected projects, including in multi-country projects. This has had a clear added value in enabling these countries to work together with EU Member States in addressing key common reforms. The initiative was offered to all ten enlargement countries.

Embedding the TSI into Commission and Council legislative and non legislative acts

This contributed to raising Member States’ awareness on the availability of the TSI as a tool to help them undertake reforms to achieve their policy objectives, in line with the EU priorities. For example, in the social areas (education, labour, health), TSI has been indicated in over 54 acts in the last three years, as an instrument supporting Member States to achieve the 2030 headline targets for employment, training and lifting people out of poverty and social exclusion or to implement crucial EU initiatives, such as the Council Recommendation on the European Child Guarantee or the European Care Strategy.

Support to reforms linked to the Recovery and Resilience Facility

Between 2021 and 2024, the TSI supported Member States through more than 500 reforms, directly or indirectly related to the preparation, amendment, revision, and implementation of the national RRPs.

Support to reforms for regional and local authorities

The TSI also supports Member States’ regional/local authorities, for example in relation to reforms that ensure optimal use and the effective investment of national and European funds. Under the TSI, DG REFORM has supported around 130 reforms with a regional or local dimension.
Key reform achievements

DG REFORM contributes significantly to help Member States to close the reform implementation gap by providing support in key policy areas. Each reform is primarily tailored to a specific area contributing to key Union priorities. It is important to highlight that some areas, such as Public Administration and Governance and Green and Digital Transitions, have a cross-sectoral dimension, and hence some reforms falling in specific areas may contribute to such horizontal dimensions/priorities or be impacted by them. Similarly, while around 30 reforms were dedicated specifically to supporting the Member States in the preparation or the general implementation of their RRP, more than 500 TSI reforms had a direct or indirect link to the RRP.

The table below provides an illustration of reform support provided across key Union priorities.

<table>
<thead>
<tr>
<th>Reform Support in Focus</th>
<th>In Romania</th>
<th>In Slovenia</th>
<th>In Lithuania</th>
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<tbody>
<tr>
<td>Public Administration and Governance</td>
<td>In Romania, in 2021, the TSI provided technical support to establish a robust, inclusive and effective governance structure and work programme for monitoring, implementing and updating the National Energy and Climate Plans (NECP) (Implementing the National Energy and Climate Plan and developing the Long-Term Strategy of Romania).</td>
<td>In Slovenia, in 2021, the TSI provided technical support to the authorities to address barriers to renewable energy deployment, in particular in the electricity sector, and to strengthen administrative capacity. Following the TSI support, Slovenia adopted the Act on the deployment of installations for the generation of electricity from renewable energy sources (Facilitating renewable energy deployment in the electricity sector of Slovenia).</td>
<td>In Lithuania, in 2021, the TSI provided technical support for the design of measures to reduce greenhouse gas emissions. One of the main recommendations was the introduction of a carbon tax and, following the TSI project, the Lithuanian parliament approved the Excise Duty Law that introduces a carbon tax on polluting fuels (Reform of Lithuania’s economy towards Climate Neutrality by 2050).</td>
</tr>
</tbody>
</table>
The Digital Transition

Achieving a Europe fit for the Digital Age is a key priority of the EU to make the digital transition work for all and to open new business opportunities. In this context, since 2019, the TSI and the SRSP supported around 100 reforms directly focused on digital transformation in 26 Member States. This included projects on digital governance as well as on the use of artificial intelligence in public administrations. Additionally, around 200 reforms in all Member States have been indirectly contributing to the digital transition.

Reform Support in Focus

In Portugal, in 2021-2023, the TSI supported the development of a National Strategy for Smart Territories under the country’s “Action Plan for Digital Transition”. The strategy led to the creation of a smart national model for an efficient use of public expenditure. Hundreds of stakeholders were involved to identify drivers for change, bottlenecks, and action (National Smart Cities Strategy).

In the Netherlands, as of 2023, the TSI is supporting the Dutch Authority for Digital Infrastructure (RDI) to timely set up proper supervision of Artificial Intelligence (AI) systems in compliance with the forthcoming AI Act and other relevant legislation (Supervising Artificial Intelligence by Competent Authorities).

Competitiveness

Competitiveness is at the heart of EU priorities as demonstrated by several Commission proposals, notably the Green Deal Industrial Plan and the long-term competitiveness strategy for the post 2030 period. Since 2019, the TSI and the SRSP have been supporting Member States in building competitive economies through around 180 reforms, including reforms to streamline administrative procedures to make “doing business” easier, reduce market barriers, assess and reinforce financial markets, in particular capital markets, as well as regulatory and tax burdens on businesses, stimulate digital economy and innovation and improve the sustainability of specific ecosystems, for example on tourism. In addition, another 100 reforms have been indirectly contributing to boost EU competitiveness.

Reform Support in Focus

In Croatia, in 2021, the TSI provided support in the area of better regulation and in particular in the implementation of regulatory impact assessment. The support also contributed to Croatia fulfilling a milestone of the national Recovery and Resilience Plan and led to the adoption of a new legislation for the Regulatory Impact Assessment in 2023 (Strengthening the implementation of regulatory impact assessment project).

In Romania, in 2019, the SRSP helped the development of a comprehensive redesign of the business licensing system. The project helped identify reform options for simplifying licensing procedures in the industrial sector, attracting investments, and strengthening entrepreneurship. This contributed to the adoption in 2022 of a Single Industrial Law (SIL) for manufacturing and industrial activities (Comprehensive redesign of the licensing system in Romania).
The technical support provided by the European Commission’s Directorate General for Structural Reform Support to the simplification of the industrial licenses in Romania was extremely useful for the Romanian Competition Council, and most importantly for all public administration. We will simplify considerably the procedures - instead of 111 business licenses issued by 43 different authorities, we are creating an online one stop shop where documents would be submitted only once. Procedures will also be simplified as each institution involved is currently required by law to assess its internal processes and propose streamlining. This will lead to increased transparency and considerable reductions in the administrative burden for entrepreneurs."

(June 2024) - Comprehensive redesign of the licensing system in Romania.

Bogdan Chirițoiu, President of the Romanian Competition Council

Skills, Education and Training

The European Pillar of Social Rights, the European Education Area and the European Skills Agenda set key principles, actions and targets for a strong and inclusive Europe. Technical support has been instrumental in providing support to Member States to achieve the 2030 headline target of at least 60% of all adults participating in learning every year. Since 2019, The TSI and the SRSP, have been supporting Member States on skills, education and training through 100 reforms. In addition, another 50 reforms have been indirectly contributing to address challenges in these areas.

Reform Support in Focus

In Romania

In Romania, since 2019 and beforehand, the TSI and the SRSP have helped design a methodology to prevent early school leaving. As a result, Romania implemented a new Early Warning Mechanism to prevent school drop-outs, a methodology of data collection and key performance indicators for its implementation. The early warning mechanism was piloted in 10 counties and offered hands-on support to more than 150 schools. It also built capacity at central and local level to support the roll-out of the mechanism at the national level through RRF investment.

In Lithuania, Italy and Austria

In Lithuania (Design of a tool to forecast the need for teachers), Italy and Austria (A perfect match – forecasting and steering the future and present teaching workforce in Austria), in 2021-2023, the TSI helped the authorities to develop forecasting tools to improve the planning of teacher supply and demand, and tackle mismatches and teacher shortages. The projects are expected to lead to an increased understanding of the key challenges and relevant best practices in forecasting and planning the teacher workforce and provide the authorities with models enabling accurate forecasts on teacher demand and supply.
Labour market and social protection

The TSI supports Member States to reach their 2030 headline targets set in the Action Plan on the Implementation of the European Pillar of Social Rights. Since 2019, the TSI and the SRSP have been supporting Member States in the labour market and social protection areas through around 90 reforms. In addition, another 110 reforms have been indirectly contributing to these areas. The support ranged from active labour market policies and strengthening administrative capacity, to reviewing benefit schemes and reforms to improve the social and health outcomes for vulnerable children, in line with the Council Recommendation on the European Child Guarantee, and improving the coordination of social services.

Reform Support in Focus

In Greece

In Greece, in 2020, the SRSP provided support for the reorganisation of service provision and internal procedures for social assistance benefits, including a new organisational structure and quality management system. The project led to an increased capacity of the Greek Public Employment Service to prepare, implement, monitor and evaluate reforms that make the unemployment benefit system fairer, more cost-effective and work-oriented (Improving the delivery of public employment services).

In Bulgaria

In Bulgaria, in 2020, the SRSP provided support for strengthening the capacity to improve the labour market integration of inactive persons through better targeting and more efficient active labour market policies. To achieve this, the project assessed the effectiveness of existing measures for inactive persons and provided recommendations on how to improve the targeting and the efficacy of active labour market policies (ALMPs). The project contributed to a better understanding of the profile of the inactive population and of the barriers they are exposed to in order to strengthen the policy responses to prevent and tackle inactivity and unemployment (Reform and design of measures for the inclusion of inactive persons in the labour market).

In 11 Member States (Austria, Czechia, France, Greece, Ireland, Luxembourg, Italy, Portugal, Spain, Romania, and Slovakia), since 2022, the TSI has been supporting the implementation of specific actions included in the national action plans on the Child Guarantee. The projects aimed to ensure that most vulnerable children, such as children of migrants, children with disabilities and children at risk of poverty or social exclusion have access to the most basic rights like childcare, education, social benefits and healthcare (TSI flagship on the Implementation of the European Child Guarantee).
Reform Support in Focus

The COVID-19 pandemic illustrated the importance of strengthening EU health systems. Since 2019, The TSI and the SRSP, supported more than 110 reforms to enhance the capacity of Member States to effectively deliver reforms in health services, health workforce, digitalisation of health systems, access to healthcare and access to essential medicines, financing, digitalisation, governance, the integration of health and social care, mental health, and health systems performance assessment. All these reforms have supported the objectives of the European Health Union.

In 5 Member States

In Spain (Catalonia), Estonia, Romania, Italy and Lithuania, since 2022, the TSI supports the design and implementation of national roadmaps for digital skills for the health workforce in order to strengthen their digital health literacy. The projects have already yielded results: in Lithuania, a model to identify, monitor and manage health professionals’ skills was developed and an implementation roadmap was designed to test it. In Italy, the project helped defining guidelines that explain to health authorities how to communicate with patients and trained healthcare professionals on use of these guidelines (TSI flagship on Digital skills for the health workforce).

In Denmark

In Denmark (Integrating mental health services for adults) in 2020, the SRSP provided support for the integration of its health and social care systems. The support included developing multidisciplinary teams, by designing new models of collaboration between health and care professionals and by providing them with the tools to assess the patients in a more holistic manner. Based on the success of these projects, an integrated care flagship project was proposed in 2022. Consequently, similar requests for support came from Italy, Spain (Basque Country) and Ireland, where implementation of reforms started at the end of 2023.

“...The Resources Hub for Sustainable Investing in Health is a joint TSI project with Belgium, Slovenia and Austria. The project goal is to strengthen the capacity for making the case for public investment in health at national and EU level as well as to facilitate the use of EU funding mechanisms for health systems. It provides an excellent opportunity for mutual learning and exchanging best practices. Austria is convinced that establishing a “Health Investment Hub” at the European level is crucial to assist Member States in identifying and accessing appropriate funding mechanisms. Additionally, further support from the European Commission will allow for larger, structural reforms in health.”

(March 2024) – Resources hub for sustainable investing in health

Johannes Rauch, Minister for Social Affairs, Health, Care and Consumer protection, Austria
Public Administration and Governance

The quality of public administrations at central, regional and local levels in the Member States is a critical success factor for the EU. Since 2019, the TSI and the SRSP have supported more than 210 administrative reforms across all 27 Member States. Most projects focus on management and organisation issues, service delivery, policy making, human resources, integrity and management of EU funds. Moreover, since 2023, more than 200 civil servants from 23 Member States have been involved in over 70 exchanges within the “Public Administration Cooperation Exchange” (PACE) programme. In addition, capacity building of public administration is a core component of all technical support reforms projects.

Reform Support in Focus

In Italy

In Italy, in 2021, the TSI supported the strengthening of the competencies of senior executive leaders in the areas of change management, leadership and innovation. The expected long-term effect of this project is to contribute to a more efficient, digital and innovative public administration by the development of more agile management processes and leadership competencies. (Strengthening change management process of executives).

In France

In France, since 2021, the TSI is providing support to the implementation of the 2019 French law “Transformation of the public service”, enshrined in the National Recovery and Resilience Plan. It is helping France to enhance the attractiveness of its civil service whilst also generating greater understanding in the administration on the changing nature of jobs in the public sector and the factors of un/attractiveness of civil service at regional level. (Strengthening the attractiveness of the public service in France).

In 11 Member States

In Austria, Belgium, Finland, Greece, Italy, Poland, Portugal, Spain, Slovakia, Slovenia and Bulgaria, in 2021, the TSI helped strengthen the resilience of public sector organisations based on experience during the COVID-19 crisis. (More resilient public administrations after COVID-19).

Justice, rule of law, anti-corruption, integrity and public procurement

Since 2019, the TSI and the SRSP have supported Member States to improve the quality and efficiency of their justice systems and the protection of fundamental rights, through around 90 reforms, including child-friendly justice systems, including through the Barnahus (children’s house) response model for children victims and witnesses of violence. In addition, another 80 reforms have been indirectly contributing to improve justice systems.

In this area, the TSI has supported Member States to establish effective internal and external audit methodologies, to develop concrete anti-corruption policies on lobbying, asset declarations, whistle-blower protection, codes of conduct, and integrity risk assessment. The areas of intervention include: supporting the development of strategic public procurement policy, digital transformation of public procurement, measuring the impacts of public procurement strategies, promoting green procurement and innovation procurement.

Reform Support in Focus

In Malta

In Malta, since 2019, the TSI and the SRSP supported the development of the country’s first Digital Justice Strategy. The strategy was adopted in December 2021 and will be implemented from 2022 to 2027, with funding from the RRF. (Establishing a digital justice strategy for the Maltese Justice Sector).

In Cyprus

In Cyprus, since 2019, the TSI and the SRSP supported the modernisation of the civil procedure rules to address the lengthy court proceedings and to decrease backlog in civil and commercial cases. The involvement of all stakeholders resulted in the development and approval of new Civil Procedure Rules in May 2021. (Modernising the Civil Procedure Rules in Cyprus).

In Greece

In Greece, since 2023, the TSI is supporting a project with the National Transparency Authority (NTA) to improve risk management and audit methodologies across the public procurement cycle. This project builds on earlier support.
Financial Sector and access to finance

Since 2019, the TSI and the SRSP have been supporting all Member States with more than 280 reforms addressing needs on financial markets and access to finance. Furthermore, around 50 specialised training sessions on specific topics, such as digital finance or protection of insurance consumers, have also been organised. The work is strongly aligned with, and contributes to, implementing EU relevant priorities and policies, notably the Capital Markets Union, the Banking Union, the Green Deal, and the Digital Agenda for Europe. Areas of support include notably financial literacy and financial education, improving capital markets, reinforcing supervision of financial institutions, strengthening insolvency and resolution frameworks, supporting sustainable (green) and prevention of anti-money laundering and sanctions.

In Lithuania, as of 2019 onwards, the TSI and the SRSP supported the development of “The Strategy & Action Plan on Sustainable/Green Finance”. The Lithuanian authorities received recommendations that were implemented through government approval of a Green Finance Action Plan, entering into force in 2023. The Plan established a monitoring mechanism for its implementation, as well as the Green Finance Institute within the National Promotional Institution, and set up Lithuania as a regional leader in sustainable finance.

I wish to [highlight in particular as commendable efforts and initiatives by the European Commission (the availability) to provide technical assistance to Member States in setting up the Barnahus model. Such projects not only provide incentives and guidance to States in modernising the legal and institutional framework for Barnahus action at national level, as well as strengthening the knowledge and capacity of professionals working with children, but also raise awareness among professionals and the general public about cases of child abuse and exploitation.”]

(January 2024) - Implementing the Barnahus model

Ivan Malenica, Minister of Justice and Public Administration, Croatia

Lithuania is taking regional leadership in the field of sustainable finance and aims to create an ecosystem that would help mobilise both public and private funds for Lithuania’s green transition (...). Therefore, together with policy makers from different fields, we have prepared an ambitious Green Finance Action Plan”. The Ministry statement further adds: “When preparing the plan, the recommendations of (...) the project (...) were taken into account.”

(Press release of 17 January 2022) - Lithuanian Strategy on Sustainable/Green Finance (Green Capital Markets).

Minister of Finance Gintarė Škaistė, Lithuania
EU Member States are actively addressing long-term pressures on public finances. Since 2019, the TSI and the SRSP have supported around 160 reforms in the area of public financial management, contributing to sound fiscal policies. Furthermore, around 30 specialised training sessions on specific topics, such as on green budgeting or on gender mainstreaming in public policy, have also been organised. The top support areas included spending reviews, budget preparation, expenditure policy and accrual accounting, gender and green budgeting and implementing the Do No Significant Harm (DNSH) principle in public funding programmes.

In 23 Member States, in 2021, the TSI provided support to strengthen the authorities’ capacity for greening public finances in line with the EU Green Budgeting Reference Framework. The technical support project delivered, across four modules, practical training and tailored support in piloting green budgeting tools, in an effort of greening public finances (Supporting the Implementation of Green Budgeting Practices among the EU Member States).

In Belgium, between 2019 and 2021, the TSI and the SRSP provided support to both the federal and the regional levels (Flanders, Brussels-Capital and Wallonia), leading to the integration of the Spending Review within their budgetary cycles. (Supporting the Walloon Region and the Wallonia-Brussels Federation to build capacity for spending reviews).

In Greece, in 2020 and 2024, the TSI and the SRSP support facilitated substantial progress towards an accrual-based financial accounting framework for the whole of the General Government. As a result of an on-going engagement, Greece has now at its disposal new economic, budgetary and functional classification structures leading to a unified and standardized accounting framework. Greece is now working towards presenting consolidated financial statements in the coming years.

“The progress achieved in the accounting reform would not have been possible without the support from the TSI. DG REFORM has been a crucial partner from the outset, offering concrete technical advice on key methodological challenges, such as recording immovable assets, sharing best practices, while also bolstering the capacity of staff involved in the reform.”

(April 2024) – Accrual financial accounting framework

Athanasios Petralias, Deputy Minister of Economy and Finance, Greece
EU Member States are actively addressing long-term pressures on their revenue generation. Since 2019, the TSI and the SRSP have supported 120 reforms in the area of revenue administration (tax and customs policies). The provided technical support focused on addressing aggressive tax planning and tax avoidance by large multinational enterprises (MNEs), on promotion of voluntary compliance by MNEs as well as on improving the administrative cooperation between tax administrations. In the area of customs, the support focused on enhancing the capacity of customs authorities to improve their controls and risk management through digitalisation.

**In Greece**

In Greece, from 2016 onwards, the TSI and the SRSP provided support for the establishment of the Independent Authority for Public Revenue (IAPR) that stands as a landmark of the TSI’s action with 21 reforms that continue today (Setting up an independent revenue agency in Greece). One such important reform project of 2020 focused on supporting the IAPR’s digital transformation, focusing on the replacement of its core tax IT systems with an integrated and modern solution, by designing an enterprise architecture, adjustment of key business processes and IT technical specifications (Support for replacement of the core tax IT system in Greece).

**In Croatia**

In Croatia, in 2022, the TSI provided support to Croatian Customs that resulted in establishing a high data quality management of business statistics and improved the authority’s capacity to collect, process and produce high quality business statistics (High data quality management of business statistics in Croatian Customs).

**In Poland, Slovakia and Belgium**

In Poland and Slovakia, in 2022, and in Belgium, in 2021, the TSI supported the implementation of the Directive on Administrative Cooperation (DAC) as regards international exchange of tax information between Member States, leading to the improvement of the countries’ internal processes, enhanced data analytics capacities and streamlined management of high data volumes (Improving the use of internationally exchanged tax data in Poland and Slovakia).

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“There are several benefits of working with DG REFORM: fast contracting, wide consultation of good practices, structured project management and quality standards, and securing engagement of key stakeholders. Based on the project inputs, the IAPR has now finalized the tender documentation and the related consultation and is planning to launch the procurement in the coming days.”

(May 2024) - Support for replacement of the core tax IT system in Greece.

Sofia Sechperidou, IAPR Director General of Electronic Governance, Greece
Migration

Through the TSI and the SRSP, DG REFORM supports Member States in managing migration flows and integrating third country nationals (TCNs). This support was crucial in the aftermath of Russia’s war of aggression against Ukraine, which forced 4.2 million people to seek and benefit from temporary protection in the European Union. Since 2019, around 50 reforms in 21 Member States were supported in three main areas: management of migration flows, including building capacity of administrations and digitalizing processes, integration and labour market inclusion, including through facilitated recognition of skills and qualifications acquired outside the EU, and the development of labour migration policies aligned with the development of the future EU Talent Pool.

Reform Support in Focus

In Poland, throughout 2022-2023, the TSI provided support to improve the provision of integration services to persons forcefully displaced from Ukraine in three regional ‘one-stop-shop’ migrant integration centres and contributed to accelerating the recognition of skills and qualifications, thereby facilitating their access to qualified professions and increasing their financial autonomy (Facilitating social and labour market inclusion of TCNs).

In Belgium, as of 2023, the TSI is helping the Flanders and Wallonia regions improve their economic migration framework to attract and retain qualified migrants to fill deepening shortage professions. The project’s recommendations will feed into expected legislative and regulatory reforms at regional level (Improving the economic migration framework to attract and retain qualified talent).

In Finland, since 2022, the TSI has supported national and local stakeholders in coordinating and upscaling inclusive integration and anti-discrimination practices. Project findings fed into an evaluation of Finland’s Action Plan against racism by the national parliament (Building an inclusive integration approach).

Recovery and Resilience Plans

Through the TSI annual cycles (2021-2024) and the two dedicated calls for Recovery and Resilience Plans implementation and REPowereU in 2021 and 2022, Member States received support for the preparation, amendment, revision, and implementation of their RRPs. To date, the TSI has supported more than 500 reforms linked to the RRP’s milestones.

Concerning the dedicated calls, around 33 reforms in 23 Member States specifically support the preparation and general implementation of the RRPs, which includes strengthening its overall implementation and governance structures, management methods, and audit and control mechanisms. All EU Member States have received support for the implementation of thematic reforms and investments included in their Plans. All TSI support related to RRPs is shown in the picture on the left.

As highlighted in the Commission’s Communication on the midterm evaluation of the Recovery and Resilience Facility, from “Efforts to improve the administrative capacity of Member States and implementing bodies must continue…. Enhancing the administrative capacity of Member States remains essential.” (page 15).
In Bulgaria, in 2021-2022, the TSI supported national authorities in improving their capacity to monitor and report on the achievement of milestones and targets via the establishment of sound management and monitoring structures across ministries and through the delivery of capacity building activities, including training on the application of the “Do No Significant Harm, or DNSH” principle for over 600 experts (Supporting the implementation of Bulgaria’s Recovery and Resilience Plan).

In Cyprus, in 2021-2023, the TSI supported the Deputy Ministry of Research, Innovation and Digital Policy to structure and build the capacity of a new Broadband Competence Office and to prepare two public intervention projects included in Cyprus’ Recovery and Resilience Plan (RRP).

In Romania, in 2022 and beforehand, the SRSP and TSI supported the tackling of early school leaving (ESL) by helping the authorities to put in place a mechanism for early detection of students with poor academic outcomes and at risk of school drop-out. This contributed to the achievement of two RRP milestones (Tackling early school leaving).

In Greece, in 2021-2023, the TSI supported the establishment of a mechanism for managing investments and monitoring and reporting on the green component of the RRP (Implementation and monitoring of the Recovery and Resilience Plan for green transition).
Delivering Together

EU-added value with Member States at the core

Promotion of multi-country and multi-region dimension

The TSI has delivered an increasing number of multi-country technical support projects, from two in 2021 to 21 in 2022, 34 in 2023, and 43 in 2024. The EU added value of the TSI and the multi-country approach resides primarily in the capacity to address common and often cross-border challenges through shared tools and means, which allow achieving economies of scale and scope, replicability of solutions and cross-fertilisation. While each beneficiary authority benefits from tailored support related to its specificities, the multi-country approach creates opportunities for shared learning and exchanges of practices between the participating beneficiary authorities. The steep increase in the past years is a result of DG REFORM’s efforts to promote mechanisms that generate added value and contribute to supporting EU priorities through convergence among Member States.

In 17 Member States (Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Finland, Greece, Hungary, Ireland, Italy, Poland, Portugal, Romania, Slovakia, Slovenia, and Spain), in 2022 in the aftermath of the Russia’s war of aggression against Ukraine, the TSI helped authorities in identifying reforms and investments to reduce reliance on Russia’s fossil fuels and implement the REPowerEU plan (Supporting REPowerEU: affordable, secure and sustainable energy for Europe).

Since 2022, the TSI supports Slovenia, Austria and Belgium to jointly navigate the various programmes and funding instruments to identify how they could best use Union support for the design and implementation of health system reform projects (Resources hub for sustainable investing in health).

In 11 Member States, since 2023, the TSI supports 12 financial supervisory authorities in implementing the EU sustainable finance agenda, to the benefit of financial stability and investors’ protection (ESG risk management framework for the financial sector).

The geographical coverage of reforms has also been expanded to include regional and local authorities in the form of projects with a regional dimension or multi-regional projects. Regional and local authorities are essential for the overall growth of Member States and, ultimately, the whole EU. Under the SRSP, the Commission supported directly or indirectly EU regions through almost 90 projects, while under the TSI, over the period 2021-2024, it supported around 130 projects with a regional or local dimension.

In 18 Member States (Bulgaria, Croatia, Cyprus, Czechia, Greece, Finland, Hungary, Ireland, Italy, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden), in 2020, the SRSP supported around 70 regions in preparing their Territorial Just Transition Plans, which then helped unlock dedicated financing to alleviate the socio-economic impacts of the transition to climate neutrality.
In Italy, Slovenia, Cyprus and Spain (Andalusia), since 2023, the TSI has supported a multi-country project with a regional dimension in the area of mental health to improve access to care and health services and strengthen their capacity for designing and implementing actions in the area of youth wellbeing and mental health (Supporting mental health and care for the wellbeing of vulnerable children and young people "Child & Youth wellbeing and mental health first").

In Lithuania, in 2019, the SRSP supported a project aiming at providing insights and recommendations to improve Lithuanian municipalities’ financial capacity for local investments oriented to provide basic services to citizens.

In Austria, since 2023, the TSI supports a number of Länder that seek to strengthen risk-based Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) regarding the sectors exposed to higher money laundering and terrorism financing.

Encouraging best practices and knowledge sharing with Member States

DG REFORM has encouraged the continuous exchange of good practice and expertise with and between Member States. At national level, the Coordinating Authorities are the contact point for DG REFORM as regards the submission of requests for technical support and the overall monitoring and implementation thereof. Responding to interest expressed by Member States, DG REFORM established a “Network of TSI Coordinating Authorities” as a platform for enabling mutual learning and sharing of good practices of the Coordinating Authorities’ role, and for encouraging exchanges on possible multi-country projects at coordination level and fostering collaboration between Member States.

Likewise, at the level of beneficiary authorities, multi-country and similar parallel technical support projects at times also allowed participants to establish informal communities of practice, which ensure continued cooperation also beyond the boundaries of specific projects.

Croatia, Czech Republic, Estonia, Ireland, Latvia, Lithuania, and Slovenia, between 2019 and 2021, received technical support under the SRSP and the TSI to set up frameworks, tools and methodologies to assess the performance of their health systems (Health system performance assessment in several countries). The successful cooperation among the seven Member States led to the creation of an informal community of practice. This mechanism allows Member States to continue exchanging and learning from each other on design and implementation of health systems performance assessment even beyond the scope and term of the technical support projects.
Public Administration

The quality of public administration in Member States determines the success of EU and national policies

Public administrations at central, regional and local levels provide services and respond to crises, implement reforms and manage investments. Public administrations translate EU law and programmes into concrete actions and are key to ensure the absorption of EU funds.

According to the Eurobarometer survey from April 2023, Europeans want a more efficient public administration. Almost half of Europeans believe that public administration should be closer to the people using different direct channels of communication, including in-person interactions, as well as provide clearer information about procedures and services. Europeans also asked for more digital services (31%) and more user-friendly e-government services (35%). When asked in which areas Member States can benefit most from EU support to design and implement reforms, Europeans responded:

- 52% Less bureaucracy
- 44% More transparency about decisions and the use of public money
- 31% More communication with citizens
- 30% Better skilled civil servants
- 28% Streamlined interaction between citizens and administration
- 23% More moral integrity in the public administration
- 23% More decisions made at local level
- 19% More capacity to react to crises

The Commission as a partner

In the beginning of 2022, DG REFORM established the Expert Group on Public Administration and Governance. In this format, the Member States participate actively to discuss common challenges and possible solutions, including through TSI multi-country projects and other joint initiatives like common standards and indicators, research and exchanging experience. This dialogue was critical in preparing the Commission's Communication “Enhancing the European Administrative Space” (known as ComPAct).
The Commission as accelerator of administrative reforms - the “ComPAct”

In 2023, the Commission adopted ComPAct, which puts forward a set of 25 actions that reinforce the implementation of key EU policies and a better performing public administration, through three mutually reinforcing and interconnected pillars on skills and the digital and green transitions. The actions will be implemented through the TSI, other EU tools (for example, the Digital Europe Programme), the production of Commission guidance and other materials through the Interservice Group on Public Administration (IGPA) or the Expert Group. The priority actions per pillar of ComPAct include the following:

<table>
<thead>
<tr>
<th>Public Administration Skills Agenda</th>
<th>Capacity for Europe’s Digital Decade</th>
<th>Capacity to Lead the Green Transition</th>
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<tbody>
<tr>
<td>“Passport of core competencies” as a guide to national civil service reforms, and filling the skills gaps for the digital and green transition</td>
<td>Sharing Good Practices Between Member States and administrations</td>
<td>Climate adaptation and green procurement</td>
</tr>
<tr>
<td>An “EU Leadership Programme” In collaboration with the national schools for public administration</td>
<td>User-friendliness and accessibility of (digital) public services and common requirements for the procurement of cloud services</td>
<td>“Green Governance” and “green skills”</td>
</tr>
<tr>
<td>Studies For defining methodologies for measuring policy results</td>
<td>Digital Security and Artificial Intelligence</td>
<td>Greening the public administration</td>
</tr>
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The Commission as a facilitator of cooperation

In response to consistent calls for action from national administrations, the Commission created in 2023 a flagship “Public Administration Cooperation Exchange” (PACE) under the TSI, which aims at creating a European community of public servants that share best practices and create bilateral contacts. Apart from intensifying mobility, PACE encourages cooperation among administrations. The exchanges are “project-based” and allow civil servants to acquire tangible knowledge and experience on how the host institution works on specific tasks in the subject area of the visit, according to a detailed programme.
Since 2023, 23 Member States have had the opportunity to participate in more than 70 exchanges, with some 300 civil servants exchanging on topics such as professionalisation of public administration, improving administrative performance and green and digital transitions. Some testimonies from study visit participants:

"Shared best practices may help generate new approaches [...] and in this sense, these exchange opportunities are gold."
Secretariat-General of the Presidency of the Council of Ministers, Portugal

"PACE is a great opportunity to learn from peers and to support the understanding of other public administrations."
Ministry for Public Sector Transformation and the Civil Service, France

"The exchange was successful and both countries’ representatives benefited from each other’s examples. It was jointly noted that face-to-face meetings create much more permanent relationships than remote meetings."
Ministry of Finance, Finland

"The exchange [...] provided the opportunity to raise awareness and gain a more in depth understanding on a complex issue of common interest [...] interact with fellow Member States and identify possible cooperation on public administration matters, and enhance skills such as situational awareness, critical thinking, flexibility in problem-solving, communication, networking."
Ministry of Interior, Greece

Over the last four years, DG REFORM has promoted and consolidated the Commission's work on public administration through “soft policy tools”, such as regular dialogue with and among Member States, and with other EU institutions. DG REFORM developed itself as a knowledge hub on public administrations in the EU Member States. As part of this, in 2021, DG REFORM and DG ECFIN launched an indicator-based analysis of public administration for all EU Member States for the European Semester. Finally, DG REFORM consistently develops thematic knowledge on public administration. For example, work on an update of the Toolbox on Quality of Public Administration is currently ongoing, and will be completed by the end of 2024.

EUPACK is a multi-annual initiative of the Commission that helps develop country and thematic knowledge on public administration. EUPACK makes a regular review of the functioning and reforms of the public administrations in the EU Member States. Some of the results include:

**Country analysis**: 27 country briefs and one comparative report have been prepared for 2018, 2019, 2020, 2021, and 2022. Work is currently ongoing on 2023 reports.

The thematic research covers topics like policy coherence on sustainable development; quality of legislative process; Indicators for Evidence-Informed policymaking; crisis management; SDG implementation; shared services centres organisation; pay for performance in civil service; tackling fragmentation of local government.

This knowledge helps understand the trends across countries and identify reform priorities and facilitates the effective delivery of EU support for improving governance and state capacity in Member States, including the TSI.
Steadily increased cooperation between DG REFORM and Member States throughout the entire life cycle of reforms has proven to be very effective for the rapid delivery of both Member States’ priority reforms as well as in the implementation of EU law and policies. Providing the appropriate technical support at the right time and in close relation to the emerging (structural or crisis-related) needs determines the success of reform support on the ground. The close cooperation and trust built between DG REFORM and Member States in implementing their reform agendas has been key for the successful implementation of almost 1800 reforms in a broad range of areas in the last 5 years.

The expertise and technical support provided through the TSI and the SRSP has helped Member States to fill capacity gaps and accelerate the design and implementation of reforms, including at regional and local levels, to the benefit of EU citizens and businesses. Offering technical support for the implementation of complex EU initiatives has been key to their successful implementation where Member States lacked the relevant capacity to do so alone.

The demand driven approach of the instrument and the tailor-made nature of the support was effective to support innovative national reform agendas, which in some cases have become models for other Member States’ reforms. At the same time, the identification of flagship projects has not only further simplified the reform work of Member States but also ensured a close alignment of the support provided to Member States with EU policy priorities and, ultimately, a better implementation of such policies.

Multi-country support projects have fostered cooperation among Member States, helped them to find shared solutions to common challenges, thereby facilitating convergence. Several Member States have been encouraged to embark on difficult reforms by benefiting from exchanges of experience with other Member States.

DG REFORM’s close coordination with other Commission services has enabled synergies between the various EU instruments, in particular between technical support, Cohesion Policy and the RRF. It has also enabled the Commission to direct Member States to the most relevant technical support/assistance available based on their needs.

In the face of limited and, at times, insufficient administrative capacity across the Union, the increased engagement of DG REFORM in developing tools, such as ComPAct, to help the modernization of national public administrations has been timely and welcomed by Member States.

The involvement of enlargement countries in multi-country projects under the Technical Support Instrument has proven to be very beneficial as it has given them the chance to exchange with Member States and anticipate their reform needs even before accession. Such participation has the potential to contribute to speeding up the enlargement countries’ accession and integration processes and to bolster their ability to effectively implement EU law and policies once they become members of the Union.
Reflections for the future

The numerous requests submitted by Member States and continued oversubscription of the TSI calls demonstrate that reform support is in great demand. They also highlight the important trust and collaboration that DG REFORM has built with Member States in supporting them to design and implement reforms. The provision of technical support has further proven to be a precondition for the success of EU’s policies and priorities.

In the future, technical support offered to Member States can be further strengthened, by covering both horizontal capacity building for public administration and governance as well as thematic capacity building for designing and implementing specific reforms.

Technical support can be more systematically taken into account when designing EU instruments and policies (“no policy initiative without offering support”), ensuring that support is available for Member States that lack the capacity to implement relevant reforms. It is important that technical support is made available at the right time and when needed the most.

In addition, the unique mix of requests aimed at addressing own reform needs, requests submitted under flagships linked to top EU priorities and multi-country requests is important to preserve under a future Technical Support Instrument. Such an approach enhances the on-demand and tailor-made nature of the instrument, helping Member States to deliver on the most important priorities while ensuring EU added value.

Moreover, a strengthened coordination of the technical support and other EU instruments provided by the European Commission in different policy areas would be beneficial to ensure synergies and make the help offered to Member States more impactful.

Furthermore, the continued implementation of the actions contained in the ComPAct, including the Public Administration Cooperation Exchange (PACE), will further consolidate the European Commission’s work in relation to public administration and governance reform.

The report by Enrico Letta “Much more than a market - Empowering the Single Market to deliver a sustainable future and prosperity for all EU Citizens”, argued for the continuation of the TSI and the creation of a tool for reform support targeted to public administrations, including the enhancement of cooperation and exchange of expertise, also with a view to implementing the ComPAct. The report proposed a dedicated Commissioner for reforms (page 47-48).

Finally, the continuation and further expansion of the pilot for enlargement countries will support their accelerated integration and accession.

Further empowering the TSI will ensure “Reforms with an impact” and therefore a stronger, more competitive and resilient European Union. “Together, we are stronger!”