



Annual Activity Report 2020

Annexes

DG REFORM – Directorate-General for
Structural Reform Support

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

"I declare that in accordance with the Commission's communication on the internal control framework¹, I have reported my advice and recommendations on the overall state of internal control in DG REFORM to the Director-General.

I hereby certify that the information provided in the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete."

Brussels, 30/03/2021

Judit ROZSA


¹ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

General objective: 'An economy that works for people'			
Impact indicator 1: Employment rate among people aged 20 to 64			
Source of the data: Eurostat (Eurostat online data code: sdg_08_30), based on the EU Labour Force Survey			
Baseline (2018)	Interim Milestone (2019)	Target (2024)	Latest known results (2020)
72.4%	73.1%	Increase	75%
Impact indicator 2: Real GDP growth rate			
Source of the data: Eurostat (Eurostat online data code: TEC00115)			
Baseline (2019)	Interim Milestone (please add as many columns as the number of defined milestones)	Target (2024)	Latest known results (2019)
	(2022)		
1.5% (EU-28)	Increase	Increase	1.6% (EU- 27)
Specific objective 1.1: Strengthening Member States' capacity to implement growth-enhancing reforms through the provision of technical support			Related to spending programmes: YES
Result indicator: % of technical support projects (SRSP and TSI) that produced the expected outcomes			
Source of data: DG REFORM feedback mechanism - questionnaire to Member States			
Baseline (2019)	Interim Milestone (2022)	Target (2021)	Latest known results (2020)
Not available	Maintained or increased %	Increased %	70%
Main outputs in 2020:			
Evaluations and fitness checks			
Output description	Indicator	Target	Latest known results
Midterm evaluation of the Structural Reform Support Programme	Publication of the Staff Working Document in the EU's inter-institutional database	By mid-2020	COM (2020)603 30 September 2020
External communication actions			
New DG REFORM brochures to be published by Q2/2020	Estimated number of downloads from EUROPA website	3500	2035
New DG REFORM webpage to be published by Q1/2021	Estimated number of visitors on EUROPA website	20 000	Not yet available (cf. specific objective 1.1)

Other important outputs			
SRSP annual Work Programme (2020)	Adoption by the Commission	Q1/2020	C(2020) 1026 26 February 2020 C(2020) 4290 1 July 2020
Technical support projects related to reforms that are as a minimum 'on the ground' and 'closed' at maximum.	Percentage of projects that are as a minimum 'on the ground' and 'closed' at maximum	100% of projects selected for funding under SRSP 2018 and SRSP 2019 and 50% of projects selected for funding under SRSP 2020	100% of projects selected for funding under SRSP 2018; 100% selected for funding under SRSP 2019 and 92% of projects selected for funding under SRSP 2020
Technical support projects (under SRSP) having produced the expected results	Percentage of technical support projects (under SRSP) having produced the expected results out of the total number of started projects	Increased percentage (No baseline available as of 2019)	70%

Specific objective 1.2 : Enhancing green and digital transitions, sustainable growth and economic resilience through EU financial support to Member States' reforms and investments plans			Related to spending programmes: YES
Result indicator: Number of technical support interventions for the preparation and/or the implementation of the Member States' resilience and recovery plans			
Source of data: DG REFORM			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
No baseline since this is a new instrument that will come into force in 2021	Increased number	>20 technical support interventions	6 Member States' technical support interventions in the format of capacity building for preparing/implementing RRP. (DG REFORM also received additional 141 requests for support under the TSI related to the implementation of thematic RRP

			components)
Main outputs in 2020:			
Output description	Indicator	Target	Latest known results
Support to Member States in designing and implementing recovery and resilience plans	Number of Member States' requests for support received at the earliest in Q4/2020	N/A	Cf. above
 Dedicated call to support Member States in the preparation of their territorial just transition plans under the 'Just Transition Mechanism'.	Publication of the call	Q1/2020	https://webgate.ec.europa.eu/connected/docs/DOC-219692

Specific objective 1.3: Steering and coordination of the provision of the technical support across the Commission, and as part of the European Semester			Related to spending programme(s) YES
Result indicator 1: Positive feedback on the efficiency and effectiveness of coordinating technical support Source of data: Annual surveys of DGs			
Baseline (2018)	Interim Milestone	Target (2024)	Latest known results (2020)
No baseline since this is a new instrument that will come into force in 2021	N/A	>90% aggregated annual positive assessments by other Commission departments	95% (Year 2020-TSI round)
Result indicator 2: Improved European Semester country analysis and country reports due to DG REFORM's additional factual, comprehensive and updated information on technical support projects and Member States' reform implementation Source of data: DG REFORM. Unit A2 and O2 (working on public administration and good governance)			
Baseline (2019)	Interim Milestone	Target (2024)	Latest known results (2020)
First report to the European Semester governance	N/A	Positive assessment of DG REFORM's input as added value to the European Semester	Positive feedback (83%) received by the relevant DGs. DG REFORM provided input to:

		activities	drafting of RRF briefings, drafting and assessment of CSRs for public administration and assessment of CSRs in other policy areas, feedback on the draft RRP.
Main outputs in 2020:			
Output description	Indicator	Target	Latest known results
Efficient and effective functioning of the technical support coordination mechanism within Commission departments	Percentage of satisfactory feedback on coordinating technical support	% of satisfactory feedback $\geq 75\%$	95%
Efficient and effective contribution to the European Semester	Number of DG REFORM contributions to the annual European Semester cycle	At least one annual contribution delivered by September 2020 (start of the European Semester process)	Contribution to the briefings on the RRF for all 27 Member States

Specific objective 1.4 : Improving, steering and coordinating knowledge on Public Administration and Governance as part of the European Semester and in the context of the technical support to Member States.			Related to spending programme: YES
Result indicator 1: Improved/increased support to Member States in the area of public administration and governance in the context of technical support (technical support projects and support in drafting the recovery and resilience plans) Source of data: DG REFORM feedback mechanism - questionnaire to Member States			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Not available	Maintained or increased %	Increased %	N/A
Result indicator 2: Improved (consistent, streamlined and holistic) framework approach and guidance to the European Semester country analysis as regards the evaluation of Member States' public administrations.			

Source of data: DG REFORM. Unit A2 and O2 (working on public administration and good governance)			
Baseline (2019)	Interim Milestone	Target (2024)	Latest known results (2020)
Designation of DG REFORM as the coordinating service on Public Administration and Good Governance, and the Assessment Framework methodology	N/A	Increased and improved use of the assessment framework methodology (i.e. the country teams include in the country reports the Member States' criticalities which have been assessed through the framework methodology).	The content of the framework was discussed with the Member States in the context of the LIME group. New indicators were developed to improve quality and reliability of data. DG REFORM used the outcome of the assessment framework in the 2019/2020 EU Semester.
Main outputs in 2020:			
Output description	Indicator	Target	Latest known results
Efficient and effective coordination of public administration and good governance as part of the European Semester process	Number of meetings of the Inter-service Group on Public Administration Quality and Innovation (IGPA)	2 meetings by the end of 2020	3 meetings organised (4 March, 11 June, 14 October).
	Number of policy notes on topics related to public administration	2 policy notes by the end of 2020	2 notes drafted and consulted with IGPA
	Completed feasibility analysis for a study on the cost of bad administration	Q4/2020	Analysis completed and concept for study methodology was developed.
	Preparation of a strategy for a formal communication from the Commission on the topic of public administration and	Q4/2020	A Commission Staff Working Document was prepared. Its adoption is planned for Q1/ 2021.

	governance		
	Preparation of version 2 of the Assessment Framework on Public Administration and Governance	Q4/2020	Data for all indicators in the assessment framework was collected and processed. 9 new indicators were tested and 6 of them were included in the framework.

Specific objective 1.5 : Supporting the reunification of Cyprus through the Aid Programme and Green line trade			Related to spending programme(s): YES
Result indicator: Positive assessment of EU support for the social-economic development of the Turkish Cypriot community (TCC)			
Source of data: Evaluation of the Aid Programme (2020)			
Baseline (2020)	Interim Milestone N/A	Target (2024)	Latest known results (2020)
Not yet available	N/A	Improved implementation of the Aid Programme and Green Line trade	Cf. specific objective 1.5
Main outputs in 2020:			
Evaluations and fitness checks			
Output description	Indicator	Target	Latest known results
Evaluation of the aid programme for the Turkish Cypriot community, 2013-2018	Final report approved and published in the Commission's inter-institutional database	By the end of 2020	The draft final evaluation report was submitted in December 2020. The final report will be approved and published in the first quarter of 2021.
Other important outputs			
The Aid programme's annual (2020) work programme	Publication of the work programme on the EUROPA website	By the end of 2020	https://ec.europa.eu/commission/presscorner/detail/en/IP_20_149

			0
Economic and social development actions for the Turkish Cypriot community	Number of scholarship grants awarded in 2020 for studying in an EU Member State	Minimum 120	138
	Number of cultural heritage projects completed in 2020	Minimum 4	18
	Volume of Green line trade in 2020	EUR 5 million	EUR 4,693,898 The COVID-19 pandemic and related closure of crossing points impeded to reach the volume of crop trade at the planned level.

ANNEX 3: Draft annual accounts and financial reports

AAR 2020 Version 1

Annex 3 Financial Reports - DG REFORM - Financial Year 2020

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

Table 11 : Negotiated Procedures

Table 12 : Summary of Procedures

Table 13 : Building Contracts

Table 14 : Contracts declared Secret

Table 15 : FPA duration exceeds 4 years

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2020 (in Mio €) for DG REFORM					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 01 Economic and financial affairs					
01	01 02	Economic and monetary union	0,11	0,00	0,00 %
Total Title 01			0,11	0,00	0,00 %
Title 04 Employment, social affairs and inclusion					
04	04 02	European Social Fund (ESF)	1,45	1,40	96,49 %
Total Title 04			1,45	1,40	96,49 %
Title 13 Regional and urban policy					
13	13 01	Administrative expenditure of the 'Regional and urban policy' policy area	1,53	1,08	70,44 %
	13 03	European Regional Development Fund and other regional operations	2,93	2,76	94,19 %
	13 04	Cohesion Fund (CF)	1,24	0,99	80,42 %
	13 07	Aid Regulation	35,21	34,62	98,32 %
	13 08	Structural Reform Support Programme - Operational technical assistance	84,17	83,97	99,76 %
Total Title 13			125,08	123,43	98,67 %
Title 25 Commission's policy coordination and legal advice					
25	25 01	Administrative expenditure of the 'Commission's policy coordination and legal advice' policy area	0,41	0,01	2,46 %
Total Title 25			0,41	0,01	2,46 %
Total DG REFORM			127,05	124,83	98,26 %

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on Commitment Appropriations in 2020 for DG REFORM

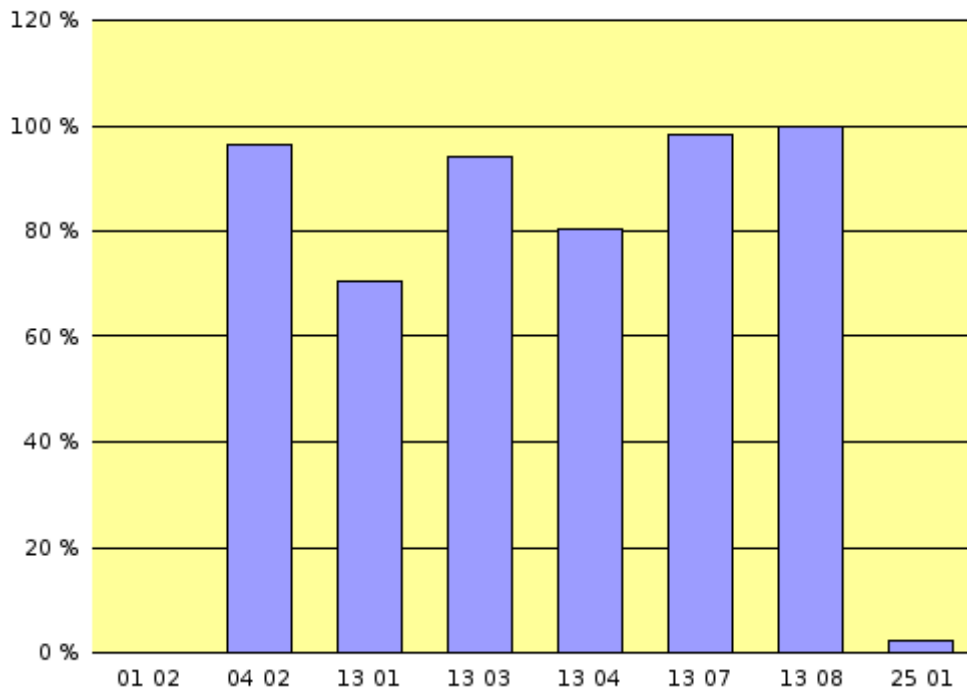


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2020 (in Mio €) for DG REFORM					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 01 Economic and financial affairs					
01	01 02	Economic and monetary union	0,05	0,04	77,11 %
Total Title 01			0,05	0,04	77,11%
Title 04 Employment, social affairs and inclusion					
04	04 02	European Social Fund (ESF)	3,38	3,38	100,00 %
Total Title 04			3,38	3,38	100,00%
Title 13 Regional and urban policy					
13	13 01	Administrative expenditure of the 'Regional and urban policy' policy area	2,17	0,64	29,45 %
	13 03	European Regional Development Fund and other regional operations	5,95	5,95	100,00 %
	13 04	Cohesion Fund (CF)	1,09	0,88	80,86 %
	13 07	Aid Regulation	41,21	41,16	99,87 %
	13 08	Structural Reform Support Programme - Operational technical assistance	54,65	54,65	100,00 %
Total Title 13			105,07	103,27	98,29%
Title 25 Commission's policy coordination and legal advice					
25	25 01	Administrative expenditure of the 'Commission's policy coordination and legal advice' policy area	0,41	0,00	0,87 %
Total Title 25			0,41	0,00	0,87%
Total DG REFORM			108,91	106,70	97,97 %

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on Payment Appropriations in 2020 for DG REFORM

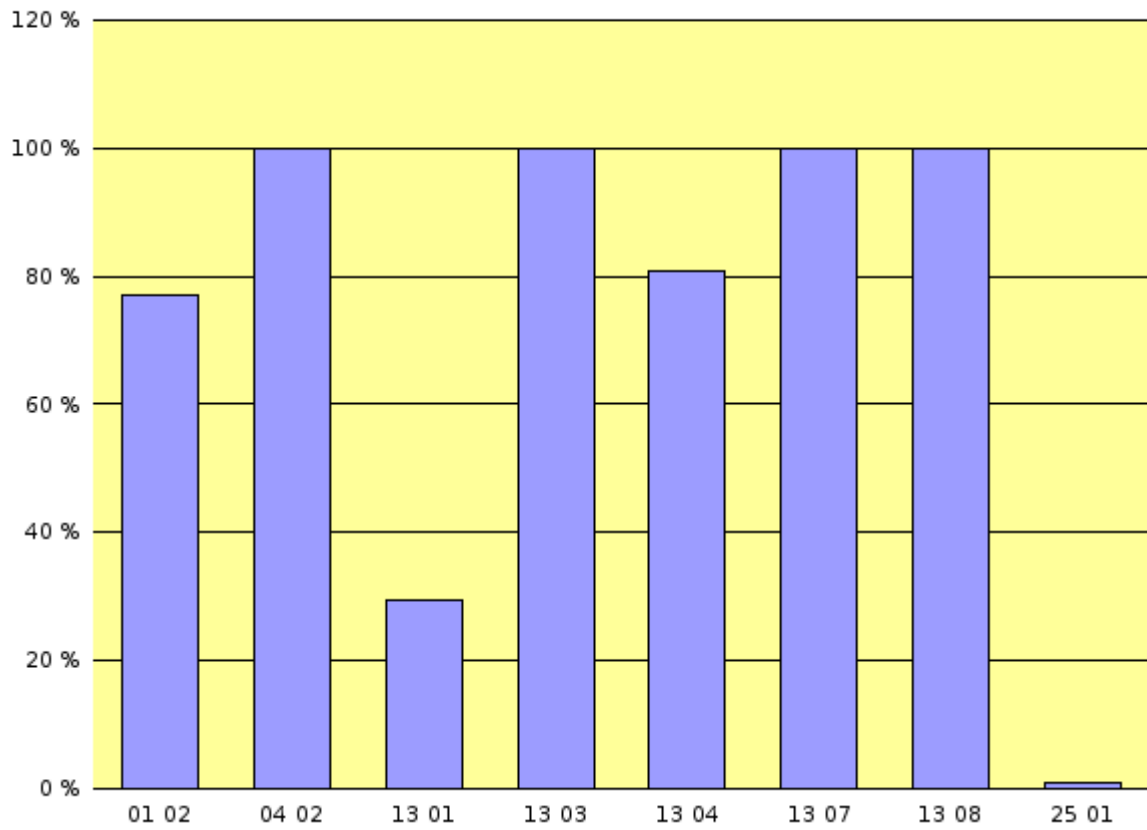


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG REFORM

			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
01	01 02	Economic and monetary union	0,00	0,00	0,00	0,00%	0,00	0,00	0,04
Total Title 01			0,00	0,00	0,00	0,00%	0,00	0,00	0,04

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG REFORM

			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
04	04 02	European Social Fund (ESF)	1,40	0,12	1,28	91,34%	2,57	3,85	6,11
Total Title 04			1,40	0,12	1,28	91,34%	2,57	3,85	6,11

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG REFORM

			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
13	13 01	Administrative expenditure of the 'Regional and urban policy' area	1,08	0,03	1,05	97,29%	0,00	1,05	0,64

13 03	European Regional Development Fund and other regional operations	2,76	1,02	1,74	62,91%	2,74	4,48	7,94
13 04	Cohesion Fund (CF)	0,99	0,00	0,99	100,00%	0,01	1,00	0,94
13 07	Aid Regulation	34,62	3,85	30,77	88,87%	93,71	124,47	131,12
13 08	Structural Reform Support Programme - Operational technical assistance	83,97	22,26	61,71	73,49%	43,14	104,84	76,80
Total Title 13		123,43	27,17	96,26	77,99%	139,59	235,84	217,44

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG REFORM

			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
25	25 01	Administrative expenditure of the 'Commission's policy coordination and legal advice' policy area	0,01	0,00	0,01	79,80%	0,00	0,01	0,00
Total Title 25			0,01	0,00	0,01	79,80%	0,00	0,01	0,00
Total for DG REFORM			124,8338337	27,29	97,53893353	78,14 %	142,1618009	239,7007344	223,5886836

Breakdown of Commitments Remaining to be Settled (in Mio EUR) in 2020 REFORM

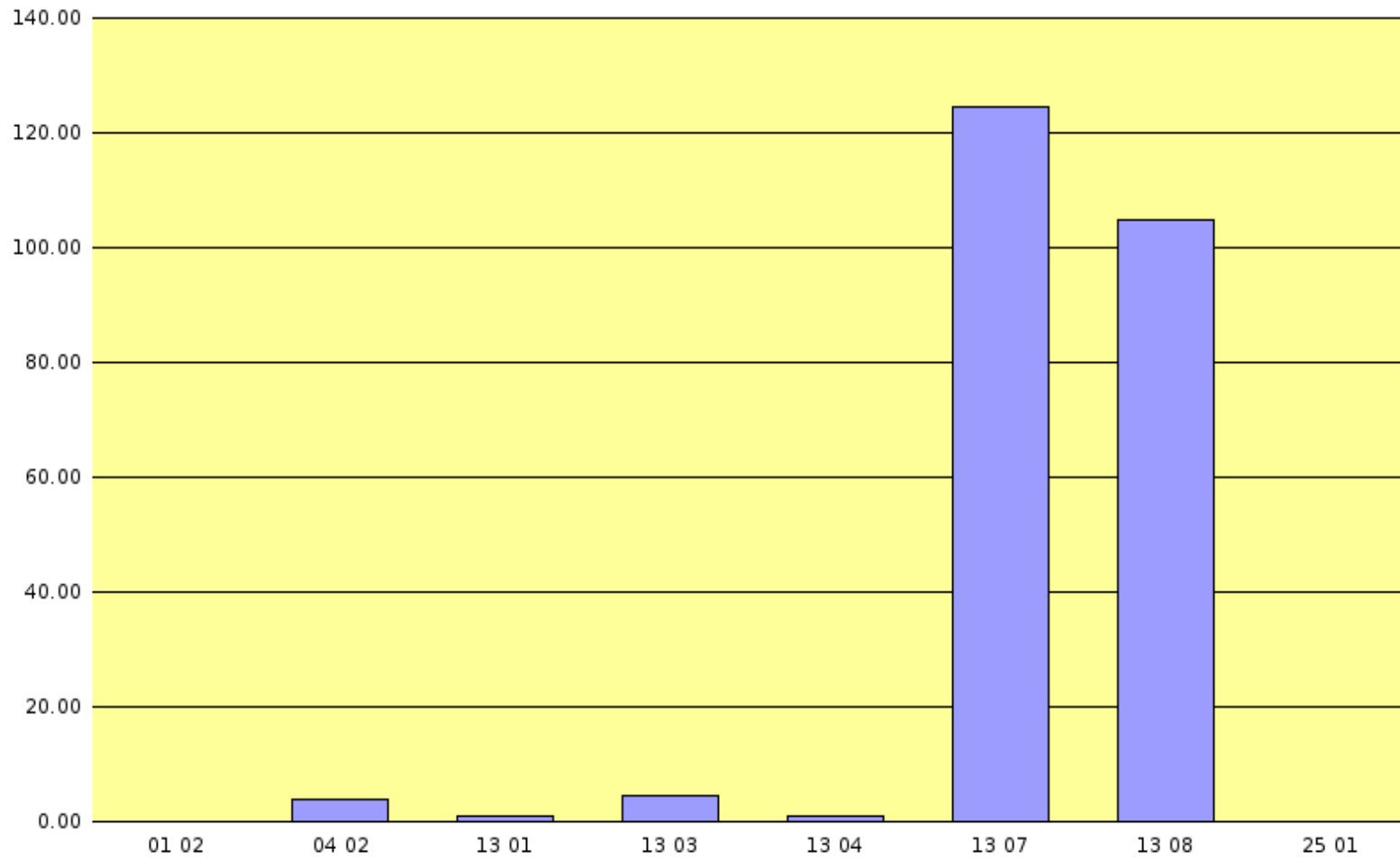


TABLE 4 : BALANCE SHEET for DG REFORM

BALANCE SHEET	2020	2019
A.I. NON CURRENT ASSETS	6430849,92	
A.I.5. Non-Current Pre-Financing	6.430.849,92	
A.II. CURRENT ASSETS	31447018,31	96332311,5
A.II.2. Current Pre-Financing	31.438.639,06	96.301.821,84
A.II.3. Curr Exch Receiv &Non-Ex Recoverables	8.379,25	30.489,66
ASSETS	37877868,23	96332311,5
P.II. CURRENT LIABILITIES	-57879913,8	-1204517,07
P.II.4. Current Payables	-3.553.411,13	-1.204.517,07
P.II.5. Current Accrued Charges &Defrd Income	-54.326.502,67	0,00
LIABILITIES	-57879913,8	-1204517,07
NET ASSETS (ASSETS less LIABILITIES)	-20002045,57	95.127.794,43
P.III.2. Accumulated Surplus/Deficit	124.264.407,29	56714131,25
Non-allocated central (surplus)/deficit*	-104.262.361,72	-151841925,7
TOTAL DG REFORM	0,00	0,00

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

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG REFORM

STATEMENT OF FINANCIAL PERFORMANCE	2020	2019
II.1 REVENUES	697205,01	161485,85
II.1.1. NON-EXCHANGE REVENUES	-61093,31	-71124,69
II.1.1.5. RECOVERY OF EXPENSES	-61.093,31	-71.124,69
II.1.2. EXCHANGE REVENUES	758298,32	232610,54
II.1.2.1. FINANCIAL INCOME	-75,39	-13.440,76
II.1.2.2. OTHER EXCHANGE REVENUE	758.373,71	246.051,30
II.2. EXPENSES	221551411,4	67388790,19
II.2. EXPENSES	221551411,4	67388790,19
II.2.10. OTHER EXPENSES	576.511,47	378.597,23
II.2.2. EXP IMPLM BY COMMISS&EX.AGENC. (DM)	156.845.847,54	61.506.761,17
II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM)	42.556.893,26	5.502.410,00
II.2.5. EXP IMPLM BY OTHER ENTITIES (IM)	21.571.610,24	
II.2.8. FINANCE COSTS	548,91	1.021,79
STATEMENT OF FINANCIAL PERFORMANCE	222.248.616,43	67.550.276,04

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TABLE 5bis : OFF BALANCE SHEET for DG REFORM

OFF BALANCE	2020	2019
OB.1. Contingent Assets	8.824.629,66	8.199.100,40
GR for performance	4.817.731,23	4.785.666,48
GR for pre-financing	4.006.898,43	3.413.433,92
OB.2. Contingent Liabilities	- 6.283.144,00	- 15.902.209,87
OB.2.7. CL Legal cases OTHER	- 6.283.144,00	- 15.902.209,87
OB.3. Other Significant Disclosures	- 181.821.080,61	
OB.3.2. Comm against app. not yet consumed	- 181.821.080,61	
OB.4. Balancing Accounts	179.279.594,95	7.703.109,47
OB.4. Balancing Accounts	179.279.594,95	7.703.109,47
OFF BALANCE	0,00	0,00

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TABLE 6: AVERAGE PAYMENT TIMES in 2020 for REFORM

Legal Times									
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
21	1				1	100,00 %	24	1500	100, %
30	141	132	93,62 %	13,40151515	9	6,38 %	44,66666667	441280,24	1, %
60	217	208	95,85 %	32,29807692	9	4,15 %	62,66666667	2197921,1	7, %
90	124	123	99,19 %	36,64227642	1	0,81 %	97	12801,67	0, %

Total Number of Payments	483	463	95,86 %		20	4,14 %		2653503,01	2, %
Average Net Payment Time	29,15320911			28,06479482			54,35		
Average Gross Payment Time	37,17805383			35,79481641			69,2		

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	43	91	18,84 %	483	27.452.996,14	25,73 %	106.697.527,47

Late Interest paid in 2020			
DG	GL Account	Description	Amount (Eur)
REFORM	65010100	Interest on late payment of charges New FR	548,91
			548,91

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2020 for DG REFORM

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	balance
		1	2	3=1+2	4	5	6=4+5	7=3-6
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	75,39	0,00	75,39	75,39	0,00	75,39	0,00
66	OTHER CONTRIBUTIONS AND REFUNDS	1.015.581,42	65.160,66	1.080.742,08	1.007.202,17	30.489,66	1.037.691,83	43.050,25
Total DG REFORM		1015656,81	65160,66	1080817,47	1007277,56	30489,66	1037767,22	43050,25

**TABLE 8 : RECOVERY OF PAYMENTS in 2020 for DG REFORM
(Number of Recovery Contexts and corresponding Transaction Amount)**

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2020	Irregularity		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC		
	Year of Origin (commitment)	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2009					2	3916,72			
2014	1	5928,54	1	5928,54	2	83386,37	50,00%	7,11%	
2015					1	53024,77			
2016					5	59615,19			
2017	2	65910,22	2	65910,22	8	302007,87	25,00%	21,82%	
2018					7	506607,02			
2019					1	4615,77			
No Link					1	2407,71			
Sub-Total	3	71838,76	3	71838,76	27	1015581,42	11,11%	7,07%	

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS	1	1128,77			1	1128,77	6	284.904,02	16,67%	0,40%
CREDIT NOTES	4	253099,39			4	253099,39	18	1.966.062,63	22,22%	12,87%
Sub-Total	5	254228,16			5	254228,16	24	2250966,65	20,83%	11,29%
GRAND TOTAL	8	326066,92			8	326066,92	51	3266548,07	15,69%	9,98%

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 12/31/2020 for DG REFORM

	Number at 1/1/2020 1	Number at 12/31/2020	Evolution	Open Amount (Eur) at 1/1/2020 1	Open Amount (Eur) at 12/31/2020	Evolution
2014	1	1	0,00 %	34.671,00	34.671,00	0,00 %
2019	2		-100,00 %	33.828,54		-100,00 %
2020		3			8.379,25	
	3	4	33,33 %	68.499,54	43.050,25	-37,15 %

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2020 for DG REFORM

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG REFORM	
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Number of RO waivers	
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TABLE 11 : Negotiated Procedures in 2020 for DG REFORM

External Procedures > € 20,000

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Annex 1 - 11.1 (b) - Artistic/technical reasons or exclusive rights or technical monopoly/captive market	1	270.000,00
Annex 1 - 39.1 (b) - Tender procedure unsuccessful*	2	485.129,00
Art. 134.1(e) (Without prior publication) New services or works consisting in the repetition of similar services or works	1	1.240.080,00
Total	4	1.995.209,00

Additional comments:

* original open tender procedures resulting as unsuccessful and followed by negotiated procedures (Annex 1-39.1)- cf. table 12

TABLE 12 : Summary of Procedures in 2020 for DG REFORM

External Procedures > € 20,000

Procedure Legal base	Number of Procedures	Amount (€)
Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	1	1.240.080,00
Negotiated procedure without prior publication (Annex 1 - 11.1)	1	270.000,00
Negotiated procedure with single tender (Annex 1 - 39.1)	2	485.129,00
Open procedure - As provided for in FR 164(1)(a) - Services/Supplies as from EUR 300 000 - Works as from EUR 5 000 000 - publication (Annex 1 - 38.1 (b))	6	3.210.904,91
Restricted procedure - As provided for in FR 164(1)(b) - Services/Supplies as from EUR 300 000 - Works as from EUR 5 000 000 - publication (Annex 1 - 38.1 (a))	2	3.748.550,00
Simplified procedure - Services/Works < EUR 300 000 - Supplies < EUR 100 000. Legal services as in Annex 1 - 38.6. (Annex 1 - 38.1 (d))	1	69.947,00
Total	13	9.024.610,91

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure middle value contract (Annex 1 - 14.2)	14	1.583.361,50
Open procedure (FR 164 (1)(a))	1	475.000,00
Total	15	2.058.361,50

Additional Comments:

TABLE 13 : BUILDING CONTRACTS in 2020 for DG REFORM

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

Not applicable

TABLE 14 : CONTRACTS DECLARED SECRET in 2020 for DG REFORM

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

Not applicable

TABLE 15 : FPA duration exceeds 4 years - DG

None of your FPA (if any) exceeds 4 years

TABLE 16 : Commitments co-delegation type 3 in 2020 for DG REFORM

Not applicable

ANNEX 4: Financial Scorecard

This annex summarises the annual result of the standard financial indicators measurement. Six standard financial indicators are presented below, each with its objective, category, definition, and result for DG REFORM and for the EC as a whole for benchmarking purposes.

- Commitment Appropriations (CA) Implementation
- CA Forecast Implementation
- Payment Appropriations (PA) Implementation
- PA Forecast Implementation
- Global Commitment Absorption
- Timely Payments

For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

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

Indicator	CA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of commitment appropriations
Result	<p>DG REFORM achieved 99% compared to the EC result of 99%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 99%</p>
Comment	N/A
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Committed L1 Accepted Amount + Direct Committed L2 Accepted Amount (Eur) - Value B: Credit Accepted Com Amount (Eur) <p>Scope:</p> <p>Commitments on all relevant Fund Sources, except for:</p> <ul style="list-style-type: none"> - Internal assigned revenue in first year (C4) - Internal assigned revenue from lettings and sale of buildings and lands (CL) - Repaid advances (structural funds) (C6) - External assigned revenue except for EFTA (FCA ,FRT, PO, RO, TCA, TF5, TFC)

Indicator	PA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of payment appropriations
Result	<p>DG REFORM achieved 98% compared to the EC result of 99%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 98%</p>
Comment	N/A
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Credit Accepted Pay Amount (Eur) <p>Scope:</p> <p>Payments on all relevant Fund Sources, except for:</p> <ul style="list-style-type: none"> - Internal assigned revenue in first year (C4) - Internal assigned revenue from lettings and sale of buildings and lands (CL) - Repaid advances (structural funds) (C6) - External assigned revenue except for EFTA (FCA ,FRT, PQ, RQ, TCA, TF5, TFC) - Payments stemming from C1, C5, E0 outstanding commitments on the non-staff budget positions that will be carried-forward as C8 to the next financial year

Indicator	CA Forecast Implementation
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year
Result	<p>DG REFORM achieved 100% compared to the EC result of 98%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (98%) 100%</p>
Definition	<p>Formula: Value A / Value B**,**</p> <ul style="list-style-type: none"> - Value A: Committed L1 Accepted Amount + Direct Committed L2 Accepted Amount (Eur) - Value B: Commitment Forecast Amount (Eur) <p><i>**if Value A / Value B between 100 and 200% then the result indicator will be equal to 1 - (ABS(Value B - Value A) / Value B)</i></p> <p><i>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</i></p> <p>Scope:</p> <ul style="list-style-type: none"> - Commitments on all relevant Fund Sources - Commitment Forecast Amount (Eur) from the most up to date forecast version (Initial Mar-Aug, Revised Sep-Dec)

Indicator	PA Forecast Implementation
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year
Result	<p>DG REFORM achieved 100% compared to the EC result of 99%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 100%</p>
Definition	<p>Formula: $Value A / Value B^{**}$</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Payment Forecast Amount (Eur) <p><i>*if Value A / Value B between 100 and 200% then the result indicator will be equal to $1 - (ABS(Value B - Value A) / Value B)$</i></p> <p><i>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</i></p> <p>Scope:</p> <ul style="list-style-type: none"> - Payments on all relevant Fund Sources - Payment Forecast Amount (Eur) from the most up to date forecast version (Initial Mar-Aug, Revised Sep-Dec)

Indicator	Global Commitment Absorption
Category	Efficiency Controls / Absorption
Objective	Ensure efficient use of already earmarked commitment appropriations (at L1 level)
Result	<p>DG REFORM achieved 100% compared to the EC result of 98%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (98%) 100%</p>
Comment	N/A
Definition	<p>Formula:</p> <ul style="list-style-type: none"> - Value A: Com L1 Consumption amount (Eur) - Value B: Com L1 Initial amount (Eur) + Com L1 Complementary Amount (Eur) + (Com L1 Decommitment Amount (Eur) on all Fund Sources except for C8 and C9) <p>Scope:</p> <ul style="list-style-type: none"> - Com L1 with FDC ILC date from 01/01 to 31/12 of the current year - No movements to the Com L1 Consumption amount (Eur) after the FDC ILC date is taken into account (Generally decommitments of L2 which decrease the Com L1 consumption) <p>Remark: Due to technical limitation, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.</p>

Indicator	Timely payments
Category	Efficiency Controls / Timeliness
Objective	Ensure efficient processing of payments within the legal deadlines
Result	<p>DG REFORM achieved 98% compared to the EC result of 99%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 98%</p>
Comment	The score of 98% of timely payments is equal to last year. Such a result is considered still optimal, considering the high percentage reached as compared to the overall Commission performance in the last two years (98% in 2019 and 99% in 2020)
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) in time <ul style="list-style-type: none"> o In Time: Payment Bank Value Date <= Payment legal deadline - Value B: Payment Accepted Amount (Eur) <p>Scope:</p> <ul style="list-style-type: none"> - Payments made in the current year - Payments valid for payment statistics (DWH Flag "Payment Time Status OK?" = "Y")

ANNEX 5: Materiality criteria

The following provides an explanation of DG REFORM's definition of the materiality threshold as a basis for determining whether significant weaknesses should be subject to a formal reservation to the Authorising Officer's declaration.

Several factors are considered in qualitative and quantitative terms to determine the significance of any weakness: the nature and scope of the weakness, its duration, the financial impact and the monetary value linked to the weakness, the existence and functioning of mitigating controls reducing the impact of the weakness and any corrective measures already taken.

Based on such elements, management should conclude that the weaknesses incurred in the reporting year are significant and deserve to be disclosed in the form of a formal reservation to the Authorising Officer by Delegation's declaration of assurance, where:

- the error rate for the activities of the Service exceeds 2% of the authorised payments of the reporting year of activity. It should be noted that as of 2019², a 'de minimis' threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed. This is without prejudice to maintaining a reservation for its reputational reasons if applicable.
- if the errors or problems identified concern key controls linked to the underlying expenditure or a specific type of expenditure, and they are systematic and wide ranging in the occurrence;
- the significance of the exceptions made in the year and the non-compliance events (i.e. internal control weaknesses) is high in monetary (value of linked operations) and qualitative terms (e.g. risks taken resulting from the deviations from the legality and regularity provisions; the reputational risk for the Service and the Commission; repetitive or systemic errors that have gone uncorrected; inadequate functioning of the controls);
- the audit coverage is insufficient and /or inadequate information is available from the internal control system;
- any critical issues and fraud issues are reported by the Court of Auditors, the Internal Audit Service or OLAF;
- there are high risks concerning the nature of the weakness in terms of impact on the reputation of the Service, the breadth of awareness of the event, and the duration of the impact on a reputation for the EU Institutions, which would lead to the conclusion that the weakness is significant

² Agreement of the Corporate Management Board of 30/4/2019.

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

DIRECT MANAGEMENT – grant direct management (SRSP and Aid programme)

Stage 1: Programming, evaluation and selection of proposals - Main control objectives: Ensuring that the Commission (COM) selects the actions that contribute the most towards the achievement of the policy objectives (effectiveness); that funds are allocated optimally (best value for public money, effectiveness, efficiency, economy) and in compliance (legality & regularity; prevention of fraud)

A-Preparation and adoption of the work programme and call for proposals

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The annual work programmes and the subsequent actions do not adequately reflect the policy objectives and priorities and or are incoherent. The implementation modality is not well suited for the identified objectives and /or lead to an increase of risks linked to the implementation of the project.</p> <p>The eligibility, selection and award criteria are not adequate to ensure appropriate evaluation of proposals.</p>	<ul style="list-style-type: none"> - Analysis of the requests for support submitted by the MS in line with the criteria set out in the SRSP regulation - Quality control review including operational financial and legal aspect - Inter-service consultation on Financing Decisions including all relevant DGs - Adoption by the Commission - Centralised verification in DG REFORM - Ex-post lessons learnt through programme evaluation 	<p>100%</p> <p>All work programmes are thoroughly reviewed at all levels, including for operational and legal aspects.</p>	<p>Effectiveness: % budget execution rate grant commitments</p> <p>Benefit: The (average annual) total budgetary amount of the annual work programmes or calls with significant errors detected and corrected.</p> <p>Amount of the work programme concerned.</p> <p>Efficiency: estimated costs of controls of grant operations up to the selection of grants divided by the operational credits available for contracting</p> <p>Economy: estimation of costs of staff involved in the preparation and validation of annual work programme and calls up to the selection of grants.</p>

B –Selecting and awarding: evaluation and selection of proposals

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The evaluation, ranking and selection of proposals is not carried out in accordance with the essential eligibility, or with the selection and award criteria defined in the financing decision and subsequent call for proposals. (Only Applicable to the Aid programme)</p> <p>The selection of beneficiaries of directly awarded grants is not justified and/or appropriately documented.</p>	<p>For the Aid Programme only: an evaluation committee is appointed by the AOSD and composed of at least 5 persons. The evaluation committee includes two members from the Financial Unit with no voting rights and at least three Voting Members from the operational unit who, together, ensure the correct implementation of the applicable procedures during the evaluation process.</p> <p>In case of directly awarded grants the exception to call for proposal is submitted to the AOSD for approval before signature of the legal commitment. The FD authorizes the conclusion of directly awarded grants.</p> <p>Prior approval note prepared by unit and validated by AOD</p> <p>A verification is performed by the Financial Unit on the evaluations and exception to call for proposal prior to budgetary and legal commitments.</p> <p>Centralized checklist based verification on the regulatory requirements.</p>	<p>100% of proposals are evaluated.</p> <p>100% of evaluations and exception to call for proposals are centrally checked by the financial unit</p>	<p>Effectiveness: No litigation case.</p> <p>Number of official, valid complaints filed.</p> <p>Number of supervisory control failures. Amount of the budget of the call concerned and amount of the budget of directly awarded grants.</p> <p>Efficiency:</p> <p>% costs for evaluation and selection over the annual amount of grants awarded.</p> <p>Time to publication of selection results</p> <p>Economy: estimation of the costs of staff involved in the evaluation of proposals.</p>

Stage 2: Contracting: Transformation of selected proposals into legally binding grant agreements

Main control objectives: Ensuring that the actions and funds allocation is optimal (best value for public money; effectiveness, economy, efficiency); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy).

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>-The description of the action in the grant agreement includes tasks, which do not contribute to the achievement of the programme objectives.</p> <p>The budget overestimates the costs necessary to carry out the action.</p> <p>The beneficiary lacks operational and/or financial capacity to carry out the actions.</p> <p>Procedures do not comply with regulatory framework.</p>	<p>- For the directly awarded grants the proposals are adjusted in line with the project officers' (evaluators') recommendations.</p> <p>Operational and financial checks in accordance with the financial circuits.</p> <p>Financial verification of the budget.</p> <p>Validation of beneficiaries (operational and financial).</p> <p>- Reinforced financial circuit with second level ex-ante verification according to risk assessment</p> <p>- Signature of grant agreement by the AO(S)D</p> <p>Verification of validity of pillar assessment in case of signature with pillar assessed organisations.</p> <p>On-boarded to e-grants (pilot for MFF 2014-2020 – ongoing for MFF 2021-2027) corporate solution with embedded controls.</p>	<p>100% of the selected proposals and beneficiaries are assessed</p> <p>100% of draft grant agreements assessed.</p> <p>The depth of controls depend on the type of beneficiary and the type of expenditures foreseen in the budget.</p>	<p>Effectiveness: % of selected proposals with recommendations implemented in grant agreement.</p> <p>Amount of proposed costs rejected.</p> <p>Benefit: difference between the budget value of the selected proposals and that of the corresponding grant agreements.</p> <p>Efficiency: estimated costs of controls related to contracting over the committed amount</p> <p>-Time-to-Contract</p> <p>Economy: estimation of cost of staff involved in the contracting process.</p>

Stage 3: Monitoring the execution. This stage covers the monitoring, the operational, financial and reporting aspects related to the project and grant agreement

Main control objectives: ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information).

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>- The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement.</p> <p>-The amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.</p>	<p>Kick-off meetings and "launch events" involving the beneficiaries in order to avoid project management and reporting errors</p> <p>- Operational and financial checks in accordance with the financial circuits and predefined checklists.</p> <p>- Operation authorisation by the AO</p> <p>- For SRSP risk based ex-ante desk check reviews</p> <p>- For the Aid Programme expenditure verification reports for grants over EUR 100,000</p> <p>- Monitoring visits</p> <p>When needed: application of suspension/interruption of payments, penalties or liquidated damages, earmark projects for risk-based ex-post audit, refer grant/beneficiary to OLAF</p>	<p>100% of the projects are controlled</p> <p>In depth checks (ex-ante desk review or site visits) for the projects presenting higher risks.</p>	<p>Effectiveness: Number of projects with cost claim errors; budget amount of the cost items rejected, budget amount of errors concerned. Amount of the liquidated damages or penalties, % of value of cost claims items adjusted over cost claims value.</p> <p>Benefit: budget value of the costs claimed by the beneficiary but rejected by SRSS. Budget value of the part of the grant not paid out as pre-financing for projects that have been stopped by the Commission. Budget value of penalties and liquidated damages.</p> <p>Efficiency: % costs over annual amount of payments made under grants.</p> <p>Time to payment.</p> <p>Economy (costs): estimation of cost of staff involved in the actual management of running projects.</p>

Stage 4: Ex post controls

a) Review and audits

Main control objectives: Measuring the effectiveness of ex-ante controls by ex-post controls; detect and correct any error or fraud remaining undetected after the implementation ex-ante controls (legality & regularity; anti-fraud strategy); addressing systemic weaknesses in the ex-ante controls, based on the analysis of the findings (sound financial management)

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The ex-ante controls fail to prevent, detect and correct erroneous payments or attempted fraud.</p> <p>The ex-post controls focus on the detection of external errors (e.g. made by beneficiaries) and do not consider any internal errors made by staff or embedded systematically in the own organisation.</p>	<p>-Ex-post control strategy: Carry out audits of a sample of operations to determine effectiveness of ex-ante controls.</p> <p>Carry out audits or desk reviews of a sample of operations to determine effectiveness of ex ante controls</p> <p>-Validate audit results with beneficiary.</p> <p>-Consider results of audits for improving the ex-ante controls.</p> <p>-Establish an ex-post supervision strategy, performed by independent staff not involved in the operational and financial circuits</p> <p>- If needed: refer the beneficiary or grant to OLAF</p>	<p>Sample: random or MUS sample sufficiently large e to draw valid management conclusions during the programme's lifecycle.</p>	<p>Effectiveness: Detected error rate. Residual error rate below materiality. Amount of budget of errors concerned. Number of projects or/and transactions with errors; budget amount of the errors detected.</p> <p>Benefits: Amount of the errors detected by the auditors</p> <p>Efficiency: total (average) annual cost of audits and staff involved in ex-post supervision compared with benefits (ratio).</p> <p>Economy (costs): estimation of cost of staff involved in the coordination and execution of the audit strategy. Cost of the outsourced audits.</p>

b) Implementing results from ex-post audits

Main control objectives: Ensuring that the (audit) results from the ex-post controls lead to effective recoveries (legality & regularity; anti-fraud strategy); Ensuring appropriate accounting of the recoveries made (reliability of reporting).

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The errors, irregularities and cases of fraud detected are not addressed or not addressed in a timely manner.</p>	<p>Systematic registration of audit / control results to be implemented.</p> <p>Financial and operational validation of recovery in accordance with financial circuits.</p> <ul style="list-style-type: none"> - Authorisation by AO - Notification to OLAF and regular follow up of detected fraud 	<p>Coverage: 100% of final audit results with a financial impact.</p>	<p>Effectiveness: Amounts being recovered and offset.</p> <p>Benefit: amount of the errors detected by ex-post controls, which have actually been corrected.</p> <p>Efficiency:</p> <p>Number/value/% of audit results pending implementation</p> <p>Number/value/% of audit results implemented.</p> <p>Time-To-Recover</p> <p>Economy:</p> <p>% cost of control for all stages over annual amount disbursed in grants</p>

DIRECT MANAGEMENT – Procurement direct management (SRSP and Aid programme)

Stage 1: a) Planning and Need assessment

Main internal control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity).

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The procurement needs are not clearly defined or justified from an economic or operational point of view.</p> <p>Discontinuation of the services provided due to poor/late planning and organisation of the procurement process.</p> <p>Lack of expert knowledge and experience in the highly regulated field of procurement which may lead to the wrong choice of procedure/thresholds and the splitting of purchases</p> <p>Conflict of interests</p> <p>Risk of not obtaining value for money due to lack of market analysis and/or poor definition of selection criteria</p> <p>The best offer/s are not submitted due to the poor definition of the tender specifications.</p>	<p>Ex-ante publication of intended procurements and subsequent consideration of entities that expressed interest</p> <p>Establishment of framework contracts following an open competitive procedure</p> <p>Validation of clear definition and justification of procurement needs by AOSD before call launch</p> <p>Continuous trainings</p> <p>Quality review by the central financial unit, based on predefined checks (checklists).</p> <p>-For the Aid Programme call for tenders, which are technically complex are elaborated by external experts contracted through service contacts.</p> <p>Regular information on ethics, integrity and fraud awareness to all staff involved in the procurement process</p>	<p>100% of the forecast procurements are justified in a note addressed to the AOSD.</p> <p>100% of the specifications are scrutinised.</p> <p>Depth may be determined by the amount and the nature of the call for tender (service /supply or work needed).</p>	<p>Effectiveness: Number of procedures where only one or no offers were received.</p> <p>IC reviews of staff ethics trainings as part of the IC annual assessment</p> <p>Quantified Benefits:</p> <ul style="list-style-type: none"> - Amount of rejection of unjustified purchases <p>Non Quantified Benefits:</p> <ul style="list-style-type: none"> - Avoidance of litigation <p>Efficiency: estimated costs of controls divided by operational credits available for contracting</p> <p>Economy: estimation of costs of staff and related contract values</p>

b) Selection of the offers and evaluation

Main internal control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity).

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The most economically advantageous offer not being selected, due to a biased, inaccurate or 'unfair' evaluation process.</p> <p>Considerable use of resources (human and financial) due to errors or mismanagement leading to award decisions being contested (resulting in Court and Ombudsman cases)</p> <p>Damage to the DG's reputation, if fraud or criminal behaviour is discovered (conflict of interest)</p>	<p>-All evaluations involve the use of expertise of more than one qualified official. The evaluation process is more regulated and formalised as the contract value increases.</p> <p>- Formal appointment of evaluation committee for open and restricted tenders: Opening committee and Evaluation committee.</p> <p>-Documented evaluation report for all procurement procedures.</p> <p>-Analysis of eligibility, selection and award criteria documented in the evaluation report.</p> <p>-Quality review (checklist) of the evaluation process and evaluation report before submission to the AOSD.</p> <p>-Declaration of confidentiality and absence of conflict of interests</p> <p>-Standstill period, opportunity for unsuccessful tenderers to put forward their concerns on the decision, when applicable.</p>	<p>100% of the offers are analysed by an appointed committee if required and analysis is documented in the evaluation report.</p> <p>100% of evaluation reports are reviewed.</p> <p>100% of evaluators provide a declaration.</p> <p>Standstill period always applied if required.</p>	<p>Effectiveness: Numbers of 'valid' complaints or litigation cases filed.</p> <p>Benefits:</p> <p>(a) Potential irregularities/inefficiencies prevented</p> <p>(b) Amount of contracts for which the control prevented the risk of litigation or fraud.</p> <p>(c) Avoid contracting with excluded economic operators</p> <p>(d) Amount of procurements successfully challenged during standstill period.</p> <p>Non quantified Benefits:</p> <ul style="list-style-type: none"> - Compliance with FR - Best value for money <p>Efficiency:</p> <p>Time-to procure, providing the necessary legality and regularity checks which cannot be omitted</p> <p>estimated costs of controls divided by committed amount</p> <p>Economy: estimation of costs of staff</p>

Stage 2 –Financial transactions:

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

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The products/services/works foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.</p> <p>Business discontinues because contractor fails to deliver</p>	<p>Operational and financial checks in accordance with the financial circuits.</p> <p>Operation authorisation by the AO</p> <p>Close monitoring of contracts, with possible on-site verifications</p>	<p>100% of the contracts are controlled, according to the applicable checklist</p>	<p>Effectiveness:</p> <p>% budget execution rate – total amount committed/paid versus total budget envelope</p> <p>% of contracts implemented</p> <p>n° of open critical and/or very important audit recommendations</p> <p>Benefits: Amount of irregularities, errors and overpayments prevented by the controls</p> <p>Efficiency:</p> <p>% cost over annual amount of payments made under procurement contracts</p> <p>Time-to-payment</p> <p>Late interest payment and damages paid (by the Commission).</p> <p>Economy (costs): % cost over annual amount of payments made under procurement contracts.</p>

Stage 3 –Supervisory measures

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

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>An error or non-compliance with regulatory and contractual provisions, including technical specifications, or a fraud is not prevented, detected or corrected by ex-ante control, prior to payment.</p>	<p>Supervisory desk review of procurement procedures. Review of ex post results and exceptions reported Ex-post publication (possible reaction from tenderer / potential tenderer such as whistle blowing). System and transaction audits by IAS, ECA and subsequent monitoring of implementation of recommendations for improvement</p>	<p>Samples of procurement procedures are reviewed 100% review of ex-post results and exceptions reported. Review of any systemic problem identified in procurement procedures at least once a year. 100% publication of award notice.</p>	<p>Effectiveness: Amounts associated with errors detected (related to fraud, irregularities and error). In % over total checked. Number system improvements made. Benefits: Amounts detected associated with fraud & error. Efficiency: Costs of the ex post controls and supervisory measures with respect to the 'benefits'. Economy: estimation of cost of staff involved/audited values</p>

INDIRECT MANAGEMENT

Stage 1 - Establishment (or prolongation) of the mandate to the entrusted entity (“delegation agreement”/ “contribution agreement”/ etc.).

Main internal control objectives: Ensuring that the legal framework for the management of the relevant funds is fully compliant and regular (legality & regularity), delegated to an appropriate entity (best value for public money, economy, efficiency), without any conflicts of interests (anti-fraud strategy).

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The establishment (or prolongation) of the mandate of the entrusted entity is affected by legal issues, which would undermine the legal basis for the management of the related EU funds (via that particular entity).</p>	<ul style="list-style-type: none"> -Ex ante assessment (rely on other DGs) -The establishment of a delegated act is submitted to hierarchical validation within the DG and is subject to centralised checklist –based verification before signature by AOSD. - Inter-service consultation on Financing Decisions including all relevant DGs, on the criteria for selection of the entrusted entity - Note on selection of entrusted entity, based on the criteria set out in the financing decision, approved by the RAO 	<p>100%</p>	<p>Effectiveness: Quality of the legal work (FD or delegated act): number of Initially negative CIS opinions.</p> <p>Quality of the selection process: N° of candidates challenging the selection, no litigation case, no ECA criticism.</p> <p>Benefit: The (average annual) total budget amount entrusted to the entity, possibly at 100% if significant errors would otherwise be detected.</p> <p>Efficiency: estimated costs of controls related to the delegated act with an entrusted entity over the operational credits available for commitments</p> <p>Economy: estimation of costs of staff involved in the preparation, adoption and selection work</p>

Stage 2 – Monitoring, supervision reporting.

Main internal control objectives: Ensuring that the Commission is fully and timely informed of any relevant management issues encountered by the entrusted entity, in order to possibly mitigate any potential financial and/or reputational impacts (legality & regularity, sound financial management, true and fair view reporting, anti-fraud strategy).

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>Due to weak "modalities of cooperation, supervision & reporting", the Commission is not (timely) informed of relevant management issues encountered by the entrusted entity, and/or does not (timely) react upon notified issues by mitigating them or by making a reservation for them – which may reflect negatively on the Commission's governance reputation and quality of accountability reporting.</p> <p>Low quality programme results, delayed programme implementation, non-achievement of policy objectives / desired impact on society.</p>	<p>Contribution agreement specifying the control, accounting, audit, publication, etc. related requirements – incl. the modalities on reporting back relevant and reliable control results.</p> <p>Monitoring or supervision of the entrusted entity (e.g. 'regular' monitoring meetings at operational level; review of reported control results and any underlying mngt/audit reports)</p> <p>Require timely notification by the Entrusted Entity of any changes to its financial or control systems subsequent to the signature of the DA/CA</p> <p>Hierarchical validation within the DG (authorising department)</p> <p>Detailed analysis of all reports submitted by the Entrusted Entity; if necessary, request additional ad hoc reports</p>	<p>100% of the entities are monitored/supervised.</p> <p>Frequency: at least annually</p>	<p>Effectiveness: Relevance and reliability of control data reported back; number of regular monitoring actions, DA objectives achieved on time number of serious IAS and ECA findings of control failures.</p> <p>Benefit: the total budget amount entrusted to the entity, possibly at 100% if significant errors would otherwise be detected.</p> <p>Efficiency: Limited number of amendments to DA/CA to extend programme implementation deadline</p> <p>Economy: estimation of cost of staff involved in the regular monitoring of the resources to the entrusted entities</p> <p>Management fees to the entrusted entities</p>

Stage 3 – Commission contribution payment

Main internal control objectives: Ensuring that the Commission fully assesses the management situation at the entrusted entity, before either paying out the (next) contribution for the operational and/or operating budget of the entity, or deciding to suspend/interrupt the (next) contribution (legality & regularity, sound financial management, anti-fraud strategy).

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The Commission pays out the (next) contribution to the entrusted entity, while not being aware of the management issues that may lead to financial and/or reputational damage.</p>	<ul style="list-style-type: none"> - Delegation Act/ Contribution agreement/etc. specifying the control, accounting, audit, publication, etc. related requirements – incl. reporting back -Checklist based approval for payments - If appropriate/ needed: suspension or interruption of payments 	<p>Coverage: 100% of contribution payments</p> <p>Frequency: usually annually</p>	<p>Effectiveness: amount of any unused operating budget recovered, budget amount of the suspended/interrupted payments (if any).</p> <p>Benefit: the total budget amount entrusted to the entity, possibly at 100% if significant errors would otherwise be detected. In case of recovery or suspension, the amount recovered or not paid out.</p> <p>Efficiency: % of costs over annual amount delegated.</p> <p>Time to pay/recover.</p> <p>Economy: estimation of costs of staff involved in the controls over payments/recovery to entrusted entities.</p>

Stage 4 – Audit and evaluation

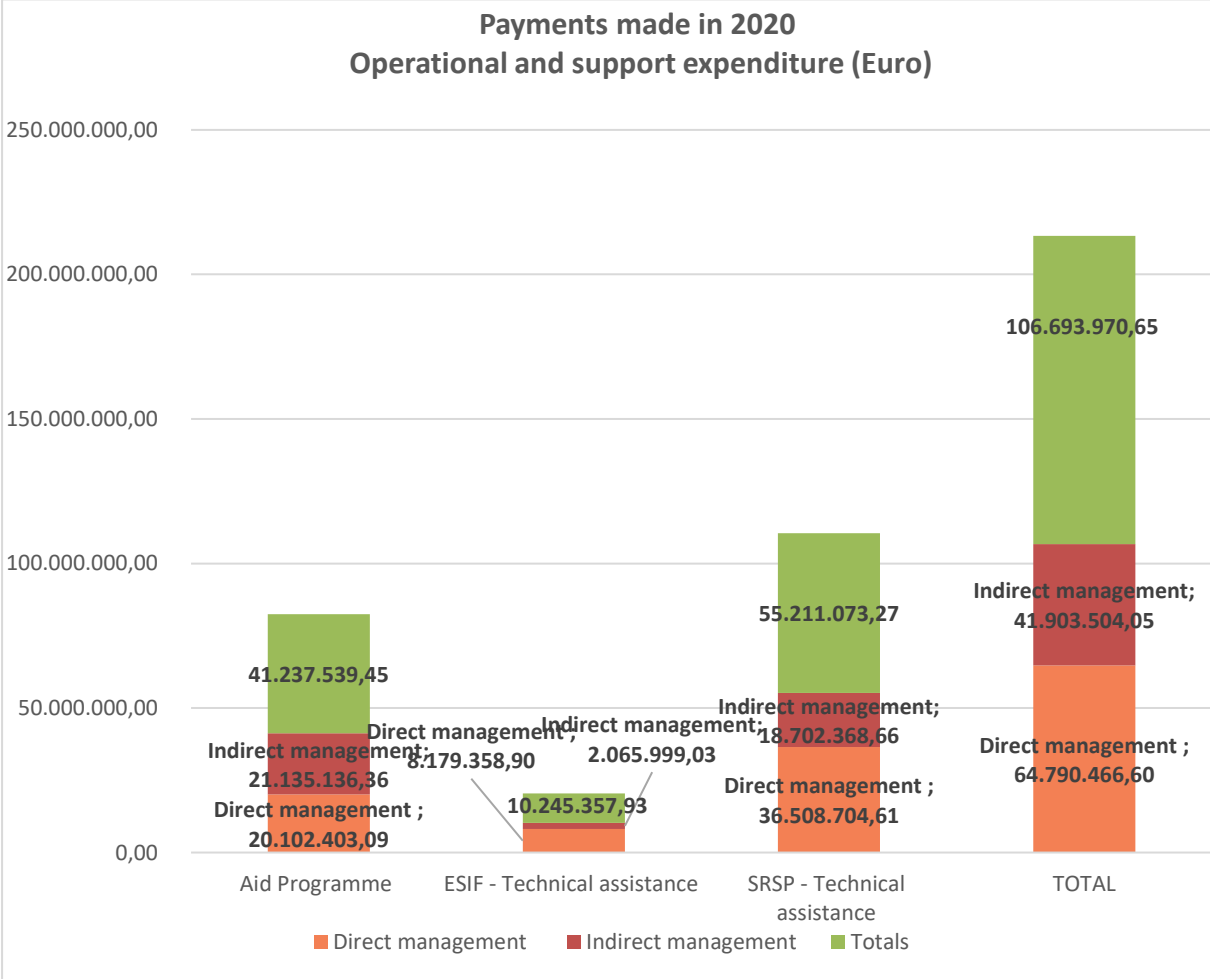
Main internal control objectives: Ensuring that assurance building information on the entrusted entity’s activities is being provided through independent sources as well, which may confirm or contradict the management reporting received from the entrusted entity itself

Main risks	Mitigating controls	Coverage, Frequency and depth of controls	Cost-effectiveness indicators (3 Es)
<p>The Commission has not sufficient information from independent sources on the entrusted entity’s management achievements, which prevents drawing conclusions on the assurance for the budget entrusted to the entity – which may reflect negatively on the Commission’s governance reputation and quality of accountability reporting.</p>	<p>Delegation Act/Contribution agreement/etc. specifying the control, accounting, audit, publication, etc. related requirements – incl. independent audit function and cooperation with IAS and ECA</p>	<p>Coverage: 100%</p>	<p>Effectiveness: Assurance being provided (via mngt/audit reporting); number of transactions with errors, budget amount of the errors detected.</p> <p>Efficiency: total (average) annual cost of own audits compared with total budget amount entrusted.</p> <p>Economy (costs) estimation of cost of staff involved in the coordination and execution of the own audits (which may include missions, if applicable). Cost of the appointment of audit firms for the outsourced audits (if any).</p>

ANNEX 7: Specific annexes related to "Financial Management"

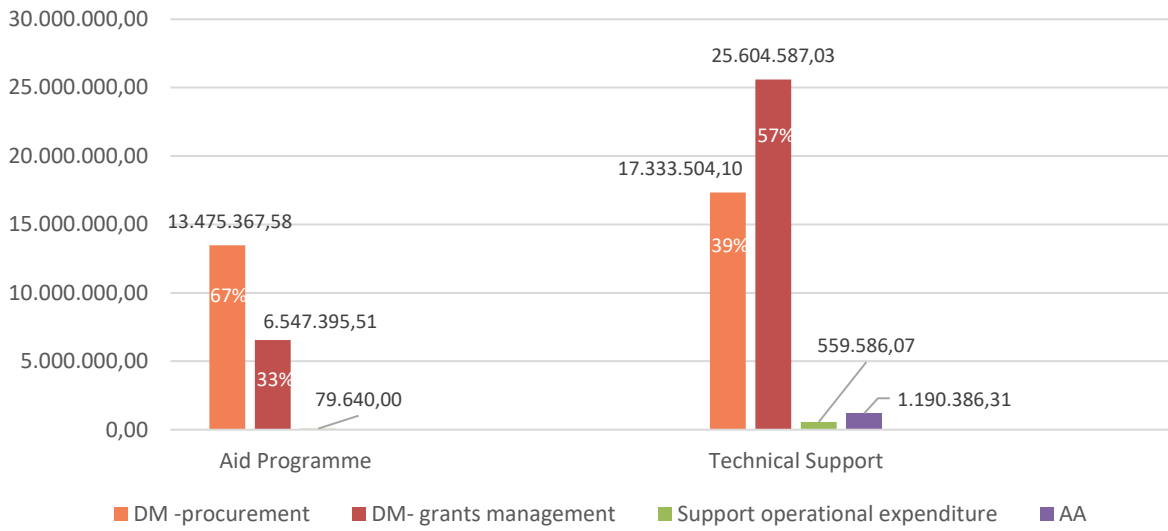
7.1. Section 2.1.1-Control results

Charts of DG REFORM payments in 2020

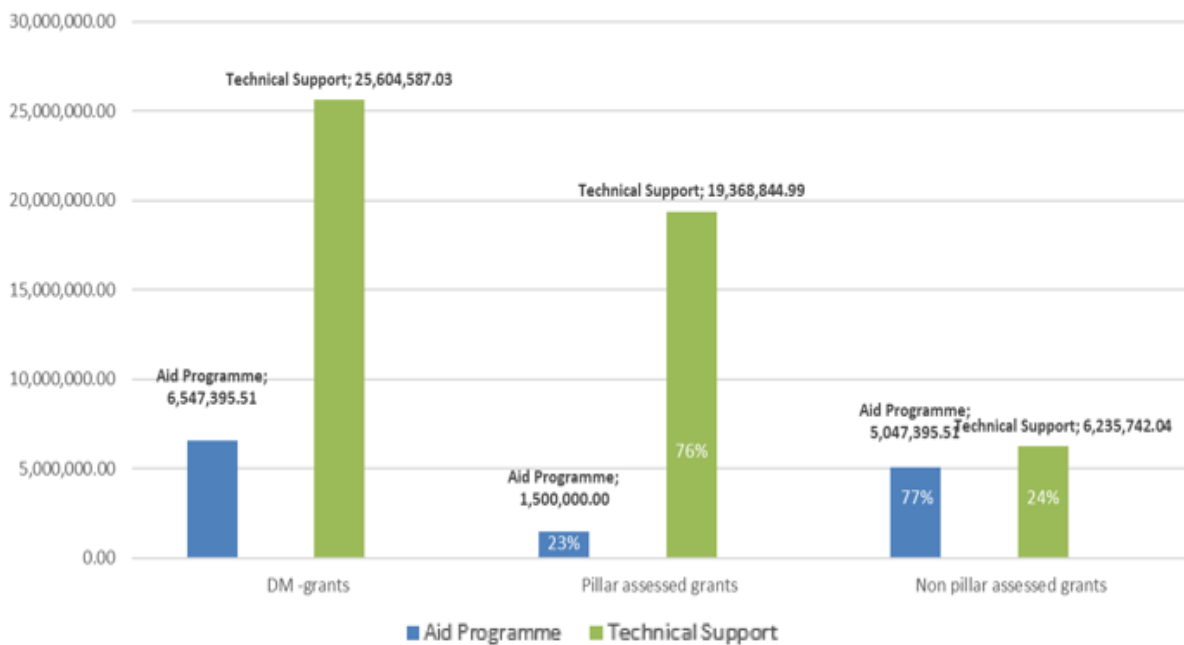


Aid Programme and Technical Support Direct management - operational and support payments (EUR)

Procurement and Grant management



Aid Programme and Technical Support Grants Direct management - operational payments (EUR) *Pillar-assessed vs Non-pillar assessed entities*



7.2 DG REFORM Ex-post control strategy³ sampling methodology for the grant agreements audited on the spot

The audits on the spot allowed the Contracting Authority to measure the detected errors, which contribute to the calculation of the error rate.

A sample of grant agreements was selected for Technical Support and the Aid Programme applying the MUS-Monetary Unit Sampling methodology and the application of this sampling method was considered adequate to enable conclusions to be drawn from that process. It has to be noted that auditing rather small value of contracts it was considered not to be cost-effective.

Considering the data at our disposal (a maximum expected detected error rate of 4% - based on the estimate for 2017- and a typical audit cost of e.g. EUR 8,000⁴), the audit on the spot is considered cost-effective if the audited value is higher than EUR 200,000. Nevertheless, sample units with low value need to be sufficiently represented in the sample in order to provide a reasonable assurance about the legality and regularity of all transactions. Therefore the sub-population (of agreements to be audited on the spot) will be divided in two strata, one above and one below the value of EUR 200,000 and both strata will be represented in the sample with a participation of, respectively, 80% for the upper stratum and 20% for the lower one.

Based on this assumption the following common sampling principles were applied:

- each sub-population is divided in two strata, one above and one below EUR 200,000;
- the sample is selected by drawing 80% from the upper stratum and 20% from the lower one, the aim being to cover both strata in order to have reasonable assurance.

7.2.1 Multi-annuality

The DG applies a multiannual approach to the control strategy, considering the multi-annual nature of the projects financed by DG REFORM. This approach takes into consideration the fact that potential errors can only be detected and corrected at a later stage in a project lifecycle (e.g. after the finalisation of the 2-year project, an audit is performed during the 3rd year and the corrections are made during the 4th year). In such cases, evaluating the cumulative budgetary impact of any residual error over the whole programming period (MFF) makes more sense than maintaining a strictly annual approach. Over the years, the residual error rate is based on the accumulated payments, which are increasing in absolute value.

The starting year for applying the multiannual approach was 2018.

7.2.2 Methodology for the desk review of procurement procedures

DG REFORM ex-post control strategy does not foresee audits on contracts and related payments. Assurance on the payments made under the Aid Programme is achieved by the fact that payments are made following the conclusion of expenditure verification reports submitted with the request for payment for fee-based contracts. Moreover, DG REFORM

³ SRSS ex-post control strategy adopted in 2018.

⁴ Estimate of the cost of an audit based on historical data.

considers that there is a low risk for the contracts implemented under Technical Support since these are mainly middle- and low-value contracts and specific contracts under established framework contracts and, therefore, the potential level of errors is smaller.

Nonetheless, DG REFORM performs since 2018 internal annual desk reviews on procurement procedures under the Technical Support and the Aid Programme.

7.3 Actions implemented as a follow-up of the reservation on grant direct management with non-pillar assessed organisations (Annual Activity Report 2019)

MITIGATING ACTIONS PROPOSED IN THE 2019 AAR	IMPLEMENTATION IN 2020
<p>AAR reservation –point 1 Continue to audit final payments to non-pillar-assessed (NPA) beneficiaries in 2020 according to the ex-post strategy methodology.</p>	<p>The selection of the audit sample for Technical Support grant agreements (total of 13(10 NPA and 3 Pillar-assessed) in the audit plan 2020 included:</p> <p>-all payments related to (10) grant agreements (total of EUR 2,586,769.37 representing 69% of payments done under grants with NPA entities closed in 2019) implemented by NPA organisations under the Technical Support expenditure and closed in 2019, except for the payments carried out under five grant agreements. Such five grant agreements were excluded from the sample either because of their low value (1 case) or because they were concluded with a beneficiary who was audited in the last two years and for which positive conclusions were reached in the audit report (4 cases).</p> <p>The financial audits’ fieldwork was organised remotely in consideration of the COVID-19 pandemic circumstances.</p> <p>The errors detected by the auditors in 2019 translated in a recovery order for a total amount of EUR 53.024,77 (cashed in, in 2020).</p>
<p>AAR reservation –point 2: Continue the ex-ante desk reviews on sampled grants to NPA organisations.</p>	<p>In 2020, three files were selected for ex-ante in depth desk checks in 2020, representing one out of three requests for final payment received in 2020. DG REFORM has performed a deeper verification on a total of EUR 0.40 million of the final payments related to grant agreements to non-pillar-assessed organisations. The finalisation of such checks is pending further clarifications to be provided by the relevant beneficiaries. Such checks were established in the ex-ante control strategy on payments including in-depth ex-ante checks to be performed on final payments to non-pillar-assessed organisations. This procedure was established in 2018 with the aim to detect errors before a payment is processed to ensure that amounts requested from and paid to grant beneficiaries are made in accordance with the applicable contractual conditions on the eligibility of the costs.</p>
<p>AAR reservation –point 3 Continue the practice of instructing beneficiaries on the eligible actions for final cost claim. DG REFORM is also considering,</p>	<p>DG REFORM updated the procedure and templates for grants including the invitation for grant application, draft agreement and the budget template shared with the candidate early in the procedure (with the invitation). This ensures that the candidate becomes fully aware of the applicable rules on eligibility and has the chance to clarify any pending question with the contracting</p>

<p>under the future e-grant mechanism, to reduce the thresholds (currently > EUR 325,000 for grants under the Technical Support) for audit certificates to support request for final payments. This should reduce the likelihood of errors in the claimed amounts.</p>	<p>authority, if necessary.</p> <p>For the grant agreements launched in the e-grants system (current MFF) it is planned to require beneficiaries to provide a certificate for all e-grants equal and above EUR 100,000 and for the next years (new MFF) for grants equal and above EUR 60,000.</p>
<p>AAR reservation –point 4</p> <p>Continue to enforce appropriate financial training for operational initiating agents and financial agents to prevent/detect errors.</p>	<p>The Financial Actors are continuously trained, while newcomers are only empowered to act as Financial initiating agent (FIA)/Financial verifying agent (FVA) only once they have received the necessary training. Operational initiating agents are only empowered to initiate financial related operations and to sign the '<i>conforme aux faits</i>', after having attended the relevant financial training on procurement and grants management.</p>
<p>Additional actions taken to mitigate errors under grants direct management (ESIF and SRSP)</p>	<p>The results of the ex-post results performed were regularly disseminated to the relevant Units for lessons to be learned.</p>

7.4 Overview of the estimated cost of controls at Commission (EC) level

Title of the Relevant Control System (RCS)	Ex ante controls			Ex post controls			Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EC total costs ⁵ (in EUR million)	related funds managed (in EUR million) ⁶	Ratio (%)* (a)/(b)	EC total costs ⁷ (in EUR million)	total value verified and/or audited (in EUR million)	Ratio (%) (d)/(e)	EC total estimated cost of controls (in EUR million) (a)+(d)	Ratio (%) (g)/(b)
Procurement – direct management	1.2	32.6	3.7%	0.014	29.6	0%	1.2	3.7%
Grant –direct management	0.78	32	2.4%	0.097	2.7	3.5%	0.88	2.8%
Indirect management ⁸	1.4	42	3.5%	N/A	N/A	N/A	1.5	3.6%
Other: DG-horizontal control tasks not attributable to a single RCS	N/A	N/A	N/A	N/A	N/A	N/A	1.2 ⁹	N/A
OVERALL total estimated cost of control at EC level	3.4	106.7	3.2%	0.11	32.4	0.34%	4.8 (a+d+g- 'other costs')	4.5%

⁵ Referring to all stages ('planning and programming', 'contracting' and 'payments') under each management mode.

⁶ Funds managed = total payments made under each RCS and overall.

⁷ Referring to the costs of the audits procured and the EC ex-post controls.

⁸ Ex-ante costs of controls of delegation/contribution agreements (planned/contracted and paid) controlled like the procurement and grant files.

⁹ Estimated cost for IT tools, legal support, budget and accounting activities, SPP and internal control activities.

7.5 Section 2.1.2-Audit observations and recommendations /ECA AND IAS COMPLETED AUDITS (Year 2020)

European Court of Auditors (ECA): Special Report No 25/2020: Capital Markets Union – Slow start towards an ambitious goal.				
Type of audit	Audit scope	Summary of conclusions	Number of recommendations accepted	Severity
Performance audit	SRSP technical support related to CMU development projects	The Commission should: (c) enhance the current demand-driven model of the technical support to reach those Member States with the highest needs, while focusing on results.	1 (partially)	'Important'
Internal Audit Service (IAS): Final audit report on the processes for coordinating technical support to the Member States in the Directorate-General for Structural Reform Support (including the contribution of Directorates-General for Regional and Urban Policy and for Employment, Social Affairs and Inclusion to the coordination mechanism)				
Comprehensive audit	<p>The scope of the audit covered:</p> <ul style="list-style-type: none"> the coordination of technical support between DG REFORM and other Commission services; relevant international organisations; Member States' Coordinating Authorities; the SRSP project selection (screening of requests for eligibility and maturity and assessing requests against the criteria that are stipulated in the SRSP Regulation); testing of procedures in other DGs contributing to the coordination mechanism. 	The IAS concludes that DG REFORM has put in place processes for coordinating the provision of technical support to the Member States under SRSP and processes for selecting projects under SRSP which are adequately designed and functioning effectively.	4	'Important'

ANNEX 8: Specific annexes related to "Assessment of the effectiveness of the internal control systems"

Description of the results of the Internal Control annual assessment:

I. Control environment: the deficiencies identified under principles 4 and 5¹⁰ refer to: a low percentage of staff validated objectives; unsystematic preparation/recording of handover files; pending HR strategy including talent management actions. The establishment of a dedicated HR Business Correspondent attached directly to the DG since 16 January 2021 is expected to mitigate adequately the deficiencies that have emerged in this area.

II. Risk assessment: the deficiencies identified under principles 6¹¹ and 8¹² refer to:

- the error rate above 2% (cf. ex-post controls under section 2.1.1- control results);
- a new anti-fraud strategy reflecting the new DG organisation and functions is pending. It is noted that a fraud risk assessment was duly carried in 2020, as planned, and the drafting of a new anti-fraud strategy is ongoing.

III. Control activities: the deficiencies identified under principles 10¹³, 11¹⁴ and 12¹⁵ refer to:

- the pending update of the Business Impact Analysis (BIA) and related Business Continuity Plan (BCP);
- the partial implementation of IT systems' risk assessments. The activities related to the establishment of security plans for the main IT systems are ongoing.
- one delayed evaluation for more than 6 months, as compared to the original plan. It is noted that the draft report on the mid-term evaluation of the Aid Programme has been acknowledged.

IV. Information and communication: the deficiencies identified under principles 13¹⁶ and 14¹⁷ refer to:

¹⁰ Principle 4 'The Commission demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives' and Principle 5 'The Commission holds individuals accountable for their internal control responsibilities in the pursuit of objectives'

¹¹ Principle 6 'The Commission specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives'

¹² Principle 8-The Commission considers the potential for fraud in assessing risks to the achievement of objectives.

¹³ Principle 10- The Commission selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.

¹⁴ Principle 11- The Commission selects and develops general control activities over technology to support the achievement of objectives.

¹⁵ Principle 12- The Commission deploys control activities through corporate policies that establish what is expected and in procedures that put policies into action.

¹⁶ Principle 13- The Commission obtains or generates and uses relevant quality information to support the functioning of internal control.

¹⁷ Principle 14- The Commission internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.

- the pending publication of all DG's records and related use of privacy statements. This requirement is considered to be almost implemented considering the legal reviews and drafting activities performed for the transmission to the Data Protection Officer for publication. No data breaches were recorded in 2020.
- the draft DG's internal communication strategy will be developed on the basis of a new corporate strategy.

V. Monitoring activities: the deficiencies identified under principles 17¹⁸ refer to:

- the pending implementation of a few recommendations made under the ex-post checks performed in 2019 under the Aid Programme procurement procedures (cf. conservative estimate of error rate under procurement). DG REFORM will continue to monitor the implementation of the recommendations made in the context of the annual ex-post checks on procurement.
- the increased level of errors related to the encoded data in Jira. It is noted that since September 2020 DG REFORM has reinforced its IT functions and training, as well as it has restored the regular quality checks and reporting exercises for prompting correction of data.

¹⁸ Principle 17- The Commission assesses and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the College of Commissioners, as appropriate.

ANNEX 9: Reporting – Human resources, digital transformation and information management and sound environmental management

Objective: DG REFORM 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 objectives			
Indicator 1: Number and percentage of first female appointments to middle management positions			
Source of data: DG HR			
Baseline (female representation in middle management) (12/2019)	Target (2022)	Latest known results (2020)	
N/A	+1	+ 2	
Indicator 2: DG REFORM staff engagement index			
Source of data: Commission staff survey			
Baseline (2018)	Target (2024)	Latest known results	
74%	>74%	69% (Year 2020 – EC pulse surveys 13 and 14)	
Main outputs in 2020:			
Description	Indicator	Target	Latest known results
Encouraging women to apply for management positions	% women interviewed for middle management positions	≥30%	77%
DG REFORM talent management strategy	Adoption of the strategy	Q4/2020	Output removed and to be embedded in the new HR strategy
Improved staff empowerment	% of staff job descriptions and % of validated objectives recorded	80%	90% 41%
DG REFORM newcomer induction programme	Number of induction training sessions for newcomers	≥3	1
DG REFORM human resources strategy	Adoption of the strategy	January 2021	Postponed to 2021

Objective: DG REFORM 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

Indicator 1: Degree to which the most important IT tools implement the principles of the digital strategy

Source of data: DG RTD–eGrants & eProcurement, Qlik representative in BE Agilos

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
20%	60%	95%	50%

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

Source of data: DG Reform data correspondent

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
20%	50%	80%	25%

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

Source of data: DG Reform data protection correspondent

Baseline (2018)	Interim milestone (2020)	Target (2024)	Latest known results (2020)
0%	Presentations to all Units and regular presentations to newcomers	100% of staff	75% of staff Presentations given to all units

Main outputs in 2020:

Description	Indicator	Target	Latest known results
JIRA – preparation of the data layout and new interface for Member State requests	Data layout and process interface developed in JIRA	Q4/2020	New interface deployed in Q3/2020
Increased awareness of data protection	Number of presentations to all units/clusters and for newcomers	9 Min. 3	8
	% of awareness about data protection requirements	≥ 70 % positive (survey)	70% correct answers in the survey

		response rate	
Improved knowledge management	Knowledge hours' lunchtime information sessions	Min 6	5
	Percentage of 2020 newcomers to relevant units trained in JIRA	100%	100%
	Number of encoding errors in JIRA	Decreasing	387 (131 in 2019)
	% of unfiled documents	<1%	0.49%

Objective: DG REFORM takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work

Main outputs in 2020:

Description	Indicator	Target	Latest known results
DG REFORM local actions supporting sound environmental management	Nomination of the DG's EMAS correspondent	Q2/2020	The EMAS correspondent nominated in June
	Internal communication in DG REFORM to reinforce the messages of the 2020 corporate EMAS campaigns	Q4/2020 1 internal communication campaign	13 posts published in the 'Green blog'
Systematic use of electronic workflows	% of registered documents approved in full electronic mode (without the circulation of paper signatories)	>90%	95% (95.5% in 2019)

ANNEX 10: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission

This annex includes information about the tasks to entrusted entities in 2020 under indirect management.

Annual budgetary amount entrusted ¹⁹ (EUR)	Entrusted entity	Duration of the delegation agreement	Justification of the selection of the bodies (i.e. reference of the legal basis)	Summary description of the implementing tasks entrusted to these bodies
Aid Programme				
EUR 5,700,000	UNITED NATIONS DEVELOPMENT PROGRAMME	16/07/2020-17/12/2023	Aid programme 2019 C(2019)6531	LOCAL INFRASTRUCTURE FACILITY (LIF) - PHASE 1
EUR 3,000,000	NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD	18/12/2020-16/12/2023	Aid programme 2020 C(2020)4008	INNOVATIVE ENTREPRENEURSHIP AND DIALOGUE
EUR 5,415,000			Aid programme 2019 C(2019)6531	
EUR 2,233,596			Aid programme 2017 C(2017)7156	
EUR 1,000,000			Aid programme 2018 C(2018)6695	
EUR 1,970,249				

¹⁹ Including amendments.

EUR 5,000,000	THE BRITISH COUNCIL	26/11/20- 24/03/2024	Aid programme 2019 C(2019)6531	EU SCHOLARSHIP PROGRAMME FOR THE TURKISH CYPRIOT COMMUNITY 2021-23
EUR 2,600,000	UNITED NATIONS DEVELOPMENT PROGRAMME	21/12/2020- 31/12/2021	Aid programme 2020 C(2020)4008	SUPPORT TO THE COMMITTEE ON MISSING PERSONS IN CYPRUS, PHASE 12
<i>Sub-total EUR 26,918,845</i>				
Technical Support				
EUR 200,000	AGENCE FRANCAISE D'EXPERTISE TECHNIQUE INTERNATIONAL	29-06-2020 29-01-2022	SRSP-2020 C(2020)1026	CAPACITY BUILDING AND ASSISTANCE FOR THE RUNNING OF THE NEWLY ESTABLISHED GENERAL SECRETARIAT FOR EUROPEAN AFFAIRS OF CYPRUS
EUR 374,987.22+ EUR 249,943.40		12-08-2020 14-05-2022	SRSP-2020 C(2020)1026	SUPPORT FOR PFM REFORMS: ACCOUNTING REFORM IN GREECE AND PUBLIC SPENDING EFFICIENCY REFORM IN ROMANIA
EUR 549,992.08		13-08-2020- 12-07-2021	Art 11 GR 2020 C(2020) 4290	TECHNICAL SUPPORT FOR ACCOMPANYING IAPR IN ITS CORE REFORMS
EUR 370,000	CONSEIL DE L'EUROPE*COUNCIL OF EUROPE	25/02/2020 03/06/2022	SRSP 2019 C (2019)1542)	SUPPORT TO MEMBER STATES IN THE IMPLEMENTATION OF STRUCTURAL REFORMS
EUR 413,000		16/07/2020 15/07/2022	SRSP 2019 C (2019)1542)	ENHANCING CAPABILITIES OF BULGARIAN AUTHORITIES TO EFFECTIVELY MITIGATE MONEY LAUNDERING AND TERRORISM FINANCING RISKS

EUR 3,035,000		15/06/2020 14/06/2023	SRSP-2020 C(2020)1026	SUPPORT TO EU MEMBER STATES IN THE IMPLEMENTATION OF STRUCTURAL REFORMS
EUR 700,000		28/08/2020 30/11/2022	SRSP 2019 C (2019)1542)	REORGANISATION OF THE ROMANIAN BLOOD SYSTEM
EUR 250,000	DEUTSCHE GESELLSCHAFT FUR INTERNATIONALE ZUSAMMENARBEIT (GIZ) GMBH*	16/09/2020 31/01/2022	SRSP-2020 C(2020)1026	TECHNICAL SUPPORT FOR CLEAN ELECTRICITY IN GREECE
EUR 650,000		16/09/2020 31/01/2023	SRSP-2020 C(2020)1026	RURAL DEVELOPMENT THROUGH RENEWABLE ENERGY SOURCES - PL -
EUR 350,000	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT*BANQU E EUROPEENNE POUR LA RECONSTRUCTION ET LE DEVELOPPEMENT	20/10/2020 20/04/2022	Art 11 GR 2020 C(2020) 4290	DESIGNING THE CAPITAL MARKET DEVELOPMENT STRATEGY FOR GREECE
EUR 1,150,000		07/05/2020 06/07/2022	SRSP-2020 C(2020)1026	SUPPORT TO MEMBER STATES IN THE IMPLEMENTATION OF STRUCTURAL REFORMS IN THE FINANCIAL SECTOR AND ACCESS TO FINANCE
EUR 1,358,037	FRANCE EXPERTISE INTERNATIONALE	11/12/2020 03/07/2021	SRSP 2019 C (2019)1542)	SUPPORT PUBLIC ADMINISTRATION AND ITS DIGITAL TRANSFORMATION
EUR 355,000	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	18/12/2020 31/12/2021	SRSP 2019	SUPPORTING THE INTRODUCTION OF EARLY WARNING TOOLS, STRENGTHENING THE FRAMEWORK FOR PREVENTIVE RESTRUCTURING

			C (2019)1542)	AND DIRECTORS' DUTIES IN BULGARIA
EUR 400,000 (EUR 200,000,00 + EUR 200,000)	INTERNATIONAL LABOUR ORGANIZATION*ORGANISATION INTERNATIONALE DU TRAVAIL	21/12/2020 14/01/2023	SRSP-2020 C(2020)1026	SUPPORT TO STRENGTHENING THE INTER-INSTITUTIONAL GOVERNANCE IN THE FIELD OF LABOUR EXPLOITATION IN ITALY (PHASE 2)
EUR 49,999.93	INTERNATIONAL ORGANIZATION FOR MIGRATION	11/12/2020 19/09/2021	SRSP 2019 C (2019)1542)	EVALUATION OF THE NATIONAL CENTRES FOR MIGRANT INTEGRATION
EUR 393,653		17/06/2020 17/03/2022	SRSP-2020 C(2020)1026	"BELGIUM: TECHNICAL SUPPORT FOR THE DEVELOPMENT OF A REGIONAL COORDINATION PLATFORM CONCERNING LABOUR MARKET INTEGRATION OF NEWCOMERS IN THE BRUSSELS-CAPITAL REGION"
EUR 250,000		27/08/2020 14/10/2022	SRSP-2020 C(2020)1026	SUPPORT TO THE MIGRANT LEARNERS' UNIT TO IMPROVE THE INCLUSION OF MIGRANT LEARNERS WITHIN MAINSTREAM EDUCATION-
EUR 500,000	NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD*	09/06/2020 09/02/2022	SRSP-2020 C(2020)1026	SUPPORT TO THE IMPLEMENTATION OF THE GREEK AUXILIARY PENSION SYSTEM REFORM
EUR 400,000		08/10/2020 08/10/2022	SRSP-2020 C(2020)1026	SUPPORT TO THE IMPROVEMENT OF SOCIAL SERVICES IN CROATIA
EUR 400,000		22/12/2020 22/02/2023	Art 11 GR 2020	TRANSFORMATION OF EKAPY INTO AN INDEPENDENT PRIVATE AUTHORITY

			C(2020) 4290	
EUR 350,000		04/12/2020 04/02/2023	SRSP-2020 C(2020)1026	CAPACITY PLANNING FOR THE CYPRUS HEALTHCARE SYSTEM
EUR 400,000		18/12/2020 28/02/2023	SRSP-2020 C(2020)1026	TECHNICAL SUPPORT FOR THE IMPLEMENTATION OF A NEW AUTO-ENROLMENT BASED SUPPLEMENTARY PENSION SYSTEM IN IRELAND
EUR 15,395,000	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT*ORGANISATION DE COOPERATION ET DE DEVELOPPEMENT ECONOMIQUES OCDE	22/04/2020 22/04/2023	SRSP-2020 C(2020)1026	SUPPORT TO EU MEMBER STATES IN THE IMPLEMENTATION OF STRUCTURAL REFORMS
EUR 300,000		10/07/2020 15/09/2021	SRSP 2019 C (2019)1542)	TACKLING GRANT FRAUD THROUGH CONTINUOUS SUPERVISION AND DATA-DRIVEN RISK ASSESSMENT
EUR 300,000		31/07/2020 31/03/2022	SRSP 2019 C (2019)1542)	REDUCING THE EMPLOYMENT GENDER GAP IN THE HUNGARIAN LABOUR MARKET
EUR 400,000		06/08/2020 06/02/2022	SRSP 2019 C (2019)1542)	SUPPORTING THE IMPLEMENTATION OF THE STATE-OWNED ENTERPRISES REFORM IN BULGARIA
EUR 350,000		18/09/2020 18/05/2022	SRSP 2019 C (2019)1542)	OVERALL REFORM OF THE ADMINISTRATIVE PENALTY PROCEEDINGS
EUR 950,000		18/09/2020 18/09/2023	SRSP-2020	SUPPORT TO EU MEMBER STATES IN THE IMPLEMENTATION OF STRUCTURAL REFORMS

			C(2020)1026	
EUR 350,000	THE BRITISH COUNCIL ROYAL CHARTER*	10/06/2020 14/06/2022	SRSP-2020 C(2020)1026	SUPPORTING SCHOOL PRINCIPALS AS LEADERS IN THE CURRICULUM REFORM
EUR 500,000		06/08/2020 06/08/2022	SRSP-2020 C(2020)1026	SUPPORT TO CURRICULAR REFORM IN CROATIA - PHASE 4
EUR 299,850		27/08/2020 31/08/2021	SRSP-2020 C(2020)1026	IMPROVING THE SYSTEM OF PROFESSIONAL DEVELOPMENT OF TEACHERS AND SCHOOL LEADERS IN ESTONIA
EUR 560,000	UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES*HAUT COMMISSARIAT DES NATIONS UNIES POUR LES REFUGIES	21/08/2020 31/08/2020	SRSP 2019 C (2019)1542)	"TECHNICAL ASSISTANCE FOR DEVELOPING THE OPERATIONAL AND INSTITUTIONAL CAPACITY OF THE GREEK STATE IN THE FIELD ON RECEPTION"
EUR 500,000		13/08/2020 31/08/2021	Art 11 GR 2020 C(2020) 4290	DEVELOPING THE OPERATIONAL AND INSTITUTIONAL CAPACITY OF THE GREEK STATE IN THE FIELD OF RECEPTION
EUR 935,504	WORLD HEALTH ORGANIZATION*ORGAN ISATION MONDIALE DE LA SANTE	17/09/2020 31/12/2023	SRSP-2020 C(2020)1026	WORLD HEALTH ORGANISATION - ENSURING AVAILABILITY OF OFF-PATENT ANTIBIOTICS
<i>Sub-total EUR 33,989,966.63</i>				
Total EUR 60,908,811.63				

ANNEX 11: EAMR of the Union Delegations

Not applicable

ANNEX 12: Decentralised agencies and/or EU Trust Funds

Not applicable