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COVER NOTE

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To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2024) 401 final/ANNEX 4 - PART 1/2
Subject:	ANNEXES to the REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE COURT OF AUDITORS Annual Management and Performance Report for the EU Budget - 2023 financial year

Delegations will find attached document COM(2024) 401 final/ANNEX 4 - PART 1/2.

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COM(2024) 401 final

ANNEX 4 – PART 1/2

ANNEXES

to the

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE COURT OF AUDITORS

Annual Management and Performance Report for the EU Budget - 2023 financial year

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Annex 4 – Programme Performance Statements

Important: this annex will be published as a website

In line with the European Commission's digital strategy, and with the objective of improving the accessibility of performance information and the user experience, the 'Programme performance statements' annex will be published on the Europa website.

The present annex has been prepared in the current format with the sole objective of allowing its adoption by the College of Commissioners and its publication in the *Official Journal of the European Union*.

The PDF document to be published following the adoption of the Annual Management and Performance Report will feature the links to the web pages as illustrated below. Please note that the current links lead to the web pages from the previous year.

Programme Performance Statements home page

Heading 1: Single Market, Innovation and Digital

Horizon Europe
Euratom Research and Training Programme
ITER
InvestEU
Connecting Europe Facility (CEF)
Digital Europe Programme
Single Market Programme
EU Anti-Fraud Programme
Cooperation in the field of taxation (FISCALIS)
Cooperation in the field of customs (CUSTOMS)
European Space Programme
Secure Connectivity Programme

Heading 2: Cohesion and Values

Regional Policy
Support to the Turkish Cypriot community
Recovery and Resilience Facility
Technical Support Instrument
Protection of the Euro Against Counterfeiting (Pericles IV)
Union Civil Protection Mechanism (rescEU)
EU4Health
Emergency Support within the Union

European Social Fund+
Erasmus+
European Solidarity Corps
Justice Programme
Citizens, Equality, Rights and Values programme
Creative Europe
Communication

Heading 3: Natural Resources & Environment
Common Agricultural Policy
European Maritime, Fisheries and Aquaculture Fund
Fisheries organisations and agreements
Programme for Environment and Climate Action (LIFE)
Just Transition Mechanism

Heading 4: Migration & Border Management
Asylum Migration and Integration Fund
Integrated Border Management Fund

Heading 5: Security & Defence
Internal Security Fund
Nuclear Decommissioning (Lithuania)
Nuclear Safety and Decommissioning
European Defence Fund
Act in Support of Ammunition Production (ASAP)
EU Defence Industry Reinforcement through Common Procurement Act (EDIRPA)

Heading 6: Neighbourhood & the World
Global Europe: Neighbourhood, Development and International Cooperation Instrument
European Instrument for International Nuclear Safety Cooperation
Humanitarian Aid
Common Foreign and Security Policy
Overseas Countries and Territories
Macro-Financial Assistance (MFA)
Pre-Accession Assistance

Special instruments and outside the MFF
European Globalisation Adjustment Fund for Displaced Workers
European Union Solidarity Fund
Innovation Fund
Brexit Adjustment Reserve
Ukraine Facility

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HORIZON EUROPE

PROGRAMME FOR RESEARCH AND INNOVATION

Programme in a nutshell

Concrete examples of achievements

63 898 Horizon Europe project proposals were evaluated between 2021 and 2023.	47% of all participants in Horizon Europe research support activities between 2021 and 2023 were new.	163 countries participated in Horizon Europe between 2021 and 2023.	17 176 researchers, including PhD students, moved either internationally or between sectors between 2021 and 2023.
35 Nobel Prize winners were supported between 1985 and 2023.	9 Knowledge and Innovation communities were established since 2010.	44 EU Horizon Europe partnerships were launched between 2021 and 2023, out of the 49 identified.	5 EU missions were assessed in 2023 to be on track to meet their 2030 ambition towards a greener and healthier continent.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	**86 027.3**
NextGenerationEU	5 416.2
Decommitments made available again(*)	286.1
Contributions from other countries and entities	2 574.0
Total budget 2021-2027	**94 303.7**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

Horizon Europe is the EU's 7-year research and innovation programme, running from 2021 to 2027. The programme is designed to serve all the political priorities of the EU.

CHALLENGE

Research and innovation contribute to improving people's lives (e.g., through better healthcare) and work (e.g., through better digital services), and to enhancing productivity, competitiveness and job-rich growth. They are also crucial for providing solutions to today and tomorrow's challenges, for example in terms of environment, climate, and society.

It is important, therefore, to further improve the creation and diffusion of high-quality new knowledge and innovation in Europe, reinforce the impact of research and innovation in addressing EU's priorities, ensure the most rapid uptake of innovative solutions and, more generally, strengthen the European research area.

Gearing research towards advancing common EU (and global) goals produces social benefits that exceed any private benefits, and even those that flow to any individual Member State that supports such efforts within its borders or by its researchers. Thus, if left to the individual Member States, such research would be carried out at a suboptimal level. Only through action at the EU level can all the positive spillovers be fully realised. Conversely, to maximise EU added value, it is important that EU action in this area be squarely focused on objectives and activities that cannot be effectively implemented by Member States acting alone, but only through their cooperation.

MISSION

Horizon Europe aims to promote scientific excellence and generate new knowledge and technologies, thus contributing to advancing the EU's general and specific objectives and policies (in particular in terms of boosting sustainable growth and job creation), tackling global challenges and strengthening the European research area.

Horizon Europe has a budget of around EUR 95.5 billion. This includes EUR 5.41 billion from NextGenerationEU to boost the economic recovery and make the EU more resilient in the future. The programme shall be implemented through the specific programme established by Decision (EU) 2021/764 and a financial contribution to the European Institute of Innovation and Technology established by the EIT

Regulation as well as the specific programme on defence research established by Regulation (EU) 2021/697 and complemented by the EURATOM research and training programme.

OBJECTIVES

Horizon Europe seeks to deliver research and innovation with maximum impact along the following three dimensions.

Scientific impact. Creating high-quality new knowledge, strengthening human capital in research and innovation and fostering the diffusion of knowledge and open science.

Technological/economic impact. Influencing the creation and growth of companies within the EU, especially small and medium-sized enterprises (including start-ups); creating direct and indirect jobs, especially within the EU; and leveraging investment for research and innovation.

Societal impact. Addressing the EU's policy priorities and global challenges – including the UN sustainable development goals – following the principles of the United Nations' 2030 agenda for sustainable development and the goals of the Paris Agreement, through research and innovation; delivering benefits and impact through research and innovation missions and European partnerships; and strengthening the uptake of innovation in society, ultimately contributing to people's well-being.

Moreover, Horizon Europe is designed to optimise delivery to strengthen the impact and attractiveness of the European research area, to foster excellence-based participation from all Member States, including those performing poorly on research and innovation, and to facilitate collaborative links in European research and innovation.

ACTIONS

Horizon Europe activities include: fuelling the EU's scientific and technological excellence through the European Research Council; funding collaborative research, doctoral and postdoctoral programmes and supporting researchers' careers; supporting world-class research infrastructures; tackling our biggest societal challenges, including the fair green and digital transitions and the sustainable development goals; supporting policymaking with independent scientific evidence and technical support; and boosting the EU's innovation uptake, competitiveness and jobs through the European Innovation Council and the European Institute of Innovation and Technology.

STRUCTURAL SET-UP OF THE PROGRAMME

Horizon Europe is implemented directly by the European Commission, the executive agencies or via designated funding bodies. The programme provides funding for indirect actions in any of the forms laid down in the financial regulation, in particular grants (including operating grants), prizes and procurements. It also supports direct actions undertaken by the Joint Research Centre.

Horizon Europe 'main' work programmes covering the period 2021-2024 follow the first Horizon Europe strategic plan, which was adopted in March 2021 to set the Key Strategic Orientations for 2021-2024. The strategic dimension is complemented by the operational dimension of synergies set in the legislation for 2021-2027. Horizon Europe seeks synergies with other EU programmes, in line with Annex IV to the Horizon Europe Regulation from their design and strategic planning to project selection, management, communication, dissemination and exploitation of results, monitoring, auditing and governance.

Most of the funding is allocated based on competitive calls for proposals, set out in work programmes:

The main Work Programme includes the following parts

- Marie Skłodowska-Curie Actions and research infrastructures under Pillar I - Excellent Science;
- 6 clusters under Pillar II - Global Challenges and European Industrial Competitiveness;
- European innovation ecosystems under Pillar III - Innovative Europe;
- Widening participation and strengthening the European Research Area.;
- Missions.

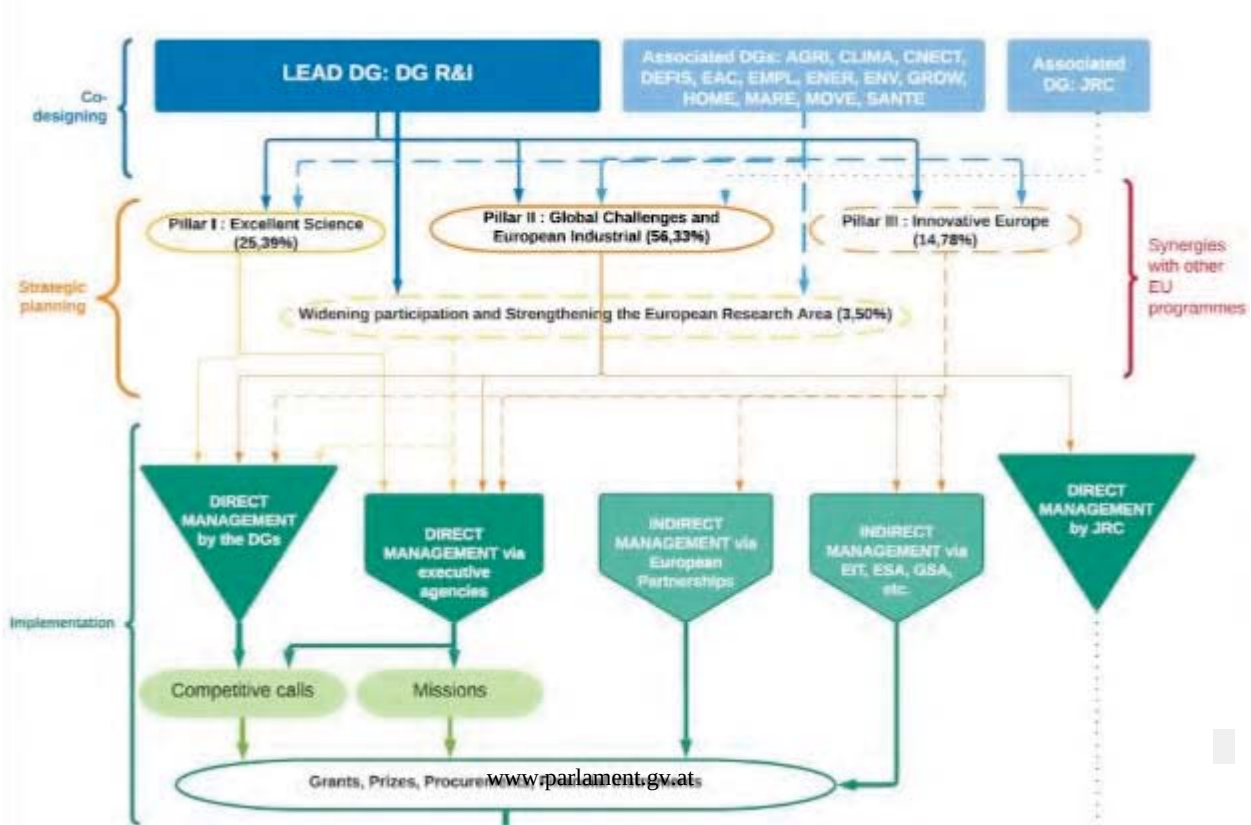
A significant part of Pillar II of Horizon Europe is implemented through European partnerships, including institutionalised ones, particularly in the areas of Mobility, Health, Energy, Digital and Bio-based economy.

Another novelty introduced in Horizon Europe are the EU Missions. They aim to bring concrete solutions to some of our greatest challenges by supporting Europe's transformation into a greener, healthier, more inclusive, and resilient continent. EU Missions are a coordinated effort by the Commission to pool the necessary resources in terms of funding programmes, policies, and regulations, as well as other activities. They also aim to mobilise and activate public and private actors. Missions engage with citizens to boost societal uptake of new solutions and approaches.

Other work programmes cover:

- the European Research Council,
- the European Innovation Council,
- the Joint Research Centre.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



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Remark: as of 2023 the management mode of the investment component of the EIC Accelerator is indirect management (in line with the Implementation of COMMISSION DECISION on the completion of the restructuring of the European Innovation Council (EIC) Fund in the context of the implementation of the EIC Accelerator under Horizon Europe" - C/2023/8183 final)

LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

Horizon Europe builds on the positive results of its predecessor, Horizon 2020. As a result of the interim evaluation of the Horizon 2020 programme, some changes were made that have been maintained under Horizon Europe, for example the European Innovation Council pilot project launched in 2017 to support breakthrough innovation. In addition, novelties have been introduced in Horizon Europe, notably:

- EU missions, to deliver targeted solutions to societal challenges together with citizens;
- a streamlined approach to European partnerships, to rationalise the funding landscape;
- extended association possibilities, to strengthen international cooperation;
- a comprehensive open science policy, to reinforce open sharing and collaboration;
- gender equality strengthened as a crosscutting principle of the programme;
- more comprehensive approach and increased budget to support widening participation and spreading excellence, to decrease the research and innovation gap in the EU;
- synergies with other EU programmes and policies, to increase the research and innovation impact;
- simpler rules, to reduce administrative burdens.

FURTHER INFORMATION

Programme website: Horizon Europe

Impact assessment: The impact assessment of Horizon Europe was carried out in 2018.

Evaluations

The Staff Working Document (SWD) on the Evidence framework for the monitoring and evaluation of Horizon Europe was published in April 2023 - SWD(2023) 132

A series of evaluation studies are under way as part of the interim evaluation of Horizon Europe, while the ex-post evaluation of Horizon 2020 was made public on 29 January 2024 (the last external evaluation studies were published in 2023). The Commission also published the results of the largest public

consultation - on the past, present & future of European research and innovation programmes 2014-2027 [1].

Assessment of the influence of ERC funded Research on Patented Inventions (published in January 2023: New study reveals how frontier research spurs patented inventions | ERC (europa.eu)). This analysis finds that more than 40% of ERC-funded projects generated research that was subsequently cited in patents. The results show how curiosity-driven frontier research enables technological development.

In parallel, an independent panel of experts evaluated the performance of the JRC within Horizon Europe and the Euratom research and training programme for 2021-2025. The assessment underscored the JRC's relevance as provider of scientific evidence for EU policymaking, the high quality of its work, and adaptability in confronting new challenges such as the COVID-19 and energy crisis (published in October 2023: Interim evaluation of the activities of the Joint Research Centre under Horizon Europe and Euratom 2021-2025 - Final report of the evaluation panel).
https://publications.jrc.ec.europa.eu/repository/handle/JRC134811

Studies published since last year:

In 2023, 9 evaluation studies supporting the ex-post evaluation of Horizon 2020 were published:

i. *Evaluation study on the **external coherence and synergies** of Horizon 2020 within the European research and innovation (R&I) support system*, https://data.europa.eu/doi/10.2777/90147
ii. *Evaluation study on the **relevance and internal coherence** of Horizon 2020 and its policy mix*, https://data.europa.eu/doi/10.2777/058655
iii. *Evaluation study on the implementation of **cross-cutting issues** in Horizon 2020*, https://data.europa.eu/doi/10.2777/763665
iv. *Evaluation study of the European framework programmes for R&I for a **resilient Europe***, https://data.europa.eu/doi/10.2777/60819
v. *Evaluation study on the European framework programmes for R&I for addressing global challenges and industrial competitiveness: focus on activities related to the **green transition***, https://data.europa.eu/doi/10.2777/422725
vi. *Evaluation study on the European framework programmes for R&I for addressing global challenges and industrial competitiveness: focus on activities for the **digital and industrial transition***, https://data.europa.eu/doi/10.2777/99438
vii. *Evaluation study of the European framework programmes for R&I for **excellent science***, https://data.europa.eu/doi/10.2777/967813
viii. *Evaluation study of the European framework programmes for R&I for an **innovative Europe***, https://data.europa.eu/doi/10.2777/144504
ix. ***Eurostars-2** final evaluation*, https://data.europa.eu/doi/10.2777/333838

Other reports:

Several publications were released in 2023: a report and a factsheet on the participation of newcomers in EU R&I programmes, a factsheet on Horizon Europe key 2021-2022 implementation data and a report on how the R&I programmes contributed to the IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services) reports. The monitoring flash on the contribution of the framework programmes to IPCC (Intergovernmental Panel on Climate Change) was also updated.

European Court of Auditors reports:

- Annual report on the performance of the EU budget – status at the end of 2021

[1] Horizon 2020 programme – final evaluation (europa.eu)

- Special Report 09/2022: Climate spending in the 2014-2020 EU budget – Not as high as reported
- small and medium sized enterprises internationalisation instruments – A large number of support actions but not fully coherent or coordinated
- Measures to widen participation in Horizon 2020 were well designed but sustainable change will mostly depend on efforts by national authorities
- Synergies between Horizon 2020 and European Structural and Investment Funds – Not yet used to full potential
- Annual reports concerning the financial year 2022
- Special report 24/2023: Smart cities – Tangible solutions, but fragmentation challenges their wider adoption
- Special report 25/2023: EU aquaculture policy – Stagnating production and unclear results despite increased EU funding
- Special report 29/2023: The EU's support for sustainable biofuels in transport – An unclear route ahead

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	11 507.6	12 240.2	12 435.1	12 908.6	12 655.2	12 248.6	12 032.0	86 027.3
NextGenerationEU	1 772.0	1 776.9	1 832.3	13.2	9.7	7.3	4.9	5 416.2
Decommitments made available again (*)	20.0	117.3	148.8					286.1
Contributions from other countries and entities	843.2	796.7	934.0	0.0	0.0	0.0	0.0	2 574.0
Total	**14 142.8**	**14 931.1**	**15 350.2**	**12 921.8**	**12 664.9**	**12 255.9**	**12 036.9**	**94 303.7**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

- EUR 1 990.9 million (- 2%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

Non-linear Budget Allocation Over Time: It is expected that the budget allocation may not follow a linear pattern over time. A significant part of Horizon Europe's budget for 2021-2023 corresponds to the European Union Recovery Instrument to support Europe's recovery after the Covid-19 crisis. This has provided an additional EUR 5.3 billion budget programming for the three first years of the Framework Programme. Since the regulation of the European Union Recovery Instrument foresees the concentration of funds over the period 2021-2023, the overall budget programming significantly drops after 2023. Indeed, an overall budget of EUR 12,9 billion is programmed for 2024 (excluding the top ups from decommitments Art 15.3 FR, and contributions from other countries) compared to EUR 15,3 billion for 2023.

Difference Between Financial Programming and Legal Base: During the three first year of Horizon Europe, budget programming was fairly in line with the legal base and differences are rather limited. However, the Mid-Term Revision of the MFF has resulted in a reduction of EUR 2.1 billion for the Horizon Europe programme over years 2025-2027. These funds will be reallocated to benefit other identified programs as per the mid-term revision. Therefore, the budget programming for 2025-2027 will be adjusted accordingly. Nevertheless, Horizon Europe's budget programming for the same period will also be readjusted to take into account additional funding expected to contribute to the budget. According to Article 5 of the MFF Regulation, Horizon Europe's budget programming benefits from a top up of up to EUR 3 billion (in constant 2018 prices) based on fines collected by the Union between 2022 and 2027. This additional budget has not yet been taken into account in the programming for 2025-2027. In addition, Horizon Europe's programming will benefit from the possibility to re-use so-called decommitments made available again as per Article 15(3) of the Financial Regulation. Decommitments correspond to unspent money of running projects. Based on joint statement agreed by the European Parliament, the Council and the Commission during the adoption process of the Horizon Europe Regulation, EUR 500 million in constant 2018 prices can be programmed on this basis. [In addition, as part of the political agreement reached on the MFF Mid-Term Revision, an additional EUR 100 million in constant 2018 prices of decommitments will be made available again to Horizon Europe by 2027.] For the period 2021-2023, decommitments made available again already represent EUR 286 million and the final agreement on the European Chips Act foresees the use of EUR 75 million to be used for this initiative over 2024-2027 (out of the initial EUR 500 million). Hence, the scope for manoeuvre regarding the use of this source of funding is rather limited. As in previous years, the 2024-2027 budget will also benefit from additional contributions linked to the participation of other countries associated to Horizon Europe. This represented approximatively EUR 2,5 billion for 2021-2023 and is expected to increase significantly with additional countries joining the Framework Programme especially the United Kingdome and Canada.

Horizon Europe Strategic Plan 2025-2027: The Horizon Europe Strategic Plan 2025-2027, shaped by a robust analysis and inclusive co-design process, serves as the blueprint for utilising efficiently the Horizon Europe budget in alignment with EU priorities. Informed by extensive consultation and considering key global and societal shifts, the plan addresses pressing challenges such as the COVID-19 pandemic, climate-related events, and geopolitical dynamics. It emphasizes bridging innovation gaps, addressing regional disparities, and fostering significant investments in research and innovation to realize the European Green Deal and ensure strategic autonomy. With active involvement from Member States, stakeholders, and the European Parliament, the plan is expected to be adopted in 2024, defining strategic orientations and research priorities to drive sustainable recovery and advance green and digital transitions, ultimately shaping a climate-neutral and digitally advanced Europe for its citizens.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	44 039.9	94 303.7	46.7%
Payments	22 426.6		23.8%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	11 393.6	11 506.5	1 138.1	1 828.7
2022	12 239.1	12 239.2	7 853.7	7 953.8
2023	12 435.0	12 352.9	8 700.7	8 760.9

(*) Voted appropriations (C1) only.

Horizon Europe's budget is implemented in accordance with its legal base to fund different types of research and innovation activities. The resources available for individual funding schemes are based on the ceilings set by the legislations for the seven years of the Framework Programme and implemented through fixed annual budgets. As of the end of 2023, substantial progress has been achieved in the implementation of Horizon Europe. The financial commitment outlined in the Horizon Europe Regulation, including budget allocations for Space or Digital, are being diligently implemented. However, with only 17.26% of the 63 898 proposals submitted by 325 913 applicants being retained for funding, Horizon Europe remains highly competitive. While the overall success rate has improved compared to Horizon 2020, budgetary constraints continue to limit the impact of Horizon Europe, as approximately EUR 54.4 billion would have been needed to fund all high-quality proposals submitted over 2021-2023.

1. Key features of implementation: This section provides an overview of the state of play of the implementation of the budget for the overall Framework Programme.

Progress in Grant Agreements: A total of 10 674 Grant Agreements have been signed, amounting to EUR 30.8 billion in funding, representing a share of 32.25% of the programme's overall budget of EUR 95.5 billion. Notably, in 2023 alone, 5 163 Grant Agreements were signed, totalling EUR 14.36 billion, thus indicating an accelerated implementation.

Grant Sizes: The average grant size has increased to EUR 2.9 million, surpassing the figures from Horizon 2020 (EUR 2.3 million[2]). Notably, collaborative grants receive higher European Union funding, averaging around EUR 4.2 million, compared to mono-beneficiary grants, which average EUR 1.2 million. Collaborative grants involve 11 participants on average [3].

Launch of Research Topics: A total of 284 calls for proposals covering 1,581 research topics have been launched under Horizon Europe's main work programs for 2021-2022 and 2023-2024, among which 123 calls under the main work programme 2023-2024 with 76 having deadlines in 2023. While the main work programme constitutes the bulk of Horizon Europe's budget (EUR 25.6 billion for 2021-2024), significant funding has also been allocated through other funding schemes, particularly the European Research Council (ERC) and the European Innovation Council (EIC). Notably, 4 ERC calls supporting frontier research and opportunities worth over EUR 2.12 billion, as well as calls worth over EUR 1.6 billion from the EIC were opened and evaluated in 2023.

Participation Landscape and SME Participation: The diverse participation landscape of Horizon Europe includes higher education institutions, private sector entities, research organizations, NGOs, and public administrations, with over 163 countries represented. Notably, Small and Medium-sized Enterprises (SMEs) account for 19% of participating organizations, reflecting the programme's inclusivity.

New Participant Dynamics: The number of new participants in the program continues to rise, representing 47% of all participants. However, their participation rate in projects remains lower than that of established participants, with newcomers joining an average of 1.2 projects compared to 5.2 for old-timers. New participants, particularly from the private sector, including SMEs, secured 11.4% of Horizon Europe funds to date.

International Cooperation: Around 28% of Horizon Europe topics promote international cooperation, in line with the EU's commitment to openness. Associated and non-associated third countries collectively submitted 17.8% of all applications, with United Kingdom-based organisations accounting for half of the latter. Following the political agreement with the UK leading to its formal association from the 1st of January 2024, 18 countries have association agreements in force, including New Zealand, the first country outside of Europe’s neighbourhood, for which the association agreement has been signed on the 9th of July 2023. A political agreement has also been reached with Canada for an association expected in 2024.

Funding Distribution: entities established in the Member States have received EUR 28.3 billion or 92% of the total funding allocated through Horizon Europe. This allocation remains consistent with previous years. Entities from widening countries received 13.6% of funds, while those from associated and non-associated third countries received 6.6% (over EUR 2 billion) and 1.4% (EUR 444 million), respectively.

2. Focus on the implementation of specific funding schemes: The following section provides more details about the state of play of the implementation of specific funding schemes implemented in Horizon Europe.

[2] This calculation excludes very small grants of 50 000 EUR under SME instrument phase 1, see SWD(2024) 29 final, Part 1/2 page 21

[3] Reference date: December 2023

European Partnerships: Horizon Europe is implemented through European Partnership when the objectives of the Programme can be more effectively achieved in this way than by the European Union alone. The first Horizon Europe strategic plan (2021-2024) identified 49 partnerships among which 44 were set-up and are actively implemented at the end of year 2023. Among the European Partnerships, 10 are active joint undertakings (institutionalised partnerships based on Art.187 TFEU) under which 345 grants were signed for a total of EUR 2.9 billion corresponding to 9.5% of Horizon Europe funds granted over 2021-2023. Grant Agreements were signed with 8 consortia of beneficiaries to implement co-funded partnerships for a total EU funding of EUR 680 million. In addition to this EU funding, the partners contribute between 50% and 70% of the total funding implemented by the co-funded partnerships. In addition, EUR 3.1 billion (10% of Horizon Europe's funding) supported co-programmed partnerships and an extra EUR 0.5 billion was brought in the projects by the partners.

EU-Missions: With the EU Missions, Horizon Europe has adopted a new instrument for directing R&I efforts toward complex societal challenges. The EU Missions set ambitious goals for 2030, enable new forms of governance and collaboration and engage citizens in their design and implementation. Five missions are implemented under Horizon Europe: Adaptation to Climate Change; Cancer; 100 Climate-Neutral and Smart cities by 2030; Restore our Ocean and Waters by 2030; A Soil Deal for Europe. By the end of 2023, 32 Horizon Europe mission calls had been launched, closed, and fully evaluated. Hence, 173 Horizon Europe grants involving 3 732 participants have already been signed for a total amount of EUR 1.43 billion. In addition, at least 1 041 R&I projects, financed under other instruments of Horizon Europe, have been identified as contributing to the missions' objectives.

European Innovation Council: The EIC is Europe's flagship programme to identify, develop and scale up breakthrough technologies and game changing innovations. The EIC opened in 2023 funding opportunities worth over EUR 1.6 billion through its three main funding schemes: EIC pathfinder (EUR 343 million), EIC transition (EUR 128 million) and EIC accelerator (EUR 1.13 billion). Following the Commission implementing decision of the 7th of December 2022, the EIC is adopting a new management configuration based on indirect management for the EIC Fund ensuring that it can operate on a sustainable basis and in line with its legal base.

European Institute of Innovation and Technology (EIT): The EIT is an EU body fostering the links between business, education, and research. Between 2021 and 2023 a total of EUR 912 million have been allocated to the institution to run its activities, mostly its knowledge and innovation communities.

Joint Research Centre (JRC). By implementing its scientific work programme for 2023-2024, the JRC provides independent, evidence-based knowledge and science, supporting European Union policies to positively impact the society.

European Research Council: the ERC is Europe's funding organisation for excellent frontier research. It launched five 2023 calls under the excellent science pillar for a total budget of EUR 2 170 million.

Marie Sklodowska-Curie Actions (MSCA): the MSCA are the European Union's flagship funding programme for doctoral education and postdoctoral training of researchers. The MSCA also fund the development of excellent doctoral and postdoctoral training programmes and collaborative research projects worldwide. Since the beginning of Horizon Europe, grants for a total of EUR 1 792 million have been signed under the MSCA funding scheme in the excellent science pillar.

3. External factors impacting the financial implementation: The reallocation of budgetary resources, particularly towards initiatives like the European Chips Act, support to Ukraine, the Strategic Technologies European Platform (STEP) (see the performance section), and addressing challenges of inflation and energy crises, may have a significant impact on the performance of the Horizon Europe Programme.

European Chips Act: The regulation establishing the European Chips Act has been adopted on the 13th of September 2023. The initiative will be implemented through the Horizon Europe budget EUR 1 725 billion and the Digital Europe budget EUR 1 575 billion. The European Chips Act foresees the creation of a dedicated institutionalised partnership, the Chips Joint Undertaking, in replacement of the Key Digital Technologies Joint Undertaking, and targeted funding through the EIC. Therefore, the setting of this priority will have an impact on the programming of Horizon Europe.

Support to Ukraine: Specific actions have been initiated to face the consequences of the war in Ukraine. The agreement associating Ukraine with Horizon Europe and the Euratom research and training programme has been in force since 9 June 2022. In addition, a new Horizon Europe Office in Kyiv; a new European Innovation Council (EIC) action to support the Ukrainian deep tech community; the new EUR 25 million (to be topped up by additional EUR 10 million in 2024) MSCA4Ukraine fellowship scheme for displaced researchers for Ukraine to continue their research in Europe funded under the Marie Sklodowska-Curie Actions; and a new European Institute of Innovation and Technology (EIT) Community Hub have been initiated. This leads in particular to an investment of up to EUR 20 million in Ukrainian deep-tech start-ups through the EIC.

Inflation & Energy crisis: Inflation & Energy Crisis: The looming threat of inflation may pose significant challenges for both activities and participants involved in our program. This economic phenomenon has the potential to disrupt the smooth implementation and outcomes of funded activities. For instance, inflationary pressures on materials and services can significantly impact projects across all stages of execution. Moreover, the degree of inflation's impact may vary depending on the project's phase and its Technology Readiness Level (TRL). In addition to its effects on project dynamics, inflation also constrains the flexibility and capabilities of participants. High inflation rates can limit their ability to adapt and ability effectively within the programme. Furthermore, the recent surge in energy costs across Europe has exacerbated the situation. Although prices have stabilised somewhat, they remain elevated compared to 2021. This inflationary trend has translated into higher operational expenses for research and innovation activities, including those undertaken by the JRC. Consequently, there is mounting pressure on the implementation of Horizon Europe's budget, which is structured on a multiannual basis. Additionally, individual projects are grappling with unexpected cost escalations, further straining their financial sustainability.

In light of these challenges, it is imperative for us to closely monitor and mitigate the impacts of inflation and energy price fluctuations on our program's operations and objectives. By proactively addressing these issues, we can safeguard the integrity and effectiveness of our initiatives amidst volatile economic conditions.

A sustainable recovery from the COVID-19 pandemic: The 2023-2024 work programme has directed investments of more than EUR 1 billion from NextGenerationEU towards Europe's recovery from the economic and social damage caused by the COVID-19 pandemic. Progress is being made and will continue for the European Partnership on Pandemic Preparedness, building notably on and integrating earlier initiatives like the Trial Coordination Board (TCB) and the Cohort Coordination Board (CCB). In addition, following the June meeting on “Paving the way towards coordinated clinical trials in public health emergencies in the EU”, a clinical trial coordination mechanism is being established jointly by HERA, DG SANTE, DG RTD and EMA 4 The mechanism will be a sub-group of the HERA board. The Partnership will contribute to this mechanism by ensuring the appropriate clinical trial networks readiness and response.

[4] https://www.ema.europa.eu/en/news/paving-way-towards-coordinated-clinical-trials-public-health-emergencies-eu

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	4 602.6	4 926.2	5 206.2	4 604.0	4 302.6	4 392.5	4 682.5	32 716.7	35%
Biodiversity mainstreaming	1 050.8	1 050.8	1 284.5	862.4	884.0	902.0	920.0	6 954.4	8%
Clean air	1217.8	1217.8	689.1	638.3				3 762.9	4%

Research and innovation are pivotal drivers in facilitating the green transition, offering pathways to accelerate and navigate the necessary transitions while deploying, demonstrating and engaging citizens in innovative solutions. The Horizon Europe regulation states that actions under this programme must contribute at least 35% of expenditure to climate objectives. This underscores the programme's commitment to addressing climate change and advancing sustainability goals.

Monitoring figures Mainstreaming climate has been seamlessly integrated into all actions funded by Horizon Europe and reported in the Commission's financial system. However, as commitments for 2023 are ongoing, it is not currently possible to provide reliable monitoring data for the year. Additionally, the stable monitoring figures for 2021-2022 will only be known after the verification of the current monitoring data is completed and any necessary corrections are made. The 2023 figures will be checked to ensure the reliability of climate information encoded in the Commission financial system, once all commitments for the year 2023 will be completed, i.e., at the end of the year 2024. Europe.

Estimate figures: For the years 2024-2027, these are based on draft and foreseen work programs and strategic plans. The estimated climate contribution for 2025-2027 reflects the minimum target of 35% as per the Horizon Europe legal basis as no work programmes are available yet. Should corrective measures be necessary, they will be proposed to ensure that Horizon Europe's overall contribution to climate aligns with regulatory requirements.

Among the numerous activities funded under Horizon Europe, the four EU 'green' missions actively drive Europe towards a greener and healthier future, as evidenced by their progress in 2 years[5]. These missions are promising approach to supporting the European Green Deal and accelerating transformative change at both local and regional levels. For instance, the 'Adaptation to climate change' mission is empowering European regions to become climate-resilient by 2030. With over 300 regional and local authorities committed to the cause, and 50 actively engaged in developing risk assessments, this mission is laying the groundwork for resilient communities in the face of climate challenges. The 'Climate-neutral and smart cities' mission is spearheading efforts to achieve 100 climate-neutral and smart cities by 2030. With nearly 400 cities expressing interest, this initiative is fostering innovation and collaboration, creating a powerful network of cities committed to climate action. Meanwhile, the 'Restore our ocean and waters' mission is leading the charge in protecting and restoring marine and freshwater ecosystems. Through the establishment of lighthouse sites and the pledge of over 480 actions, this mission is driving tangible solutions to preserve aquatic resources for generations to come. Lastly, the 'Soil' mission is working for

5 EU Missions two years on: assessment of progress and way forward SWD(2023) 260SWD(2023) 260.

climate change mitigation and adaptation. By creating 100 living labs and lighthouses (more than 1 000 real-life experimentation sites across Europe), the mission is leading the transition towards healthy soils by 2030.

Horizon Europe supports the Green Deal and plays a pivotal role in advancing the objectives set forth by EU nature legislation, including the birds and habitat directives and invasive alien species regulation, along with the EU biodiversity strategy 2030 and international commitments such as the Kunming-Montreal Global Biodiversity Framework. Through funded projects, Horizon Europe focuses on biodiversity protection, restoration and sustainable use, addressing key issues relating to biodiversity such as climate, food security, public health, water management and energy sustainability. The programme also emphasises the promotion of transformative change and nature-positive actions, particularly through nature-based solutions.

The overarching target of the multiannual financial framework is to allocate 10% of spending to biodiversity by 2026-2027. Mainstreaming biodiversity considerations has been integrated across all areas and topics funded by Horizon Europe. Preliminary ex post estimations reveal that spending on biodiversity within the programme has increased from 7.9% in 2021 to 8.7% in 2023. However, to achieve the Horizon Europe ambition of 10% of spending on biodiversity by 2026-2027, further efforts will be required. In this regard, cluster 6 of pillar II already contributes significantly to biodiversity objectives through the calls that support biodiversity protection, nature restoration, transformative change and ensuring that the EU is meeting the global biodiversity targets. Additional measures and initiatives will be necessary to ensure that Horizon Europe effectively contributes to biodiversity conservation and restoration in the years ahead. Therefore, increasing the contribution to biodiversity of other clusters of pillar II – along with pillars I and III – is being investigated, in order to meet the aforementioned 10% spending target on biodiversity.

Based on the preliminary estimations, 4.1% of Horizon Europe spending has been allocated to address clean air for the 2021-2024 period.

The Horizon Europe programme plays a crucial role in promoting environmental sustainability and addressing major societal challenges. Horizon Europe aims to make a significant contribution to environmental protection, resource efficiency and sustainable development. A significant portion of the programme's initiatives align with the EU taxonomy criteria for sustainable investments. Specifically, funded activities such as 'Circular economy and bioeconomy sectors', the 'Clean hydrogen partnership' or the 'Climate neutral and smart cities' mission have been identified as sustainable investments, reflecting their alignment with the EU's environmental objectives, including the transition to a carbon-neutral economy by 2050.

To ensure coherence and alignment with the **EU taxonomy**, a comprehensive alignment analysis was conducted for the intervention fields within the Horizon Europe programme. This analysis categorises intervention fields into three groups based on their alignment with the taxonomy criteria: 'fully aligned', 'partially aligned', or 'not covered'. This approach provides a comprehensive overview of the programme's environmental impact and facilitates targeted actions for improvement. Large parts of Horizon Europe are not directly relevant to the taxonomy, such as activities in the health, security or digital sectors, which we have assessed as 'not covered'. Another set of actions, including the actions European Research Council, Marie Skłodowska-Curie Actions, 'Widening participation and strengthening the European research area' and INFRASTRUCTURES, primarily support scientific excellence and research and innovation stakeholders. While these supported projects may indirectly contribute to economic activities covered by the taxonomy, they are considered 'not covered' as they primarily target stakeholders that not covered by the taxonomy. Conversely, other programme areas such as destinations in clusters, partnerships/joint undertakings, missions, and the Knowledge and Innovation Communities and instruments of the European Institute of Innovation and Technology, generally support applied research and innovation activities that directly benefit industrial actors in developing innovative products and services. These efforts either exceed current technical performance requirements outlined in the taxonomy regulation or aim to create an environment conducive to the adoption of high-performing products and services. Without delving into project-level

distinctions, these programme areas or instruments are assigned a percentage share of taxonomy relevance based on information and experience gathered from programme implementation until 2023, including quality control measures regarding climate action relevance. This alignment analysis has been used as an alternative to project-based assessments, recognising the complexity and scale of our initiatives. This streamlined approach enables efficient decision-making and ensures effective resource allocation to support sustainable development goals.

Based on the budget implemented and our taxonomy perspective, approximately EUR 8 685 million have been evaluated as fully or partially aligned, while EUR 16 443 million were identified as not covered. Additionally, an ex- ante estimate for 2023 indicates that approximately EUR 3 962 million are evaluated as covered. Through its commitment to environmental sustainability and innovation, the Horizon Europe programme promotes positive change and make a significant contribution to the broader environmental goals of the EU.

Contribution to gender equality (million EUR)(*):

Gender score	2021	2022	2023	Total
2	77.1	87.8	50.4	215.3
1	1 176.1	1 985.8	1 679.5	4 841.4
0*	9 782.1	9 770.5	10 315.1	29 867.7
0	358.3	395.0	390.0	1 143.3

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions whose principal objective is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Under the Horizon Europe programme, a broad array of actions has been taken to promote gender equality in research and innovation, aligning with the broader goals outlined in the European Commission gender equality strategy 2020-2025. Horizon Europe emphasises gender equality as a cross-cutting priority, integrating strengthened provisions to foster gender-equal and inclusive research environments, promote gender balance and ensure the integration of the gender dimension in projects.

Provisions for gender equality have been significantly strengthened under Horizon Europe compared to Horizon 2020. They include the requirement for applying legal entities to have a gender equality plan in place in order to be eligible for funding. Additionally, the integration of the gender dimension into research and innovation content is now a default requirement unless specified otherwise in the topic description. Efforts are also underway to achieve gender balance among research teams and within program-related boards and committees. To support organisations in meeting the gender equality plan eligibility criterion, the Commission has developed detailed guidance documents and offered online training sessions targeting specific regions. A recent addition is the EU Award for Gender Equality Champions, which recognises academic and research organisations' outstanding results obtained through gender equality plan in implementation. Moreover, dedicated funding is allocated to promoting gender studies and intersectional research, particularly under cluster 2 of the

programme focusing on culture, creativity, and inclusive society. Horizon Europe also has dedicated measures and funding schemes to empower women innovators through Pillar III, Innovative Europe, and the European Innovation Council.

Furthermore, gender mainstreaming efforts extend beyond Horizon Europe to the broader European research area policy, where initiatives focus on fostering gender equality in research careers, leadership, decision-making and the integration of the gender dimension into research content. The European research area policy agenda 2022-2024 outlines specific actions to promote gender equality and inclusiveness, including the development of policy coordination mechanisms on inclusive gender equality opening to intersectional approaches, and strategies to counteract gender-based violence in research and innovation. These objectives are also supported through funding under the 'Widening participation and strengthening the European research area' work programme of Horizon Europe.

In addition, Horizon Europe aims to foster women's participation in science, technology, engineering and mathematics (STEM), where they remain under-represented. Efforts include supporting the implementation of a manifesto for gender-inclusive STEM education and careers, supported by other activities such as the EU Prize for Women Innovators and various projects aimed at strengthening gender equality including through a science, technology, engineering, the arts and mathematics (STEAM) approach integrating the arts and social science and humanities in STEM education.

Gender mainstreaming will continue and be further reinforced in the 2025-2027 Work Horizon Europe work programme, in support of EU political priorities, including regarding combating gender-based violence including sexual harassment in the EU research and innovation system, in line with the upcoming directive on combating violence against women and domestic violence.

Gender disaggregated information:

At the cut-off date of 31 December 2023, out of 54 411 researchers(1) involved in upskilling activities (training, mentoring/coaching, mobility and access to R&I infrastructures) in projects funded by the programme(2), 44.5% were woman researchers, 55.4% male researchers, and 0.1% non-binary researchers.

(1) It covers only category C and category D researchers.
(2) *Excluding the EIT Cascading grants and JRC direct activities*

Gender equality is a crosscutting priority in Horizon Europe and the integration of the gender dimension in research and innovation content is a requirement by default. Until there are project reviews that allow to determine whether projects have actually integrated a gender dimension and to what extent, we attribute a 0* score by default to all of Horizon Europe, except for topics and actions whose principal objective is explicitly to improve gender equality (score 2), or which explicitly mention gender equality as one of their objectives or indirectly contribute to it (score 1) or which we already know will have no significant impact (score 0).

For 2021 and 2022, we have updated amounts compared to the previous programme performance statements, with the precise budgets allocated to actions, instead of relying solely on the indicative budget envelopes defined in the work programmes ex ante. In addition, we have implemented a more rigorous screening process to identify projects having a gender dimension, under Pillar 1 (European Research Council and Marie Skłodowska-Curie actions), as under Missions within Pillar 2. This increased scrutiny has resulted in the identification of a significantly larger number of projects actively contributing to gender equality. As a

result, the combination of updated budgets for 2021 and 2022 and a more comprehensive project examination process has resulted in an increase in expenditure figures contributing to gender equality, particularly under score 2.

Score 2

If the principal objective of the project is explicitly to improve gender equality, a score of 2 is attributed. A selection of some examples:

Under Marie Skłodowska-Curie Actions :

- 2021: EUR 7.2 million (score 2)
- 2022: EUR 7.0 million (score 2)

Under the European Institute of Innovation and Technology:

- 2022: EUR 3.7 million (score 2) including the cross-KIC strategic synergies Supernovas project for women entrepreneurship
- 2023: the European Institute of Innovation and Technology expects to have consolidated figures at the end of June 2024. At this stage, the only 2023 estimated figures available amount to EUR 3.6 million (score 2).

Under the European Innovation Council:

- 2023: EUR 390 600 (score 2) for the Women Leadership Programme (EUR 70 600) and the EU Prize for Women Innovators (EUR 320 000).

Under pillar 2, cluster 3 – Civil Security for Society:

- 2021: EUR 7.4 million (score 2) for topics on preventing domestic and sexual violence and child sexual exploitation.

A Gender Marker Score 1 is attributed to projects that will contribute in some way to gender equality, but not significantly. A selection of some examples:

Under EU Missions:

- 2022: EUR 193 million (score 1) for 9 projects under the Cancer mission, the Ocean and Waters mission, and the Soil mission.

- 2023: EUR 243.5 million (score 1) for 10 projects under the Cancer mission, the Ocean and Waters mission, the Cities mission, the Soil mission, and the Joint-calls mission.

Under Marie Skłodowska-Curie actions :

This bottom-up work package encourages gender equality in research teams, funds a substantial number of women researchers and asks that gender be integrated into the contents of funded projects.

Building on a keyword search in the titles and abstracts and further scrutiny, the following has been identified:

- 2021: EUR 41.1 million (score 1)

- 2022: EUR 40.8 million (score 1).
- 2023: it is too early to provide figures for 2023 as most calls are yet to be evaluated.

Under Research Infrastructures (INFRA):

- 2023: EUR 3.7 million (score 1) for a topic on cooperation with Latin America paying special attention to women and young researchers.

Score 0*

If the projects are not properly implementing activities, the project reviews that allow to determine whether they have actually integrated a gender dimension and to what extent cannot take place. Therefore, we attributed a 0* score by default to all of Horizon Europe, except for topics and actions for which gender relevance is mentioned or is clearly not present.

Score 0

A score of 0 is attributed to projects that are not expected to contribute noticeably to gender equality.

Contribution to digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 20212021-2023
Digital contribution	4 534.6	4 534.6	4 984.0	14 053.2	34%

– Horizon Europe investments in the digital transformation for 2021-2023 are up to EUR 14053.2 million, which represents around 40% of the Horizon Europe budget for these years. As the Horizon Europe estimates refer to biannual 2021-2022 work programmes, the figures indicated in the table correspond to the split of half of the value to get a reference per year. The figures shown in the table include contributions to developing digital solutions/applications in different economic sectors. The contribution to core digital (general-purpose) technologies amounts to EUR 6250.3million for 2021-2023.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target	Results (***)	Assessment
Horizon Europe peer-reviewed scientific publications	0	**2% (*)**	179 000 in 2030	2 843 compared to a target of 179 000	Moderate progress
Researchers involved in upskilling activities in framework programme projects	0	**12% (*)**	107 000 in 2030	12 507 compared to a target of 107 000	On track
Research outputs (open data, publication, software, etc.) shared through open knowledge infrastructure	0%	**85% (*)**	95% in 2030	81% compared to a target of 95%	Moderate progress
Innovative products, processes or methods from framework programme (by type of innovation) and intellectual property rights applications	0	**20% (*)**	88 900 in 2030	1 804 compared to a target of 88 900	On track
Full-time equivalent jobs created, and jobs maintained in beneficiary entities for the framework programme project (by type of job)	0	**0% (*)**	626 470 in 2030	1 457 compared to a target of 626 470	On track
Public and private investment mobilised with the initial framework programme investment (EUR billion)	0	**39% (*)**	20.0 in 2027	7.81 compared to a target of 20 .0	On track
Outputs aimed at addressing identified EU policy priorities and global challenges (including sustainable development goals) (multidimensional: for each identified priority)	0%	**43% (**)**	100% annually until 2027	Milestones achieved for 2021, 2022 and 2023	On track
Outputs in specific research and innovation missions (multidimensional:	0	**43% (**)**	6 outputs annually from 2022 until 2027	Milestones achieved for 2021, 2022 and 2023	On track

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for each identified mission)					
Framework programme projects where EU citizens and end users contribute to the co-creation of research and innovation content	0%	**NA**	NA	36% in 2023	NA

(*) % of target achieved by the end of 20233.

(**) % of years for which the results are higher or equal to the annual milestone.

(***) Note that for indicators with figures coming from project reporting (indirect actions encoded in CordaCORDA – the e-grant Common Research Data Warehouse), out of 10 672 signed projects until December 2023, only 107 have submitted a final report (accounting for just 1% of the total) and only 679 have submitted at least one periodic report (accounting for only 6% of the total).

– The Horizon Europe programme aims to deliver impactful research and innovation across various dimensions, including scientific, technological/economic, societal impact and strengthening the European research area. The Horizon Europe programme demonstrates progress across its specific objectives, with efforts underway to address challenges, exploit synergies and mitigate external factors impacting its performance. Continuous implementation monitoring and performance monitoring allow to ensure the programme's effectiveness and to maximise its impact.

– The performance of the Horizon Europe programme is assessed using a set of 27 indicators, as set in Annex V of the Horizon Europe regulation. These 27 indicators cover the entire lifecycle of the programme and are classified into three categories: for the short- term, 9 for the medium-term and 9 for the long- term. At this stage, 3 years after the launch of the programme, performance analysis relies on the 9 short-term indicators. Based on these 9 indicators, the Horizon Europe programme is progressing well towards its targets, with no major deviations observed. However, there are delays in the number of scientific publications. This could be explained by the delayed adoption of the Horizon Europe regulation and consequently, calls for proposals. Furthermore, it should be noted that complete data will only become available once they have been recorded through the periodic reports of the projects. This process typically takes place 18 months after the start of the project. Once these data are encoded, they can be accurately accounted for, and the results will subsequently be updated accordingly. Therefore, the results for some indicators, such as the 'Researchers involved in upskilling activities' indicator are currently incomplete, as they cover only the parts of the programme already encoded. Nonetheless, the results of the 9 indicators show that the progress in the specific objectives of the framework programme (Article 3 of the Horizon Europe regulation) are on track. As for the indicator on the co-creation of research and innovation content, a revision of the milestone and the target is under consideration, due to a change of methodology.

– The European Union has faced significant challenges in recent years, including the COVID-19 pandemic, geopolitical tensions such as the Russian invasion of Ukraine and climate-related extreme events. These crises have underscored the need for joint and just responses, with Europe rallying to address them collectively. However, ongoing geopolitical challenges continue to pose uncertainties for economic and social developments. The war in Ukraine, in particular, has had far-reaching consequences, impacting various sectors including research and innovation. Despite these challenges, the Horizon Europe programme has shown agility in supporting Ukrainian researchers and innovators, with initiatives like the European Innovation Council's EUR20million action, which provides direct funding to support the Ukrainian innovation community. Additionally, the Marie Skłodowska-Curie actions have launched a dedicated EUR 25 million scheme to support displaced doctoral candidates and post-doctoral researchers from

Ukraine, allowing them to continue their research activities in Europe. The European Research Council has also appealed to its grantees to provide temporary employment to refugee researchers and support staff from Ukraine. These funding actions demonstrate the EU's commitment to supporting research and innovation efforts in times of crisis and highlight the crucial role of innovation in addressing complex challenges. Looking ahead, continued investment in research and innovation will be essential for fostering resilience and driving sustainable solutions to global issues.

– In addition to addressing immediate crises, the EU's research and innovation efforts are crucial for advancing the green and digital transitions. Funding actions under programs like Horizon Europe play a significant role in accelerating progress towards these transitions. For example, research and innovation funded activities focused on renewable energy, sustainable agriculture and circular economy practices contribute to the green transition by reducing carbon emissions and promoting environmental sustainability. Similarly, investments in digital technologies, such as artificial intelligence, cybersecurity and digital infrastructure, support the digital transition by enhancing connectivity, efficiency, and innovation across various sectors. By funding initiatives that drive innovation in both green and digital domains, Horizon Europe is paving the way for a more sustainable and technologically advanced future. The Horizon Europe programme plays a crucial role in advancing the green transition by addressing key environmental challenges such as climate change, biodiversity loss and pollution. One significant focus area is the preservation and restoration of ocean ecosystems, which are vital for the planet's resilience. Through Horizon Europe, research is conducted to restore degraded ecosystems, reverse biodiversity loss and enhance climate change adaptation. Innovations in blue bioeconomy and biotechnology are explored, offering promising solutions for marine ecosystem regeneration. Moreover, Horizon Europe supports sustainable fisheries and aquaculture through digital technologies, contributing to the UN Decade of Ocean Science for Sustainable Development and global biodiversity frameworks.

– Furthermore, farmers and foresters, who manage a significant portion of the EU's land, are pivotal in the green transition. Horizon Europe engages these stakeholders to develop sustainable land management practices aligned with the EU's climate ambitions. Research efforts focus on tools and solutions to adapt to changing environmental conditions and promote sustainable agriculture and forestry. By integrating projects funded by Horizon Europe with the common agricultural policy network, impactful solutions are deployed to support the transition to greener practices.

– In addition, the global food system faces numerous challenges, exacerbated by climate change and recent crises. Horizon Europe drives research to accelerate the transition to sustainable food systems, addressing issues such as food waste prevention, alternative proteins and microbiome research. By aligning with the EU Green Deal and the farm-to-fork strategy, Horizon Europe targets sustainable food consumption and production from farm to fork. Investments in research foster systemic approaches to transform food systems, promoting fairness, health , sustainable agriculture practices and environmental sustainability.

– Moreover, Horizon Europe contributes to the green transformation of health and care systems, ensuring they remain resilient amid environmental and health challenges. Biomedical research supported by Horizon Europe explores therapeutic approaches for post-COVID-19 health conditions and strengthens healthcare systems' resilience and quality. Initiatives like the co-funded partnership on transforming health and care systems address these challenges, enhancing the competitiveness and resilience of the EU's economy and industry while addressing strategic dependencies. Through these concerted efforts, Horizon Europe drives innovation and research to foster a sustainable and resilient future for Europe and the world.

– The Strategic Technologies for Europe Platform initiative, adopted by the Commission on 20June 2023, aims to bolster Europe's technological leadership and resilience by supporting investments

in critical technologies in the sectors of digital technologies and deep tech innovation, clean and resource efficient technologies and biotechnologies. Horizon Europe, particularly through the European Innovation Council, plays a significant role in supporting the goals of Strategic Technologies for Europe Platform and plays an important role in its implementation.

– One of the main challenges identified by European scale-up companies and investors is the later-stage financing gap in Europe in critical sectors, particularly for high-risk, deep technologies. The European Innovation Council Fund addresses this gap, but evidence shows that the European Innovation Council instrument is highly oversubscribed, with a low overall success rate close to 5%. To meet the needs of companies requiring larger investment amounts for developing breakthrough technologies, the Strategic Technologies for Europe Platform proposed a new compartment of the European Innovation Council Fund providing unprecedented equity investments ranging from EUR 15 to 50 million, which would have been supported through a budgetary reinforcement of EUR 2.63 billion (including EUR 2.13 billion from redeployments and de-commitments). The Council and Parliament did not approve the budgetary reinforcement for the European Innovation Council, but have agreed to increased flexibility in providing equity-only support for companies: the amendments made in February 2024 in the context of the revision of the multiannual financial framework will expand equity-only support for all European Innovation Council projects beyond the Strategic Technologies for Europe Platform, and clarify equity terms to attract other investors. Furthermore, the co-legislators have agreed on the possibility to award Sovereignty Seals as quality labels for projects contributing to Strategic Technologies for Europe Platform objectives, including via proposals assessed through European Innovation Council calls, to facilitate access to EU funding and investment opportunities.

– By enhancing the European Innovation Council's flexibility to provide equity investments and strengthening funding opportunities via the Sovereignty Seal, Strategic Technologies for Europe Platform strengthens synergies among existing funding instruments, fostering the development of critical technologies in the fields of digital technologies and deep tech innovation, clean and resource -efficient technologies, and biotechnologies. It thereby contributes to Europe’s efforts to maintain and enhance its technological leadership and resilience in strategic sectors.

Horizon Europe is striving to foster synergies with other EU programmes by the following methods:

- Combining Horizon Europe funding with other EU, national or regional funding instruments in the same operation, project or initiative in order to achieve greater impact and efficiency (cumulative/ complementary funding).
- Funding collaboration where projects/initiatives build on each other’s results/resources (sequential synergies). This takes place in the form of upstream synergy, where regional/national initiatives pave the way for joint efforts to apply for Horizon Europe and downstream synergy aiming to enhance the take-up of Horizon Europe and other research results towards the market and concrete deployment.
- Funding parallel projects that complement each other (complementary parallel projects), which also includes funding to improve the research and innovation capacity to provide the necessary basis for Horizon Europe projects.
- Securing alternative funding for proposals that have been submitted to a competitive call for proposals under an EU programme and evaluated as complying with all quality requirements of that programme, but which could not be funded due to budgetary constraints. The most prominent example is the Seal of Excellence.
- Funding excellent Horizon Europe project proposals from Member States by way of transfers from the European Regional Development Fund to Horizon Europe, where budgetary constraints would otherwise prevent them from being selected for support.

Partnerships and missions are instruments intrinsically set up to create synergies by bringing together EU and associated countries, the private sector, foundations and other stakeholders. Both instruments have a strong commitment to collaborate and build synergies from the start in a proactive manner. Initial examples

include cooperation between the EU 'Carbon-neutral and smart cities' mission and the partnerships on driving urban transitions, connected and automated driving or Built4People or the 'Cancer', 'Oceans' and 'Soil' missions and the partnership for the risk assessment of chemicals.

Seal of Excellence: there is no comprehensive overview of the update of the Seal of Excellence due to the lack of a requirement to report to the Commission but according to voluntary reporting more than 30 Seal of Excellence support schemes at both regional and/or national level are implemented in 18 countries.

Horizon Europe aims to foster collaboration across various research and innovation domains. For instance, initiatives that combine digital technologies (such as data analytics, artificial intelligence or cybersecurity) with sustainable practices (such as renewable energy, circular economy or eco-friendly manufacturing) exemplifies **synergies between these horizontal priorities**. For instance, the EU 'Restore our ocean and waters' mission aims to protect and bring back the health of our ocean and waters by 2030 through research and innovation, stakeholder (including with citizens) and investment in the blue economy. Under the mission, the EU is developing the European digital twin of the ocean, a digital replica to help scientists understand and predict the impact of human activities and climate change. This powerful tool collates data from EU assets like the (EMODnet) and the Copernicus Marine Environment Monitoring Service programmes and feeds it state-of-the-art computer models to simulate the ocean under different scenarios. By building a digital replica, researchers can study the ocean's past, present and future, which can help inform EU policy and foster new connections between science, business and society. As for specific examples from the 2023-2024 work programme, a call for project relating to cross-sectoral solutions for the climate transition has been issued. This call aims to support research and innovation addressing climate challenges, including climate sciences, mitigation adaptation and more.

To address the need for further simplification and accessibility within the Horizon Europe programme, a series of actions has been initiated. These measures aim to enhance the user experience and increase the accessibility of Horizon Europe, particularly for newcomers. Some of the key actions include:

- revamping information and dissemination channels, especially through the EU Funding & Tenders Portal, to provide clearer and more accessible guidance on Horizon Europe;
- implementing simplified cost options, such as lump sum and unit costs, to streamline financial grant management and make the programme more user-friendly;
- pilot actions to open the programme to new actors, fostering broader participation and innovation;
- targeted actions to strengthen the participation of widening countries across all areas of Horizon Europe;
- restructuring of the European Innovation Council Fund to consolidate its position as the largest technology investor in Europe.

Additionally, the client centricity project aims to enhance the user experience of the EU Funding & Tenders Portal. Through this project, the portal will undergo a comprehensive revamp, focusing on meeting the needs of its users. Key improvements include artificial-intelligence-powered functionalities for search and recommendations, the introduction of the EU Grants mobile application and the establishment of a centralised newsroom for improved client-centric outreach activities.

Furthermore, efforts are underway to implement a robust data governance and data quality framework to enhance the reporting of framework programme data and indicators. This includes the implementation of a risk-based data control framework to improve the quality of data on key impact pathways, including the performance indicators.

2014-2020 multiannual financial framework – Horizon 2020

Horizon 2020 – the eighth framework programme funding research, technological development, and innovation – was established as a means of putting the EU at the heart of world-class science and innovation, making it more competitive and creating economic growth and new jobs.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	75 616.3	75 623.6	99.9%
Payments	69 269.6		91.6%

As regards the payment appropriations implemented in 2021, the available appropriations were mainly used to cover the legal obligations of initiatives selected in 2014-2020, including 2 971 final payments allowing the level of payment appropriations still to be implemented to be decreased.

To mitigate the risk of the under-implementation of research and innovation projects due to the COVID-19 pandemic, the Commission has continued to allow maximum flexibility in relation to the implementation of initiatives. This also means that the full implementation of payment appropriations will take longer following the end of the programme.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target (***)	Results	Assessment
Publications in peer-reviewed high-impact journals per EUR 10 million of funding for future and emerging technologies	0	**> 100% (*)**	25.0 in 2025	29.8 compared to a target of 25.0	On track
Patent applications in the different enabling and industrial technologies per EUR 10 million of funding	0	**21% (*)**	3.00 in 2025	0.63 compared to a target of 3.00	Moderate progress
Share of participating small and medium-sized enterprises introducing innovations new to the company or the market (covering the period of the project plus 3 years)	0	**> 100% (**)**	50% in 2025	56.65% compared to a target of 50%	Achieved
Publications in peer-reviewed high-impact journals for all societal challenges	0	**39% (*)**	20 in 2025	7.66 compared to a target of 20	Moderate progress
Patent applications and patents awarded for all societal challenges	0	**13% (*)**	3.0 in 2025	0.38 compared to a target of 3.0	Moderate progress

(*) % of target achieved by the end of 2023.

(**) % of target achieved by the end of 2021.

(***) Nearly all targets are set for the year when the last actions financed under Horizon 2020 will be finished. The final figures will be collected after all of the projects are closed and the results are reported, i.e. several years after the formal end of the programme in 2020.

(****) Cut-off dates for the results: 20/02/2024; for the "share of participating small and medium-sized enterprises introducing innovations new to the company or the market" indicator: 6/03/2024

Many Horizon 2020 projects are still ongoing, as reflected by the payment rate (9191,6%), which explains why some targets have a deadline after 2020. The Horizon 2020 performance is measured until the last initiatives financed under Horizon 2020 are finished, i.e., several years after the formal end of the programme in 2020. Overall, Horizon 2020 has made good progress towards achieving scientific impacts by improving research and innovation capacity, scientific excellence, and reputation and by integrating research and innovation efforts. The results indicate that, in most areas, Horizon 2020 has achieved its targets or even exceeded them.

The initiatives under the programme as far as the 'Excellent science' pillar is concerned are very satisfactory. From 2014 to 2020, the share of publications from European Research Council-funded projects among the top 1% most cited has remained high, at about 7%, considerably exceeding the target of 1.8%. Future and emerging technologies have already generated more than 29 publications in peer-reviewed journals per EUR 10 million of funding[6], and one patent per EUR 10 million of funding[7], (targets achieved). The Marie Skłodowska-Curie Actions scheme has exceeded its target of 65 000 researchers, including 25 000 PhD students. From 2014 to 2020, 115 053 supported researchers have had access to research infrastructures, including e-infrastructures, both remotely and physically, thus far exceeding the target.

The initiatives under the 'Industrial leadership' pillar have progressed well. In this respect, projects on leadership in enabling and industrial technologies have produced more than 9 000 public–private publications. 197% of participating firms have introduced innovations 'new to the company or the market' with the potential to generate scientific breakthroughs, which almost meets the target of 200% (including private companies beyond the beneficiaries involved in the project). 56.65% of SMEs[8] participating to the pillar "Industrial leadership" have introduced innovations new to the company or the market exceeding the target of 50%. As regards patents, the result of 0.63 patent applications per EUR 10 million of funding[9] shows that it is progressing slowly towards the target of 3. This is normal since patents are generally filed at the end of projects. The SME instruments have generated around 2 545 jobs at the end of 2020.

On the other hand, the 'Societal challenges' pillar shows moderate progress. So far, the initiatives under this pillar have generated about 9 910 public–private publications[10] and 83 900 innovations[11], including prototypes and testing activities. However, the number of peer-reviewed publications in high-impact journals per EUR 10 million of funding and the number of patent applications per EUR 10 million of funding are lower than the respective targets. Nevertheless, we expect to see better performance results following the final reporting, when publications and patents generally start to appear.

Overall, the results to date show that 82% of the indicators have achieved their target. However, 18% of the indicators indicate that the progression is not as foreseen. It concerns the productivity of patents and publications peer-reviewed in high-impact journals in the Societal challenges' and the

[6] Reference date: February 2024

[7] Patent application, reference date: March 2024

[8] Reference date: March 2024

[9] Reference date: February 2024

[10] Reference date: December 2021

[11] Reference date: December 2021

patents in the ‘Leadership in enabling and industrial technologies’ priorities. There are many factors that can lead to underperformance, and it is important to identify and address these factors to improve research outcomes, where necessary. However, considering that Horizon 2020 is finished, and calls are no longer published, the margin of manoeuvre to make adjustments is very limited, if not impossible. However, the conclusions should be used to steer the performance of the next programme. Some possible explanations for underperformance of the programme are described below.

The COVID-19 pandemic has had a significant impact on research around the world, leading to delays and disruptions in many researchers’ works. There are several key factors that can help to contextualise and explain the situation.
Limited access to research facilities and equipment: Many researchers have been unable to access laboratories, libraries, and other research facilities due to COVID-19-related closures and restrictions. This has made it difficult to carry out experiments, collect data and conduct other research activities, leading to delays and disruptions in research projects.
Changes in research priorities: The pandemic has led to changes in research priorities, with many research projects being postponed, cancelled, or redirected to focus on COVID-19-related research. This has affected researchers in all fields, including those who were working on projects that were not directly related to the pandemic. For instance, in the field of health, some Horizon 2020 projects have been reoriented to deal with the emergency. The pandemic-caused disruptions impacted the projects in different ways: for example, a clinical trial cannot be interrupted without serious consequences for the project. On the other hand, a technological development project can be resumed once the crisis has passed, without the need to repeat some research activities. Therefore, significant delays and failures are expected. These factors are beyond the control of individual researchers.

Inappropriate targets: It is important to set targets that are challenging but attainable, and to review them regularly to ensure that they remain relevant and achievable. The Horizon 2020 targets for the ‘Leadership in enabling and industrial technologies’ and ‘Societal challenges’ priorities were set in 2011 (1) in the context of the Commission proposal for the Horizon 2020 regulation as mentioned in the 2014 EU draft budget, with reference to the previous performance of the EU’s Seventh Framework Programme. At that time, less than 10% of Seventh Framework Programme projects had started to produce results as the programme was still running (2007-2013). As the full data were not available when the targets for Horizon 2020 were set, the level of performance of the Seventh Framework Programme was not representative, therefore this made difficult to set realistic targets for Horizon 2020. Moreover, as regards the indicator ‘Publications in peer-reviewed high impact’, at that time, the target was estimated based on data collected on peer-reviewed publications but not restricted to the 'high-impact' ones.

As mentioned in the ex-post evaluation of Horizon 2020 12, another element to be considered is the inherent nature of R&I investments, which often require a lengthy period to yield exploitable results. As shown by the analysis of the long-term effectiveness of FP7, R&I programmes need a longer cycle to demonstrate their impacts. This lesson was identified in the interim evaluation, so the ex-post evaluation follows up on FP7 outputs. Notably, IPR performance can only be fully assessed up to ten years after project completion.

Design of Horizon 2020: Another aspect to be considered is the design of Horizon 2020 in comparison to the Seventh Framework Programme. In Horizon 2020, a large part of basic research is covered by the pillar ‘Excellence’, aiming to reinforce and extend the excellence of the EU’s science base. The part focused on societal challenges has therefore moved away from basic/frontier research towards applied research. Moreover, it is not uncommon for grants under the pillar ‘Excellence’, like the European Research Council grants, to produce more scientific publications than

[12] Section on data limitations of SWD(2024) 29 final, Annex II (p. 33 to 35)

in applied research. Basic research often involves the development of new concepts, theories, and models that can have wide-ranging implications for a particular field. This can lead to a greater number of publications, as researchers seek to build on and refine these ideas. Applied research, on the other hand, often involves the testing and application of existing theories and concepts to real-world problems. While this can lead to important discoveries and advancements, it may not always result in as many publications as basic research. This hypothesis is supported by the fact that the overall performance in terms of publication peer reviewed per EUR 10 million funded by Horizon 2020 is higher than that of the Seventh Framework Programme.

As a result, on one hand the pandemic has affected the research projects, such as causing delays in data collection or changes to funding priorities. On the other hand, the timing of target-setting for Horizon 2020 lead to inappropriate targets for Horizon 2020. Therefore, these specific factors contribute to explain the perceived underperformance.

Following the recommendations by the Internal Audit Service on the performance framework and to ensure the quality of data, a deep analysis on the Horizon 2020 data was initiated for the performance indicators. After internal investigations, we noticed that the methodology to extract the data needed to be revised to ensure accuracy and reliability. The data collection method has been revised to be more accurate. However, to allow the possibility to compare with past performance figures for Horizon 2020 and to ensure alignment with the methodology used in the ex-post evaluation of Horizon 2020 and, it has been decided to keep using the same methodology for the indicators reported in the above table.

For Horizon Europe, the new methodology which provides more reliable information data is being implemented to report on the performance. To set the target of Horizon Europe indicators the new methodology has been used to extract Horizon 2020 data, as described in the metadata of the relevant Horizon Europe indicators.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example

SDG1	Incorporating a 'missing minority' to re-examine the profile, drivers and depth of poverty across Europe	By addressing errors in official EU statistics, the Whocounts project aims to improve our understanding of poverty in Europe. By analysing data from eight European countries, including demographics, low-income dynamics, and policy interventions, the project seeks to provide more accurate estimates of poverty levels and nuanced explanations of extreme poverty. Whocounts will correct for noncoverage error in official EU statistics, ensuring that the changing profile, drivers, and depth of poverty across Europe are accurately represented. Through novel analysis techniques and qualitative comparative analysis, Whocounts will shed light on social groups often rendered invisible through official statistics, promising a significant advancement in our understanding of poverty and offering valuable insights for informed policy interventions.
SDG2	Paving the way for sustainable food systems	The Partnership Agroecology "European partnership on accelerating farming systems transition – agroecology living labs and research infrastructures" anticipates to team-up and unlock the transition to agroecology so that farming systems are resilient, productive and prosperous, place-sensitive, as well as climate, environment, ecosystem, biodiversity and people-friendly by 2050. The European Partnership on "Sustainable Food Systems for People, Planet, and Climate" aims to ensure the availability of safe, healthy, and sustainable food for all. Through joint research and innovation programs, it addresses key challenges in food production, processing, distribution, and consumption, ultimately enhancing food security and access to nutritious food across Europe. By pooling resources and promoting collaboration among stakeholders from diverse sectors, including policymakers, businesses, researchers, and civil society, the Partnership empowers transformative solutions that address hunger and promote sustainable food systems. Through strategic initiatives, such as establishing a Food Systems Knowledge Hub and providing place-based solutions in transformative research labs, the Partnership works towards a future where zero hunger is a reality for all.

SDG3	Improving future healthcare for all citizens	The European Partnership for Personalised Medicine (EP PerMed) is a pivotal initiative aimed at advancing healthcare for all by promoting personalised therapy, diagnosis, and prevention. With substantial funding exceeding €375 million from the EU and over 50 international partners, EP PerMed is ready to drive the development and integration of personalised medicine practices into clinical settings over the next decade. By fostering research, innovation, and implementation of personalised medicine approaches, EP PerMed seeks to enhance health outcomes and contribute to sustainable healthcare systems, benefiting patients, citizens, and society at large. Building on previous European initiatives and collaborations, EP PerMed aims to fund transnational projects, align strategic activities, and serve as a global platform for scientific dialogue and alignment in personalised medicine. Furthermore, Horizon Europe supports research efforts in fieldillnesses from air pollution, such as the K-HEALTHinAIR project. This project focuses on assessing Indoor Air Quality's (IAQ) impact on healthdelivering practical solutionsmonitorIAQ,contributing to science-based regulations and healthier living environments.
SDG4	Advancing Quality Education: Impact of the MTSS on European Kindergarten Systems	By adapting, implementing, and assessing the effectiveness of the Multi-Tiered System of Support (MTSS) in kindergarten settings across five European countries, the MTSS-K project aims to reduce inequalities in education. This approach focuses on training teachers to improve socio-emotional, literacy, and numeracy skills for all students, particularly the most vulnerable. By implementing evidence-based teaching practices and monitoring student progress through tiered interventions, MTSS has the potential to enhance equal opportunities for school success and inclusion. However, comprehensive data on the model's implementation, efficacy in kindergarten, applicability in European education systems, and cost-benefit analysis are currently lacking. The MTSS-K project seeks to fill these gaps by providing evidence-based syntheses, intervention tools, and assessment instruments to stakeholders and policymakers, fostering open science practices, and making policy recommendations for EU and national authorities to enhance education quality.

SDG5	Promoting and ensuring gender-equal and safe working environments	The EU Award for Gender Equality champions is the EU gender equality prize, awarded for the first time in March 2023. This prestigious award, established under Horizon Europe, serves multiple purposes, including complementing and reinforcing the requirement for higher education and research organizations participating in Horizon Europe to implement Gender Equality Plans (GEPs). By incentivizing the adoption and implementation of GEPs, the award acts as a catalyst for promoting inclusive gender equality plans and policies within the framework of the new European Research Area (ERA) policy agenda. Moreover, the award aligns with the objectives of the new European Strategy for Universities, serving as a vital tool in advancing the transformation agenda for universities. Through its recognition of gender equality champions, the prize aims to elevate awareness of the critical importance of institutional change in addressing gender disparities. Furthermore, it underscores the significance of a strong commitment to implementing inclusive GEPs effectively. One of the key objectives of the EU Award for Gender Equality Champions is to cultivate a community of champions who can inspire and encourage other academic and research organizations to embark on their journey toward becoming gender equality champions. By showcasing exemplary efforts and achievements in gender equality, the award sets a benchmark for excellence and encourages replication of best practices across institutions.

SDG6	Contributing to sustainable water management	The CleanWaterPathfinder project is dedicated to revolutionizing the water industry by introducing an innovative robotic inspection system. This system offers a comprehensive range of functionalities, enabling water utilities to gain profound insights into the condition of their water pipelines. By autonomously navigating inside the pipeline, our system conducts detailed assessments of structural integrity, identifies leaks, and analyses the quality of drinking water. Through the development of the Digital Twin of water networks, this technology empowers water utilities to make informed decisions and take proactive measures to ensure the reliability, efficiency, and safety of their water networks. At the heart of the business model lies Robotics as a Service (RaaS), providing a flexible and cost-effective solution for water utilities. From 2025 to 2029, the system is projected to preserve 143 million cubic meters of drinking water, equivalent to the annual consumption of 2.6 million EU citizens, thus aligning with global efforts for sustainable water management and environmental preservation.
SDG7	Empowering Sustainable Energy Innovation	By bringing together people and resources, the EIT InnoEnergy aims to catalyse and accelerate the energy transition, fostering the development of new ideas, products, and solutions. Through tailored support and collaboration, it connects industry stakeholders with innovators and entrepreneurs, facilitating the commercialization of commercially attractive technologies across the energy value chain. Additionally, EIT InnoEnergy empowers startups, scale-ups, and innovators, providing them with the necessary support to accelerate business cases and expedite time to market. Moreover, through its educational programs, EIT InnoEnergy equips students and professionals with the skills needed to contribute to a sustainable economy, thus promoting access to clean and affordable energy solutions worldwide. Through its impactful initiatives, EIT InnoEnergy has built the largest sustainable energy innovation ecosystem globally, supporting over 500 sustainable energy innovations and investing in more than 200 companies, all intended to generate significant revenue and contribute to substantial CO_2 savings by 2030.

SDG8	Increasing employment opportunities and reducing labour market inequalities	In addition to the numerous existing financial instruments and synergies between programs that foster economic growth in Europe, the European Social Innovation Competition aims to ignite the potential of social innovation to address societal challenges and foster sustainable and inclusive growth. It serves as a platform for engaging people, businesses, start-ups, universities, engineering schools, and civil society organizations, thereby creating new connections and sources of sustainable growth. The competition attracts a significant number of applicants each year, acting as a beacon for social innovators across Europe and incentivizing and rewarding early-stage ideas that shape society for the better. Recognizing that what benefits the economy may not always align with social inclusion and environmental preservation, the SPES project aims to understand the pillars of sustainable human development—productivity, equality, environmental sustainability, and participation—and assess their performance across regions. Through comprehensive analysis and stakeholder engagement, SPES will identify synergies and trade-offs among these pillars, informing strategies for a sustainable transition. With its focus on holistic development and inclusive growth, SPES seeks to advance the goal of promoting sustained, inclusive, and sustainable economic growth, along with full and productive employment for all.
SDG9	Fostering innovation and promoting sustainable industrialisation	By empowering companies to make positive impacts on climate and communities through its Knowledge and Innovation Community model, EIT Manufacturing contributes to building resilient infrastructure. Additionally, it accelerates the adoption of sustainable innovations in manufacturing technology, aligning with the goal of promoting inclusive and sustainable industrialization. Furthermore, EIT Manufacturing focuses on developing the skills of the future workforce, ensuring inclusivity and sustainability in the manufacturing sector. Through these efforts, EIT Manufacturing is actively working towards driving positive change in Europe's industrial landscape.

SDG10	Bosting EU-Africa cooperation	The EU-Africa Initiative II plays a crucial role in reducing inequality. Through its strategic cooperation with Africa, the EU focuses on enhancing cooperation to address global challenges that disproportionately affect Africa. With dedicated actions in the Horizon Europe Work Programme, the initiative promotes finding locally adapted solutions to these challenges. The Initiative allocates substantial funding, with budgets of approximately €350 million in the 2021-2022 Work Programme and €300 million in the 2023-2024 Work Programme, to support collaborative projects between EU and African entities. By fostering research and innovation cooperation, the EU-Africa Initiative II will address the EU-AU joint priorities on Public health; green transition; innovation & technology; capacities for science. Synergies with other partnerships and programmes between the EU and Africa are proposed, such as the Global Health European and Developing Countries Clinical Trials Partnership (EDCTP3) to deliver new solutions for reducing the burden infectious diseases in Sub-Saharan Africa.

SDG11	Enhancing inclusive and sustainable urbanisation	Through its ambitious aim to deliver 100 climate-neutral and smart cities by 2030, the EU mission actively promotes urban sustainability and resilience. By ensuring that these cities serve as experimentation and innovation hubs, it facilitates the replication of successful models across all European cities by 2050. Additionally, the mission's cross-sectoral and demand-led approach fosters collaboration between various stakeholders, including local authorities, citizens, businesses, investors, and regional and national authorities, to address the specific needs of cities effectively. Through initiatives like Climate City Contracts, which involve developing comprehensive plans for climate neutrality across sectors like energy, buildings, waste management, and transport, the mission empowers cities to engage with stakeholders and take concrete steps toward achieving their climate neutrality goals. The 2Zero Emission Partnership aims to accelerate the development of zero tailpipe-emission road transport in Europe, contributing to improved air quality and mobility safety for both people and goods. By fostering innovation, production, and services in the field of road transport, the partnership ensures future European leadership in this critical area. Building upon the successes of previous initiatives like the European Green Cars Initiative and the European Green Vehicles Initiative, the 2Zero partnership brings together stakeholders to implement an integrated system approach covering Battery Electric Vehicles (BEV) and Fuel Cell Electric Vehicles (FCEV). Through collaboration with various European Technology Platforms, the partnership extends its scope to cover the integration of zero tailpipe emission vehicles into their ecosystem, thereby boosting EU competitiveness and technological leadership.

SDG12	Assessing risk posed by hazardous chemicals to health and the environment	The European Partnership for Risk Assessment of chemicals (PARC), is dedicated to addressing current, emerging, and novel chemical safety challenges to better protect human health and the environment. PARC facilitates the transition to next-generation risk assessment methodologies, thereby reducing the adverse effects of hazardous chemicals on human health and the environment. Through its sustainable cross-disciplinary network and joint research and innovation activities, PARC fosters collaboration among EU Member States, research organizations, academia, and relevant EU agencies. By promoting European cooperation and advancing research in chemical risk assessment, PARC contributes to launching effective strategies at both European and national levels to mitigate risks posed by hazardous chemicals. Additionally, PARC's emphasis on reducing animal testing and implementing next-generation risk assessment strategies underscores its commitment to promoting well-being and environmental sustainability. With its comprehensive approach involving nearly 200 institutions from 28 countries, including EU authorities and relevant ministries, PARC represents an unprecedented effort to elevate chemical risk assessment to new heights. By supporting the EU's Chemicals Strategy for Sustainability and the European Green Deal's "Zero pollution" ambition, PARC is instrumental in safeguarding human health and the environment for present and future generations.
SDG13	Taking action at regional level to combat climate change	The EU Mission on Adaptation to Climate Change plays a pivotal role in addressing the urgent need to combat climate change and its impacts. Focused on supporting EU regions, cities, and local authorities, the Mission aims to build resilience against the effects of climate change. By assisting regions in understanding climate risks, developing pathways for resilience, and deploying innovative solutions, the Mission seeks to accompany at least 150 European regions and communities towards climate resilience by 2030. Through collaboration with EU countries, regions, and cities, the Mission facilitates the implementation of adaptation strategies tailored to regional and local needs. Signatories to the Mission Charter benefit from guidance, funding opportunities, support networks, and participation in events, contributing to the collective effort to combat climate change and build a more resilient future.

SDG14	Promoting sustainable management of ocean bio-resources and food, as well as supporting innovative production processes	The EU Mission ‘Restore our Ocean and Waters' aims to protect and restore the health of our ocean and waters by 2030 through research and innovation, citizen engagement and investments in the blue economy. The Mission addresses the ocean and waters as one and plays a key role in achieving climate neutrality and restoring nature. The Mission supports regional engagement and cooperation through area-based ‘Lighthouses' in major sea and river basins: Atlantic-Arctic, Mediterranean Sea, Baltic-North Sea, and Danube-Black Sea. Mission lighthouses are sites to pilot, demonstrate, develop and deploy the Mission activities across EU seas and river basins. In 2023, about 40 new projects with a budget over €230 million were selected to contribute to the EU Mission ‘Restore our Ocean and Waters'. The projects gather over 370 beneficiaries from 39 countries, including SMEs, research institutions, local authorities, schools and businesses. They will play a key role in achieving climate neutrality and restoring nature by protecting and restoring biodiversity in waters, cutting pollution, supporting a sustainable blue economy and developing the European Digital Twin of the Ocean. All EU Member States are involved in the projects, with actions from the Baltic and North Sea, through the Danube River, Mediterranean Sea, and across to the Atlantic.
SDG15	Tackling biodiversity losses; mitigating global change and desertification impacts.	The project BIOSHIFT aims at understanding the link of biodiversity, abrupt ecosystem shifts and restoration to sustain drylands under global change. It will combine global-scale experimentation and temporal field surveys with state-of-the-art Earth observation, mathematical modelling, -omics approaches, and statistical analyses to tackle these key knowledge gaps. This project will make a major leap forward in our understanding of abrupt ecosystem shifts and provide unprecedent insights on how to monitor and manage them. It will also provide the ecological underpinning to high profile international initiatives aimed at tackling biodiversity losses, mitigating global change and desertification impacts, and restoring degraded ecosystems across global drylands.

SDG16	Co-designing solutions for inclusive citizenship	By addressing pressing issues related to ecological crises, media developments, and digital divides, the project INCITE-DEM aims to alleviate pressures on democracies and foster a more inclusive and participatory democratic process. Through a combination of research methods and design thinking, INCITE-DEM establishes Democracy Labs where stakeholders collaboratively develop innovative solutions to enhance democratic engagement and participation. These solutions are designed to address complex societal challenges and promote inclusivity within representative democracies. The experienced Consortium behind INCITE-DEM is dedicated to expanding democratic innovation and fostering dynamic feedback mechanisms between citizens and institutional actors. By leveraging historical, quantitative, and qualitative social science research, as well as advanced analytical methods, the project aims to fuel democratic innovation and enhance civic engagement. INCITE-DEM's implementation of Democracy Labs in six countries provides a platform for citizens, policymakers, and other stakeholders to co-create inclusive democratic innovations. Through validation processes, including choice experiment surveys and interactive fora with policymakers, the project ensures the feasibility and potential for implementation of these innovations. (INCITE-DEM | Inclusive Citizenship in a world in Transformation: Co-Designing for Democracy)
SDG17	Exploring market access for developing countries	Most of the research conducted to date on the optimal conditions for economic advancement in low-income nations, such as job creation, has predominantly focused on the "supply-side" drivers of productivity. However, an additional dimension to be considered is the potential limitations on business growth within these countries imposed by external forces, thereby impeding market entry. Examples of such constraints include inadequate infrastructure and trade barriers within countries. The ACCESS project aims to investigate a broader spectrum of economic, political, and social impediments to market entry – encompassing legal constraints on individual entrepreneurship – and their impact on local economies. ACCESS will utilise microeconomic data gathered from developing nations such as Colombia, Liberia, the Philippines, and Uganda.

EURATOM RESEARCH AND TRAINING

RESEARCH AND TRAINING PROGRAMME OF THE EUROPEAN ATOMIC ENERGY COMMUNITY

Programme in a nutshell

Concrete examples of achievements (*)

118	200	8 996	1 164
training courses for students and professionals from Member States and Commission services were provided by the Joint Research Centre since 2021 in the areas of nuclear safety, nuclear security, safeguards, nuclear waste and decommissioning and non-power applications.	key nuclear research infrastructures in Europe are open for researchers through the European User Facility Network of the European platform for accessing nuclear R & D facilities.	researchers and students have benefited from Euratom support for training, mobility and access to infrastructure since 2021.	scientific publications in nuclear research have been published by Euratom-funded scientists in peer-reviewed journals since 2021.

10	3	100	241
new databases have been released to improve key nuclear data for the safe use of radioactive materials since 2021.	represents the third and final deuterium-tritium experimental campaign at the Joint European Torus, which was successfully achieved in 2023 by EUROfusion, the Euratom co-funded European partnership for fusion energy research.	experiments were carried out on actinide materials, codes and standards for components and materials, along with radioactivity measurements, at the Joint Research Centre by external users from 17 Member States since 2021.	million euro was available in two calls for research in nuclear safety, radiation protection and waste management launched by Euratom during 2021-2023. Until the end of 2023, grants for EUR 117 million were awarded, with the remaining grants expected to be signed in 2024.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual lifecycle of EU programmes and the projects they finance, where results often materialise only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	**1 987.9**
NextGenerationEU	0.0
Decommitments made available again (*)	0.0
Contributions from other countries and entities	24.5
Total budget 2021-2027	**2 012.4**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Euratom Research and Training Programme (2021-2025) is a nuclear research and training programme with an emphasis on the continuous improvement of nuclear safety, security and radiation protection. It

complements the achievement of Horizon Europe's objectives, including in the context of the energy transition as well as contributing to the implementation of the European fusion roadmap.

CHALLENGE

Nuclear research contributes to social well-being and economic prosperity by improving nuclear safety, security and radiation protection. Research and innovation in the nuclear field play a key role in maintaining the highest safety standards and EU competences in the nuclear domain. Radiation protection research leads to improvements in medical technologies as well as in other sectors (such as industry and the environment), from which many citizens benefit. Nuclear research also supports the EU's efforts in the transition to a climate-neutral energy system.

Public and private research at the national level has a significant role to play in this effort. Euratom's task is to complement Member States' contributions by means of an EU-based research and training programme.

MISSION

The general objective of the Euratom Programme is to pursue nuclear research and training activities, with an emphasis on the continuous improvement of nuclear safety, security and radiation protection, as well as to complement the achievement of Horizon Europe's objectives inter alia in the context of the energy transition. The programme also focuses on the development of fusion energy – a long term option for large-scale, low-carbon electricity production.

Its European added value is made explicit in the Euratom Treaty and the Commission has an obligation to put forward a research and development programme to complement those in Member States. The justification for Euratom intervention is based on the need to ensure high and uniform levels of nuclear safety in Europe. Moreover, the Treaty also establishes the obligation for Member States to establish provisions on basic safety standards and to monitor the level of radioactivity in the environment on their territory. Through the Joint Research Centre, the Commission provides standards and technical means to ensure that Member States fulfil their obligations properly. The Commission must fulfil its safeguarding obligations, in particular safeguarding the existing radioactive materials in the EU and the obligations assumed under the non-proliferation treaty. Under the Euratom research and training programme, the Joint Research Centre develops methods, standards and techniques and provides scientific and technical support to other Commission departments.

OBJECTIVES

Euratom pursues the following specific objectives:

– to improve and support nuclear safety, security, safeguards, radiation protection, safe spent fuel and radioactive waste management and decommissioning, including the safe and secure use of nuclear power and of non-power applications of ionising radiation;
– to maintain and further develop expertise and competence in the nuclear field within the EU;
– to foster the development of fusion energy as a potential future energy source for electricity production and contribute to the implementation of the European fusion roadmap;
– to support the EU policy on continuous improvement of nuclear safety, safeguards and security.

ACTIONS

During 2021-2025, the Euratom programme will continue to give top priority to direct and indirect actions for maintaining nuclear expertise and for supporting research for nuclear safety, with particular emphasis on ageing nuclear plants, long-term operation strategies and accident management. The additional safety requirements introduced by the nuclear safety directive require increased efforts in developing an understanding of degradation mechanisms of safety-relevant components and the impact on safety overall. This would support a science-based assessment of the safety margins and allow for timely implementation of safety improvements. The predictive tools and assessment methods developed by the Euratom programme would benefit the periodic safety reviews of existing nuclear installations. They would also help regulators in assessing new designs.

Besides research in nuclear fields, direct actions, implemented by the Joint Research Centre, will also focus on nuclear security and nuclear safeguards by developing techniques and methods aiming at reducing nuclear security risks and supporting nuclear non-proliferation efforts. In addition, the Joint Research Centre will develop nuclear standards and support the implementation of Euratom policies in these areas.

For the development of fusion energy during 2021-2025, the co-funded European partnership in fusion research will build on the progress made by the EUROfusion consortium (2014-2020), providing support for the efficient commencement of the international thermonuclear experimental reactor's operations and working hand in hand with industry, to increase the efforts on the conceptual design and technologies for a fusion power plant.

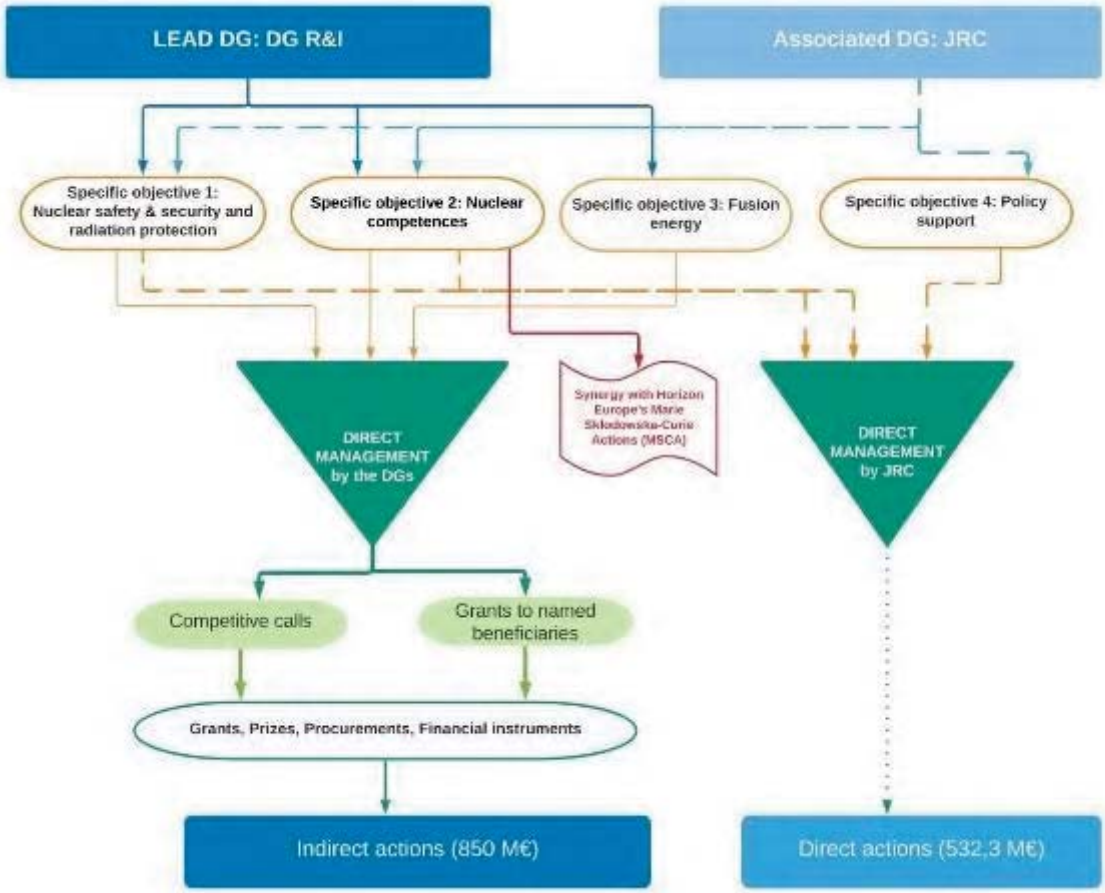
STRUCTURAL SET-UP OF THE PROGRAMME

The Euratom Programme 2021-2025 is implemented in direct management by the European Commission. The Programme uses the instruments and rules of participation of the Horizon Europe Framework Programme for Research and Innovation. The Programme provides research grants to labs and universities through competitive calls for proposals and to named beneficiaries. It also provides financing in the form of prizes and procurement. The Programme funds research carried out by the European Commission's Joint Research Centre through direct actions, subject to a separate work programme.

Euratom funded research supports Member States', safety authorities' and industry's efforts to ensure that EU nuclear installations are designed, constructed, operated and decommissioned applying the highest standards of safety, security, radioactive waste management and non-proliferation. For the future nuclear technologies, the programme aims to ensure that they meet the highest safety standards and that safety implications of future deployment are fully understood. Euratom actions provide just incentives for such safety research and the Euratom funding would in no way be able to support major work or the development of new systems and demonstrators. For the development of fusion energy, the Euratom Programme funds implementation of fusion roadmap, a comprehensive research programme to support the International Thermonuclear Experimental Reactor exploitation and development of design and technologies for fusion power plant.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP

Euratom



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The 2021-2025 Euratom programme builds on its predecessor, the 2014-2020 Euratom programme. Compared to its predecessor, the new programme has a single set of objectives for both direct and indirect actions, seeking to enhance synergies with Horizon Europe in particular in education and training by opening Marie Skłodowska-Curie Actions to nuclear researchers. Under the 2021-2025 programme, most of the research, particularly research and innovation in fusion energy, nuclear materials, radioactive waste management and radiation protection, will be carried out through co-funded European Partnerships. A new generation of co-funded European Partnerships should achieve a greater impact, involving a wide range of research partners. This new approach capitalises on a decade of Commission, Member State and stakeholder efforts in ensuring more sustainable and inclusive research, creating stronger links between EU and national policies.

FURTHER INFORMATION

- Programme website: Euratom Research and Training Programme https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/euratom-research-and-training-programme_en
- Impact assessment: Commission Staff Working Document SWD(2018) 307 final https://eur-lex.europa.eu/resource.html?uri=cellar:d17282ba-6a2f-11e8-9483-01aa75ed71a1.0001.03/DOC_3&format=PDF
- Relevant regulation: Council Regulation (Euratom) 2021/765 of 10 May 2021 establishing the Research and Training Programme of the European Atomic Energy Community for the period 2021-2025 complementing Horizon Europe – the Framework Programme for Research and Innovation and repealing Regulation (Euratom) 2018/1563.
- Evaluations: interim evaluation https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52017DC0697
- Ex-post evaluation of the activities of the Joint Research Centre (2014-2020), ISBN 978-92-76-55600-8
- Interim evaluation of the activities of the Joint Research Centre under Horizon Europe and Euratom (2021-2027), ISBN 978-92-68-07092-5:

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	264.7	269.7	286.0	281.2	287.8	293.8	304.5	1 987.9
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	0.0	0.0	0.0					0.0
Contributions from other countries and entities	15.1	8.9	0.5	0.0	0.0	0.0	0.0	24.5
Total	**279.8**	**278.6**	**286.5**	**281.2**	**287.8**	**293.8**	**304.5**	**2 012.4**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 7.6 million (+1%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison, as the legal basis covers only years 2021-2025 the financial programming for this comparison also covers only 2021 - 2025

In 2023, the Euratom Programme received a EUR 10 million contribution from ITER Programme to provide additional funding for a call for proposals for safety analyses for VVER nuclear fuel manufactured by suppliers outside Russia (call HORIZON-EURATOM-2022-NRT-01-01 with total budget EUR 20 Million Euro). To implement additional funding, the Commission decision C(2023) 6422 provided for the transfer, within Title 01 of the 2023 Commission budget, of EUR 10 million from the budget for the ITER Programme to the Euratom Programme according to the procedure of Article 30(1)(c) of the Financial Regulation (transfer appropriations between chapters within the same title up to a maximum of 10 % of the appropriations for the financial year).

For Euratom indirect actions, appropriations requested for fission research in the context of the draft budget 2025 are necessary to fund a triennial, 2023-2025, call for proposals. This call was open in 2023 and grants will be awarded in 2024. For fusion research, all appropriations proposed for 2025 will be committed to EUROfusion co-funded European Partnership in line with the 2021-2025 financing decision. For both fission and fusion research, 2025 payments appropriations will be used for payments for on-going projects

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	840.4	2 012.4	41.8%
Payments	624.9		31.1%

Voted budget implementation (million EUR) (1):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	264.7	265.7	193.0	207.9
2022	269.7	270.7	198.4	267.8
2023	286.0	276.5	189.0	222.2

(*) Voted appropriations (C1) only.

– The Euratom budget is distributed as follows:

Indirect actions in fusion research and development

Indirect actions in nuclear fission (i.e. nuclear safety, radiation protection, waste management)

Direct Actions undertaken by the Joint Research Centre (JRC)

In fusion energy research, 2021-2025 appropriations, EUR 549 million, were committed in 2021 to the grant for co-funded European Partnership EUROfusion in accordance with the Commission multiannual financing decision (C(2021)4201) and in line with the Article 4(5) of the Council regulation 2021/765 establishing the Programme, which allows budgetary commitments in annual instalments over several years. The payments started in 2021 with prefinacing for EUROfusion and followed in 2022 and 2023 in line with reimbursement requests in the annual reports from the Partnership. Commission signed in 2023, a grant for the preparatory phase of IFMIF-DONES (EUR 1.25 Million), a neutron-irradiation facility for the study of fusion materials and systems under conditions that are similar to those in a fusion power plant.

For grants in nuclear fission research, appropriations for the year 2023 were committed to a triennial call (2023-2025) for proposals launched in March 2023. In accordance with the Commission multiannual financing decision (C(2023)1650) and in line with the Article 4(5) of the Council regulation 2021/765 establishing the Programme, allowing budgetary commitments in annual instalments over several years, this call is funded in instalments from 2023, 2024 and 2025 budgets. Following an evaluation by independent experts, it is expected that grants for more than 20 projects will be signed in 2024, increasing the total number of projects in nuclear research and training under 2021-2025 Programme to more than 50.

The Commission awarded in 2023 a grant for EUR 10 million, to launch an action to carry out necessary safety analyses and tests and establish procedures needed for the licensing of VVER nuclear fuel manufactured by suppliers outside Russia. Additional funding of EUR 10 million provided in 2023 from unspent ITER funds will allow the Commission to launch a second research project in this area in 2024.

In 2024, all appropriations for grants in fission research (i.e. nuclear safety, radiation protection and radioactive waste management) will be committed to 2023-2025 call for proposals. For fusion research, all appropriations are already committed to EUROfusion co-funded European Partnership in line with the 2021-2025 financing decision. For both fission and fusion research, 2024 payments appropriations will be used for payments for on-going projects.

Some Euratom indirect actions from the 2021-2022 call still face delays related to the limited availability of research infrastructures mainly due to supply issues and inflation. Lack of the 3rd party income from associated countries (UK, CH) compounded financial issues of the Euratom programme which resulted from the Council 2021 decision to reduce the 2021-2025 Budget compared to 2014-

2020 predecessor. As a consequence, the available funding does not allow to cover all research priorities in nuclear safety, radioactive waste management and radiation protection, as well as in non-power applications of ionizing radiation.

The separate Joint Research Centre 2023-2024 Work Programme for the direct actions was adopted in January 2023 and has been developed based on a new approach grounded in prioritisation and focus on collaboration and core strengths of the JRC for better anticipation, integration and impact on EU policies. The programme has thus been built in portfolios to enhance synergies across scientific and policy domains, in particular between nuclear and non-nuclear research. Amongst the 33 portfolios defined, 3 exclusively address nuclear research in the areas of safety of nuclear technology, Small Modular Reactors and support to nuclear legislation compliance. Other topics such as nuclear security, safeguards, non-proliferation, non-power applications and environmental radiation protection are integrated into 5 mixed portfolios alongside non-nuclear research. The breakdown of activities remains the same with 33% of direct actions dedicated to nuclear safety research (including waste management, decommissioning and environmental radioprotection); 32% to research on nuclear security, safeguards and non-proliferation; 16% to research on standardisation and non-power applications of ionising radiation; 11% to knowledge management, education and training activities; and 8% to support provided to Euratom policies.

Several factors have put a strain on the JRC's activities under the direct actions. Due to the war in Ukraine and ensuing energy crisis, energy costs (electricity and gas) have increased substantially in all JRC sites in 2022 and in 2023 and, although prices have since stabilised, they have settled at a high level compared to 2021. The resulting inflation has led to higher operational costs associated with security contracts and radio protection expenses. In addition there is a critical need to maintain and renovate the nuclear installations of the Joint Research Centre. This upward trend in costs has been observed across all research centres of the JRC. Against a budget that has not been readjusted, this has put pressure on the JRC's research activities and required adaptation to maintain the performance under the direct actions.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	121.3	125.2	170.9	137.9	143.1			698.4	35%
Biodiversity mainstreaming									
Clean air									

The Euratom 2021-2025 research and training programme contributes to climate mainstreaming, as the programme's general objective provides for complementing the achievement of Horizon Europe's objectives, inter alia, in the context of the energy transition. In this context, it is considered that 100% of the expenditure for fusion energy research contributes to the climate effort of the EU budget. Research and innovation in fusion technology are pivotal to advancing the global climate transition. Fusion offers a promising alternative to traditional energy sources by providing stable

source of carbon-free electricity and reliable and sustainable power generation. Research activities on fusion, such as supporting the ITER project and its successor DEMO, aim to significantly reduce greenhouse gas emissions and mitigate climate change. Investment in fusion technology supports the development of reliable, carbon-free energy solutions that can help meet the world's growing energy demands while minimising environmental impact. By driving advancements in fusion research, we are paving the way for a cleaner and more sustainable future for generations to come.

– 40% of the fission-research-related expenditure contribute to the climate effort of the EU budget.

Research and innovation in fission technology plays a crucial role in supporting the global climate transition. For instance, the 'Small modular reactor for a European safe and decarbonised energy mix' project provides an analysis of the nuclear capacities, small modular reactor deployment and trends of evolution in energy production and consumption for the next decades. This analysis enables to emphasise the role of small modular reactors to deal with these trends and to propose energy scenarios, including small modular reactors providing power, heat and hydrogen at two time frames, 2035 and 2050. The main approaches that underpin these scenarios aim to set the techno-economical frameworks for the analysis of the selected hybrid energy system configurations for a 2035 and 2050 energy mix perspective aligned with the relevant EU and Member State policies. Another example is that small modular reactors offer a scalable and efficient solution for generating low-carbon electricity, providing a reliable source of power with a reduced environmental footprint. By leveraging innovative designs and advanced safety features, small modular reactors offer the potential to significantly decrease greenhouse gas emissions compared to conventional fossil fuel-based power plants. Investment in small modular reactor technology accelerates the deployment of clean energy infrastructure, helping to meet the world's energy needs while combating climate change. Through ongoing research and development, small modular reactors contribute to a sustainable energy future by offering a viable pathway towards decarbonisation and environmental stewardship.

Furthermore, regarding 'taxonomy relevant expenditures', this is not relevant for the programme.

Contribution to gender equality (million EUR) (*)**:**

Gender Score	2021	2022	2023	Total
2				
1				
0*				
0	264.7	269.7	286	820.4

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information

The gender dimension is integrated in research and innovation and followed through all stages of the research cycle. However, actions under the Euratom 2021-2025 research and training programme are classified as non-targeted interventions, i.e. interventions that are expected to have no significant bearing on gender equality or with a likely but not yet clear positive impact on gender equality.

– Gender equality is a cross-cutting priority in the Euratom programme, as stated in recital 2 of the Council regulation. The integration of the gender dimension into research and innovation content is a requirement by default. Furthermore, the Euratom programme is promoting gender equality through sustainable institutional change by requesting that applicants (public bodies, research organisations and higher education establishments) have in place a gender equality plan as an eligibility criterion for research proposals (requirement shared with Horizon Europe).
– In its 2030 strategy, the Joint Research Centre declares itself as an equal opportunity employer committed to the objective of being fully gender balanced; this has been further developed by issuing a gender balance strategy. In 2022, the Joint Research Centre adopted its human resources pathways, which started to be implemented in 2023 and notably focused on specific priorities such as promoting geographical diversity and gender balance in recruitment. The Joint Research Centre's recruitment and communication plans address, specifically for nuclear research, acquiring a skilled workforce with a view to improve the gender balance.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution					

– The Commission puts a strong emphasis on digital transition in the Euratom calls for research proposals. Specific call topics for actions (7 out of 11 topics under the 2023-2025 call, i.e. 64%) in nuclear safety, radiation protection and waste management include requirements, as appropriate, for digitalisation and deployment of artificial intelligence, robotics, the internet of things and big data.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target	Results	Assessment
Number of Euratom-funded peer-reviewed scientific publications	0	**29%** (*)	4 000 in 2025	1 164 compared to a target of 4 000	On track
Reference materials delivered and reference data incorporated to a library	0	**62%** (*)	42 in 2025	26 compared to a target of 42	On track
Number of outputs contributing to modify international standards	0	**30%** (*)	20 in 2025	6 compared to a target of 20	Moderate progress
Number of technical systems provided and in use	0	**49%** (*)	65 in 2025	32 compared to a target of 65	Moderate progress
Number of people having benefited from upskilling activities of the Euratom programme (through training, mobility and access to infrastructure)	0	**> 100%** (*)	6 000 in 2025	8 996 compared to a target of 6 000	On track
Number and share of Euratom projects producing policy-relevant findings	0	**40%**(**)	50% from 2023 to 2025	Milestones achieved for 2022 and 2023. Milestone not achieved for 2021.	On track
Amount of public and private investment mobilised with the initial Euratom investment	0	**36%** (*)	EUR 500 million in 2025	EUR 179 million compared to a target of EUR 500 million	On track

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Number of full-time equivalent jobs created, and jobs maintained in beneficiary entities for the Euratom project (by type of job)	0	**NA**	11 000 in 2025	NA	No data
Progress in the implementation of the fusion roadmap – percentage of the fusion roadmap's milestones established for the period 2021-2025 reached by the Euratom programme	0	**29%** (***)	95% in 2025	28% compared to a target of 95%	On track

(*) % of target achieved by the end of 2023.

(**) % of years for which the milestones or target have been achieved during the 2021-2025 period.

(***) % of target achieved by the end of 2022.

The actions launched and managed in 2023 by the Commission under the Euratom 2021-2025 research and training programme play a pivotal role in maintaining strong European competencies in nuclear research and innovation. This helps ensure the highest standards of safety for existing and future nuclear installations. It is also crucial for developing fusion energy, along with medical and other applications of ionising radiation. The Euratom programme achieved substantial progress in its main areas of research (for both direct and indirect actions), as shown by indicators for peer-reviewed publications (1 158 in 2023), the number of people benefiting from Euratom-funded education, training and access to infrastructure (1 098 in 2023) and mobilisation of investment (EUR 121 million in 2022) from research stakeholders with Euratom funding.

Nonetheless, the Euratom programme has encountered challenges since 2021, with impacts on its performance.

Following the COVID-19 period, delays have been experienced due to limited availability of research infrastructures, influenced by supply chain issues and inflation. The programme has faced a reduction in budget caused by the absence of third-party income from associated countries (such as Switzerland and the United Kingdom) compared with the previous programme. Consequently, the available funding falls short of covering all research priorities in nuclear safety, radioactive waste management, radiation protection and non-power application of ionising radiation.

It has to be pointed out that the cost structure of the Joint Research Centre, with high fixed costs for the operation and compliance of its nuclear research infrastructure, implies that any external factors such as high inflation or energy costs have potential implications on resources, and could affect the ability to achieve the performance targets. Nevertheless, it is expected that in the medium term, the resource optimisation efforts generated by the implementation of the new nuclear strategy inside the Joint Research Centre will compensate for these adverse effects and strengthen the centre's research capacities to guarantee continuous high performance under the Euratom programme.

- Objective 1: to improve and support nuclear safety, security, safeguards, radiation protection, safe spent fuel and radioactive waste management and decommissioning, including the safe and secure use of nuclear power and of non-power applications of ionising radiation.

The monitoring of the indicators of this objective shows substantial progress in enhancing nuclear safety, security and in radiation protection.

In nuclear fission research, in March 2023 the Commission launched a call for research proposals which made available EUR 132 million for research to increase the EU's security of energy supply while ensuring the highest standards of safety. The call for proposals offered research grants enabling long-term operation of existing nuclear power plants and deployment of small and modular reactors, along with the development of nuclear materials and the safe management and disposal of radioactive waste. The call also aimed to further develop the EU's open strategic autonomy in other applications of ionising radiation, including in the medical field, critical raw materials and the circular economy. The call deadline was set in November 2023. Following an evaluation by independent experts, it is expected that grants for more than 20 projects will be signed in 2024, increasing the total number of projects in nuclear research and training under the 2021-2025 programme to more than 50.

The main Euratom call was supplemented in 2023 by a call launched by the European partnership for radiation protection research (https://pianoforte-partnership.eu), aimed at improving knowledge and promoting innovation in the field of radiation protection. Following an evaluation, nine projects were selected in three areas (genesis of radiation-induced cancer, medical diagnostic and therapeutic use of radiation, emergency preparedness), including five projects in medical radiation protection.

In August 2023, the Euratom-funded 'rocc-n-roll' project of the European Alliance for Medical Radiation Protection Research presented a strategic research agenda and roadmap for medical application of ionising radiation. The agenda and roadmap aim for better and individualised healthcare to improve patients' lives (https://roccnroll.euramed.eu/euramed-rocc-n-roll-unveils-sra-and-roadmap), one of the cornerstones of the strategic agenda for medical ionising radiation applications action plan (https://energy.ec.europa.eu/topics/nuclear-energy/radiological-and-nuclear-technology-health/samira-action-plan_en), Horizon Europe activities and Commission initiatives (Europe's Beating Cancer Plan (https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/promoting-our-european-way-life/european-health-union/cancer-plan-europe_en) and the 'Cancer' mission (https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/eu-missions-horizon-europe/eu-mission-cancer_en).

Following an ad hoc call launched in 2022, in 2023 the Commission awarded a grant for EUR 10 million to launch an action to carry out necessary safety analyses and tests and establish procedures needed for the licensing of water-water energy reactor nuclear fuel manufactured by suppliers outside Russia. The 'Accelerated program for implementation of secure VVER fuel supply' project will address the issue of security of supply of fuel for Russian-designed water-water energy reactors in the EU and Ukraine. The operation of these reactors currently depends mainly on Russian-produced nuclear fuel. The sanctions following Russia's invasion of Ukraine have made it necessary to strengthen the security of supply situation for these reactors. Additional funding provided in 2023 from unspent ITER funds will allow the Commission to launch a second project from this ad hoc call in 2024.

In 2023, the direct actions of the Euratom programme implemented by the Joint Research Centre resulted in the publication of 111 scientific articles in peer-reviewed journals, while one doctoral thesis was published during the period. The technical outputs delivered include seven sets of reference materials and reference methods, two outputs which contributed to the modification of

international standards, five technical systems (all for safeguards) and two scientific datasets and databases.

- Objective 2: to maintain and further develop expertise and competence in the nuclear field within the community.

One of the indicators for this objective surpassed its targets, reflecting the success of the programme in maintaining and developing expertise within the community, contributing to a highly skilled workforce in the nuclear field.

The Joint Research Centre also implements nuclear education and training initiatives which support EU policy priorities and contribute to maintaining and developing the EU's nuclear competence and expertise. These education and training initiatives include training schools, courses, workshops and lectures in live, online or hybrid formats. In 2023, the Joint Research Centre delivered 13 training courses in the field of nuclear safety, nine in nuclear security, eight in nuclear safeguards, including for 60 safeguards inspectors, one in strategic trade control, 10 in nuclear decommissioning and waste management and 17 in nuclear non-power applications.

In 2023, the direct actions performance has remained consistent in relation to some indicators and caught up with the delays of the first 2 years regarding others. This was, for instance, enabled by the re-opening of Joint Research Centre infrastructures to external researchers or the full resumption of training sessions for participants from Member States and other Commission services.

- Objective 3: to foster the development of fusion energy as a potential future energy source for electricity production and contribute to the implementation of the European fusion roadmap.

The Euratom programme plays a pivotal role in fostering the development of fusion energy in Europe. In 2023, substantial achievements were reached. In 2023, the Euratom co-funded partnership, EUROfusion, successfully achieved the research goals of its third deuterium-tritium experimental campaign at the Joint European Torus device (https://euro-fusion.org/eurofusion-news/dte3-results). The experiments explored fusion processes and control techniques under similar conditions to and in preparation of future fusion power plants. This marks an important leap ahead in our understanding of fusion plasmas. This effort has a pivotal role in the pursuit of a net-zero plan for Europe through the development of fusion as a reliable and sustainable power source. In October 2023, the Commission launched in Granada (Spain) a project for the preparatory phase of the International Fusion Materials Irradiation Facility – Demo Oriented Neutron Source (https://ifmif-dones.es/), a unique neutron-irradiation facility for the study of fusion materials and systems under conditions that are similar to those in a fusion power plant.

- Objective 4: to support the policy of the EU and its members on continuous improvement of nuclear safety, safeguards and security.

The Joint Research Centre direct actions supported Commission services in the implementation of the relevant directives on nuclear safety, radioactive waste and spent fuel management, and shipment of radioactive waste and spent fuel through expert review and assessment of Member States reports, or through the participation in topical peer reviews.

More specifically, during 2023 the Joint Research Centre contributed to the fourth report from the Commission to the European Parliament, the Council and the European Economic and Social Committee on Member States implementation of the Council Directive 2006/117/EURATOM on the supervision and control of shipments of radioactive waste and spent fuel. The Joint Research Centre also participated on behalf of the European Commission in the International Atomic Energy Agency's 'Integrated Regulatory Review Service' and 'Integrated Review Service for Radioactive Waste and Spent Fuel Management, Decommissioning and Remediation' missions to Member States.

The Joint Research Centre has provided technical and scientific support to the implementation of the relevant projects under the European Instrument for International Nuclear Safety Cooperation, and the Foreign Policy Instrument.

In policy support to Euratom safeguards, the Joint Research Centre has carried out essential tasks, such as research, development of concepts and approaches for safeguards and non-proliferation, technology, equipment and tools for safeguards verification, measurement of samples and supply of nuclear reference materials, along with education, training and building capacity. As described in the Report from the Commission, Euratom Safeguards Report 2020-2021 (C(2023) 7844 final) published in 2023, the Joint Research Centre performed the analysis of samples in the on-site laboratory at La Hague (France), the in-field analysis of samples taken during physical inventory verification campaigns at selected uranium fuel fabrication plants, along with the destructive analysis of samples taken in nuclear installations and sent to the Joint Research Centre.

Relevant reference materials were also continuously provided by the Joint Research Centre to ensure traceable and credible measurements. These analytical results form a vital part of the safeguards conclusions. The Joint Research Centre further conducted relevant training for 24 Euratom inspectors and front-line officers in 2023 (indicator on track).

SYNERGIES

The Euratom programme seeks and explores synergies with other programmes to maximise collective impact. The strong synergies with the ITER programme amplify the impact of nuclear fusion research. They collectively contribute to the realisation of fusion energy as a viable and sustainable source of energy. Collaboration initiatives with Horizon Europe health activities and Europe's Beating Cancer Plan or with other areas (e.g. artificial intelligence and robotics) reinforce a commune strategy for tackling wider societal challenges. Strong synergies are implemented with Horizon Europe: Euratom funding was provided to the Marie Skłodowska-Curie actions, to make researchers in the nuclear field eligible for postdoctoral Marie Skłodowska-Curie actions fellowships, resulting in 13 grants awarded in 2021-2023 for a total amount of EUR 2.35 million.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3		
SDG4		

SDG5
SDG6
SDG7
SDG8
SDG9
SDG10
SDG11
SDG12
SDG13
SDG14
SDG15
SDG16
SDG17

ITER

EUROPEAN JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF FUSION ENERGY

Programme in a nutshell

Concrete examples of achievements (*)

29 500 annual jobs were directly or indirectly created by ITER between 2007 and 2019.	EUR 6 164 million was paid to European companies involved in ITER between 2014 and 2022.	559 operational contracts were signed by the Fusion for Energy joint undertaking (F4E) between 2014 and 2023.	EUR 513 million was paid to European companies by F4E in 2023.
1st joint EU–Japan Tokamak **was inaugurated in 2023.** The JT-60SA is the biggest and most advanced tokamak fusion reactor in the world. It has been built and will be operated jointly by the EU and Japan under the Broader Approach Agreement.	100% is the target reached by Europe in fulfilling its commitment to deliver magnets for ITER. These powerful magnets can confine the super-hot plasma that will reach 150 million °C.		

(*) Key achievements in the table state which period they relate to. Many come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	**4 556.6**
NextGenerationEU	0.0
Decommitments made available again (*)	0.0
Contributions from other countries and entities	0.6
Total budget 2021-2027	**4 557.2**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The ITER-related EU action supports the construction and future operation of ITER, which will be the first experimental device to test the feasibility of fusion as a future source of energy.

CHALLENGE

ITER is being built in Saint-Paul-lès-Durance (France) to prove the scientific and technological feasibility of fusion as a future source of sustainable energy, which would be a major contribution to the EU's long-term goal of decarbonising the energy system.

The risk, costs, and long-term nature of a large research project such as ITER put it beyond the reach of individual EU Member States and call for action at the EU level and beyond. A global framework has been established among seven international partners (Euratom, China, India, Japan, South Korea, Russia, and the United States – representing more than half of the world's population) to support ITER's construction, which started in 2007. Euratom provides 45% of all components and cash contributions to ITER through its Joint Undertaking, Fusion for Energy (F4E) .

MISSION

The general objective of the ITER-related EU action in the 2021-2027 multiannual financial framework is to fully support the continuation of ITER's construction to reach the first experimental operations and to lay grounds for a successful full-power operation by 2035.

Europe's support to ITER and to other activities related to ITER, such as the 'Broader Approach' activities with Japan, contributes to the strategic agenda of the EU for clean and secure energy. ITER is stimulating the European industrial investment in new advanced technologies for the components of the facility and in advanced civil engineering for its construction.

OBJECTIVES

The EU's participation to ITER pursues five specific objectives:

– to provide sufficient performance-based funding to ITER for its operations, particularly the assembly of the installation from the components arriving from individual ITER members;
– To ensure the delivery of EU components by the Fusion for Energy (F4E) Joint Undertaking in line with the project's schedule and strategies, in particular its construction and assembly strategies;
– to offer European high-tech industries and small and medium-sized enterprises a valuable opportunity to innovate and develop 'spin-off' products for exploitation outside fusion;
– to secure continued EU leadership in the project by ensuring the timely delivery of EU components and active participation in ITER governance processes;
– to continue activities with Japan ('Broader Approach') on the satellite tokamak JT-60SA operation and on the development of a full-scale material testing facility (International Fusion Materials Irradiation Facility / DEMO Oriented Neutron Source) to ensure that all technical and scientific elements needed for the design of a fusion-based power generation device for demonstration are in place.

ACTIONS

The programme covers the EU's contribution to ITER, both in cash and in kind, for the construction of the ITER facility, which includes the procurement of equipment, installation, general, technical, and administrative support for the construction phase and participation in commissioning and operations.

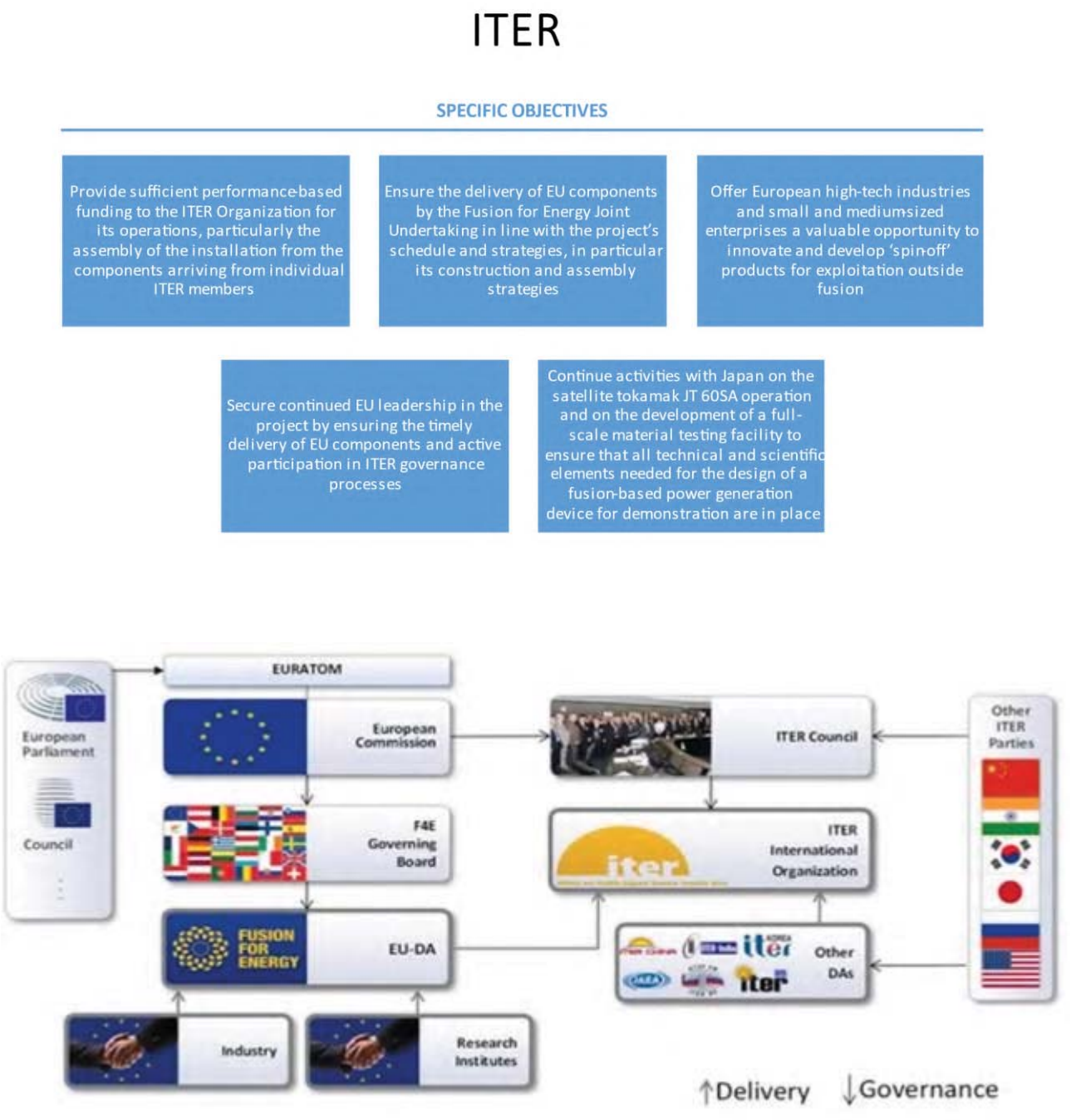
The programme also covers other ITER-related activities, such as the 'Broader Approach' activities with Japan.

These contributions are delivered through the Fusion for Energy (F4E) Joint Undertaking, the European domestic agency for ITER, located in Barcelona (Spain).

STRUCTURAL SET-UP OF THE PROGRAMME

Indirect management is entrusted to the Joint Undertaking for ITER and the Development of Fusion Energy. The lead Directorate General (DG) of the European Commission is DG Energy.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The programme is a continuation of its 2014-2020 multiannual financial framework predecessor. In line with the Commission Communication COM(2017)319 on the 'EU contribution to a reformed ITER project', that specified the resources needed for the ITER construction after 2020, the budget of the programme for the 2021-2027 period has almost doubled. The increase is related to the delays in the execution of the project, additional works required for the planned scope of the project, in particular for the erection of the project

buildings and other civil engineering construction, the complexities in the procurement of the first of the kind equipment for the fusion plant and its installation inside the machine, and the increased regulatory and nuclear safety requirements.

FURTHER INFORMATION

- Programme websites:
    - The Europa site on F4E and ITER (https://ec.europa.eu/energy/topics/technology-and-innovation/fusion-energy-and-iter_en) is a valuable source of information of the ITER project and fusion energy in general.
    - The site of the Joint Undertaking F4E (https://fusionforenergy.europa.eu/) presents the activities of the European Union's organisation (Domestic Agency) managing Europe's contribution to ITER.
    - The website of the ITER organisation (https://www.iter.org/) provides updated information on the project addressing the needs of the public, the press, scientists and the industry.
    - The EUROfusion roadmap (https://www.euro-fusion.org/eurofusion/roadmap/) forms the basis for the programmes of EUROfusion and F4E and provides a structured way forward to commercial electricity from fusion.
- Impact assessment: The *ex ante* evaluation of ITER was adopted on 7 June 2018: SWD(2018) 325.
- Relevant regulation: The legal basis is Council Decision (Euratom) 2021/281 of 22 February 2021 amending Decision 2007/198/Euratom establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it.
- Evaluations: The mid-term progress report in accordance with Article 5b of the Council Decision 2013/791/Euratom has been adopted on 21 March 2019 [13].
- Eight external studies related to ITER/fusion were conducted between 2018 and 2023. They are available at: https://energy.ec.europa.eu/studies/final-studies_en?f%5B0%5D=topics_topics%3A72).

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	864.0	710.1	549.8	436.3	480.9	852.4	663.0	4 556.6

[13] COM(2019)147 final, https://ec.europa.eu/transparency/regdoc/rep/1/2019/EN/COM-2019-147-F1-EN-MAIN-PART-1.PDF.

	2021	2022	2023	2024	2025	2026	2027	Total
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	0.0	0.0	0.0					0.0
Contributions from other countries and entities	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.6
Total	**864.6**	**710.1**	**549.8**	**436.3**	**480.9**	**852.4**	**663.0**	**4 557.2**

(*) Only Article 15(3) of the financial regulation.

Financial programming:

- EUR 1 058.1 million (-19 %)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

– The commitment profile over the 2021–2027 period, which amounted to EUR 5.179 million up to last year, has been significantly revised in 2023 to be aligned on a more actual assessment of the project needs known at this date. The original commitments for the period were based on too optimistic project progress planning defined in the 2016 baseline[14] estimates. As ITER is an industrial research project under construction, the budgetary needs have not been linear.

– After years of steady progress, challenges have contributed to slow-down the implementation of the project like Covid-19 pandemic, quality issues of some key components delivered by non EU-Members and difficulties to comply with the regulatory environment. The ITER Council asked the ITER Organisation to redefine a New Baseline. The revised baseline is expected end of 2024.

– In 2023, additional uncertainties in the project schedule and technical difficulties further reduced the ability of Fusion for Energy to place contracts as expected and this explains the reduced budget request compared to the legal basis.

– The objective of the Governing Board of F4E was to bring F4E's annual budgets closer to the expected execution levels at the end of each budgetary year and to limit the level of

([14]) A 'Baseline' refers to the inter-related elements of scope (specifications of the machine to build), schedule (timetable for construction) and projected costs.

unused appropriations at the end of the current MFF, while preserving the financing capacity of F4E on the long-term.

– Euratom has decided to return to the European budget additional EUR 400 million in 2023 and transfer to other budget lines EUR 16.9 million. This decision reduced the available budget of F4E for year 2023 to 2027 (EUR 290 million for 2023, EUR 120 million for 2024 and EUR 2.3 million for the 3 following years). This completes adjustments of EUR 435 million made previously. Additional budget decrease could be decided for the remaining years of this MFF

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	2 123.7	**4 557.2**	46.6%
Payments	691.7		15.2%

Voted budget implementation (million EUR)*:

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	864.0	864.0	262.6	263.9
2022	710.0	710.1	172.6	280.6
2023	549.8	839.8	255.0	521.2

(*) Voted appropriations (C1) only

– The ITER Organization and the domestic agencies of all ITER Parties have continued the implementation of the revised construction strategy agreed by the ITER Council.

– 89.1% of the total budget of Euratom participation funded from the EU budget has been allocated to operational lines in 2022, the remainder being allocated to support expenditure. In 2023, the corresponding percentage is 87.9%.

– In 2023, the payment budget was reduced by EUR 264 million in relation to the slowdown of the project, leading to a decrease of the amount of the Euratom cash contribution to the ITER organisation, and delays in the deliveries of some major contracts.

– The main actions funded from the EU budget in 2021 - 2023 focused on procurement activities by F4E included in the work programmes as adopted by the Governing Board of F4E. Up to now, the financial implementation of the programme has been impacted by delays in procuring the components, from all the domestic agencies of ITER Parties,

including F4E. These delays have been due to the lingering effects of COVID-19 as well as the technological complexity and first-of-a-kind nature of many components and of the assembly activities on the project site.

– Due to the global slowdown of the project at the level of the ITER Organization and F4E, the 2023 EU in-cash contribution was reduced by EUR 180 million in commitments and EUR 50 million in payments in the adopted 2023 budget compared to the draft budget submitted in May 2022.

– The work programme for 2023 (with the reduced EU contribution) was approved by the Governing Board meeting of December 2022. The three activities with the highest budget included 'Buildings and Power supplies', 'Main Vessel', and 'Heating and current drive' together with the cash contribution to the ITER Organization. These four activities represented approximatively 72% of the annual operational budget.

– The budget was amended in the course of 2023 as additional delays incurred during the year due to the quality of the components, which required repairs, and instability of designs for placing the contracts.

– Significant amendments of the 2023 budget and of the work programme have been adopted. This has led to the reduction of Euratom's contribution to operational expenditure commitment and payment appropriations, respectively EUR 290 million and EUR 264 million. To the exception of EUR 10 million in commitments transferred to another research activity, these amounts have been given back to the general budget in September.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	857.1	703.0	548.5	436.3	480.9	852.4	663.0	4 541.2	100%
Biodiversity mainstreaming									
Clean air									

– The Commission considers that 100% of the ITER-related expenditure for the 2021-2027 period contributes to the climate effort of the EU budget. The project does not, however, contribute to the biodiversity mainstreaming or the clean air budgeting priorities.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				

1				
0*				
0	864.0	710.0	549.8	2 123.8

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information

- The ITER agreement does not include any objectives or reporting in terms of gender equality because it is a project of a technical nature. However, F4E has set targets to improve gender balance internally, particularly in managerial positions. The representation of female managers has progressed from 10% to 21% between 2018 and 2023.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution					

The ITER agreement does not include any objectives or reporting in terms of the digital transition.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Percentage of completion of the obligations of all partners to the construction of ITER	48.81%	20%	100% in 2029	59.02%	Deserves attention

Percentage of completion of the EU obligations to the construction of ITER	43.20%	19%	100% in 2029	53.83%	Deserves attention

(*) % of target achieved by the end of 2023.

– In 2023, the ITER project reported some noticeable progress. As a major achievement of the year, F4E delivered to ITER all the magnets that Europe had committed to deliver. These powerful magnets, which will confine the super-hot plasma (150 million °C), are the most complex magnets to date. This achievement results from 15 years of work and required the coordination of at least 40 companies by F4E. This programme is now in its closing phase.

– F4E also succeeded in completing the construction of the main building works in 2023.

– As at the end of December 2023, 24% of all ITER plants had been installed. The manufacturing of the main components progressed, but further delays have been reported in the manufacturing and pre-assembly of vacuum vessel sectors and the design and procurement of electron cyclotron heating components. Solutions have been elaborated to speed up the delivery of these components and limit their cost overruns. In particular, Euratom has actively promoted a better integration of the ITER Organization and F4E activities to develop synergies and common working methods as far as the design of the main comments and timelines are concerned.

– Work towards achieving first plasma continues to advance, but it has become clear that the milestone of reaching it by 2025 can no longer be achieved. Both the completion of ITER's construction and Euratom's in-kind contribution were below their 2023 targets. Various steps of the project have been rescheduled to establish a more realistic planning. The baseline revision exercise has been accordingly started by the ITER Organization, which is expected to present an initial revised baseline in June 2024. The new baseline will have to be approved by the ITER Council and will serve as a basis for the Commission to establish the programme budgetary needs for the next multiannual financial framework.

– Due to its international nature, whereby Russia is one of the project partners, the ITER project is also impacted by the Russian war of aggression against Ukraine. In particular, some parts and tools that were destined to Russia for manufacturing the components have had difficulties in entering Russia, due to the sanctions imposed by the EU (while civil nuclear equipment is exempt from the sanctions, it takes time to obtain clearance from national authorities) and due to the unwillingness and refusal of the Member States to trade with Russia. However, many key components were already delivered to the project site or are in Europe, and the missing components are not on the project critical path.

– ITER is an international organisation and the ITER International Agreement does not foresee the possibility of excluding or suspending the participation of any member. Nevertheless, the EU continued to chair the ITER Council as of 1 January 2024, even if it was Russia's turn.

– In December 2023, the JT-60SA reactor was inaugurated. It was built and will be operated jointly by the EU and Japan under the Broader Approach Agreement, and is the biggest and most advanced tokamak fusion reactor in the world. It has been active since December 2023 and its exploitation will be instrumental for ITER.

– Fusion can be a clean and virtually limitless energy source. Nowadays, the general potential of fusion is more widely recognised thanks to the strong advance of fusion science in recent years. ITER will be the world's biggest and most intensive fusion research project

when it is constructed. There are more than a dozen additional fusion research initiatives underway (e.g. a collaboration between the Massachusetts Institute of Technology and the Commonwealth Fusion Systems start-up, and other initiatives in Canada, the United Kingdom and the United States). The fusion foresight study carried out by DG Energy ([15]) mapped all the initiatives and drew scenarios for future fusion development. In all scenarios the ITER experiment is central for further fusion research and initiatives.

– The EU's funding of ITER is an investment in a more sustainable, climate-friendly society. The preamble of the ITER agreement emphasises the long-term potential of fusion energy as a virtually limitless, environmentally acceptable and economically competitive source of energy. The European Commission considers ITER expenditure as 100% relevant to the achievement of the 30% climate spending target of the 2021-2027 multiannual financial framework. The climate contribution from the 2023 commitments was EUR 543.0 million.

– F4E is also acting as an innovation facilitator to support the industry, mainly small and medium-sized enterprises. Success stories of companies that have increased their competitiveness thanks to the commercial use of F4E's technology package are published on its marketplace of technologies ([16]). To achieve new success stories each year, F4E is actively doing the following.

    - **Promoting a portfolio of technologies.** A total of 33 technology packages are currently being offered ([17]) for use in non-fusion markets. F4E's network of brokers is supporting its industrial partners, mainly small and medium-sized enterprises, to present business-oriented sales pitches of the technologies at events organised or attended by F4E (the F4E Technology Transfer Day, the Big Science Business Forum, a series of brokerage webinars, Hannover Messe, Automatica).
    - **Funding projects to bring the technologies to the market.** In 2023, F4E launched the third edition of the Technology Transfer Award and the second edition of the 'Demonstrator' project. F4E is rewarding the commercial use of technologies and is funding the gap between the technology readiness level in the ITER project and the readiness level of the technology needed for its use in the market.
    - **Promoting a marketplace of technologies.** This is an opportunity for small and medium-sized enterprises to showcase the new skills they have acquired thanks to their participation in the ITER project.

([15]) Foresight study on the worldwide developments in advancing fusion energy, including the small-scale private initiatives, available at: https://op.europa.eu/s/x03h.

([16]) https://techtransfer.f4e.europa.eu/index.php/success-stories-nouvelle-version/.

([17]) https://techtransfer.f4e.europa.eu/index.php/join-the-fusion-tech/.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	-	
SDG2	-	
SDG3	-	
SDG4	-	
SDG5	-	
SDG6	-	
SDG7	Yes	ITER is a key project for developing fusion energy, which has the potential to provide a virtually limitless source of clean energy
SDG8	Yes	A big number of direct and indirect jobs are created through ITER. The project supports the development of a skilled workforce.
SDG9	Yes	ITER falls under the category of Research and Innovation, both of which underpin the implementation of SDG9. Furthermore, ITER involves a significant investment in innovation and infrastructure development.
SDG10	-	
SDG11	-	
SDG12	-	
SDG13	Yes	ITER contributes to a clean energy transition while boosting jobs and growth in the area of energy and climate.
SDG14	-	
SDG15	-	
SDG16	-	

SDG17	Yes	ITER is an example of a global partnership involving seven international partners (Euratom, China, India, Japan, South Korea, Russia, and the United States) representing more than half of the world’s population.

INVESTEU

INVESTEU PROGRAMME

Programme in a nutshell

Concrete examples of achievements

EUR 42.9 billion for InvestEU operations was approved by implementing partners (of which EUR 19.2 billion signed) between 2022 and 2023.	**2.9 million** jobs were created and supported between 2022 and 2023.	**3.5 million** additional households and public or commercial premises have improved their energy consumption through investments in energy generation between 2022 and 2023.	**EUR 59.8 million** was invested by the programme to support water resources between 2022 and 2023.
1.4 million additional households, enterprises or public facilities obtained access to high-speed internet between 2022 and 2023.	**2.9 million** people were covered by improved healthcare infrastructure between 2022 and 2023.	**844** new engagements for advisory support to public and private counterparts were carried out via the InvestEU Advisory Hub between 2022 and 2023.	**902** new investment project proposals were published on the InvestEU Portal between 2021 and 2023.

Budget for 2021-2027

(million EUR)

Financial programming(*)	3 820.5
NextGenerationEU	6 074.0
Decommitments made available again (**)	N/A

Contributions from other countries and entities (***)	294.4
Total budget 2021-2027	**10 188.9**
Complementary budget (****)	**2 470.6**
Common provisioning fund – blending operations	1 391.0
Common provisioning fund – Member State compartments	970.2
Advisory Hub – top-up from other programmes	109.4

(*) Amounts stemming from the Cohesion contributions for MS compartment and reflows from predecessor legacy instruments included.

(**) Only Article 15(3) of the financial regulation.

(***) Amount stemming from EFTA and Member State contributions for the 2021-2023 period.

(****) The following amounts are not included in the total budget of InvestEU above. They represent amounts delegated from other programmes for blending operations for 2021-2027 and Member States compartments from signed agreements for the 2024-2027 period.

Rationale and design of the programme

The InvestEU programme aims to ensure an additional boost to investments fostering recovery, resilience, green growth and employment in the EU over the 2021-2027 period. This goal is achieved by mobilising public and private financing sources, in order to provide long-term funding and support to companies and projects in line with the EU priorities in the current challenging economic and social context.

Furthermore, InvestEU will be an important vehicle to implement the REPowerEU Plan as well as the Green Deal Industrial Plan, aiming to accelerate clean tech and industrial innovation to reach the EU's 2030 clean energy targets.

CHALLENGE

The unprecedented domestic and global challenges that the world is currently facing have a significant impact on the EU economy. In order to pave the way to sustained and inclusive growth – while raising our global competitiveness, enhancing socioeconomic convergence and the cohesion of the EU, and advancing the digital and green transitions – the EU needs increased investment, including in innovation, digitisation, the efficient use of resources and upgrading of skills and infrastructure. This, in turn, requires expanding the supply and diversifying the sources of external funding for EU businesses.

The EU intervention can add value by addressing market failures or sub-optimal investment situations (e.g. when, because of its public good nature, the full benefits of given investments cannot be captured by private agents, or the investment produces additional advantages beyond those flowing to the investing company or operator). The EU intervention can also help to reduce the investment gap in targeted sectors (e.g. in investments with a significant cross-border dimension or in sectors, countries, or regions where risk exceeds levels that private financial actors are able or willing to accept). Finally, an EU-level intervention can

ensure that a critical mass of resources can be leveraged to maximise the impact of investment on the ground.

By supporting projects that provide EU added value, InvestEU is complementary to Member State investments. In addition, InvestEU provides for economies of scale in the use of innovative financial products by catalysing private investment across the EU.

MISSION

The mission of InvestEU is to support the EU's policy objectives through financing and investment operations that contribute to:

– competitiveness, including research, innovation and digitisation;

– employment and growth, its sustainability and its environmental and climate dimension contributing to the achievement of the United Nations sustainable development goals, the objectives of the Paris climate agreement and the creation of high-quality jobs;

– social resilience, inclusiveness and innovation;

– the promotion of scientific and technological advances in culture, education and training;

– the integration of the EU's capital markets and the strengthening of the single market, including solutions addressing capital market fragmentation, diversifying sources of financing for EU enterprises and promoting sustainable finance;

– the promotion of economic, social and territorial cohesion;

– a sustainable and inclusive recovery after the crisis caused by the COVID-19 pandemic, upholding and strengthening the EU's strategic value chains and maintaining and reinforcing activities of strategic importance to the EU;

- achieving the EU policy objectives in areas included in the REPowerEU and Green Deal industrial plan.

OBJECTIVES

InvestEU has the following specific objectives:

1. supporting financing and investment operations related to sustainable infrastructure;

2. supporting financing and investment operations related to research, innovation and digitisation;

3. increasing access to and the availability of finance for small and medium-sized enterprises (SMEs) and for small mid-cap companies and enhancing their global competitiveness;

4. increasing access to and the availability of microfinance and finance for social enterprises, to support financing and investment operations related to social investment, competences and skills, and to develop and consolidate social investment markets.

ACTIONS

The InvestEU Fund provides EU guarantees to support eligible financing and investment operations carried out by the implementing partners. In addition, through the InvestEU Advisory Hub, InvestEU provides advisory support for the development of viable projects, access to financing and related capacity-building

assistance. Moreover, the InvestEU Portal increases the visibility of investment projects to a large network of investors worldwide.

STRUCTURAL SET-UP OF THE PROGRAMME

InvestEU is implemented in indirect management through the European Investment Bank (EIB) Group and other implementing and advisory partners. DG Economic and Financial Affairs is in the lead for the Commission. The programme is bringing together under one roof the multitude of EU financial instruments, budgetary guarantees and advisory services available to support investment in the EU. By providing a budgetary guarantee, InvestEU aims to make EU funding for investment projects in Europe simpler, more efficient and more flexible.

The InvestEU programme consists of:

– the InvestEU Fund, the successor of the European Fund for Strategic Investments (EFSI) and other 13 centrally-managed financial instruments. It operates through four policy windows that address market failures or sub-optimal investment situations within their specific scope;
– the InvestEU Advisory Hub, the successor of the European Investment Advisory Hub (EIAH) and other 12 centrally-managed advisory programmes/initiatives; and
– the InvestEU Portal, the successor of the European Investment Project Portal (EIPP).

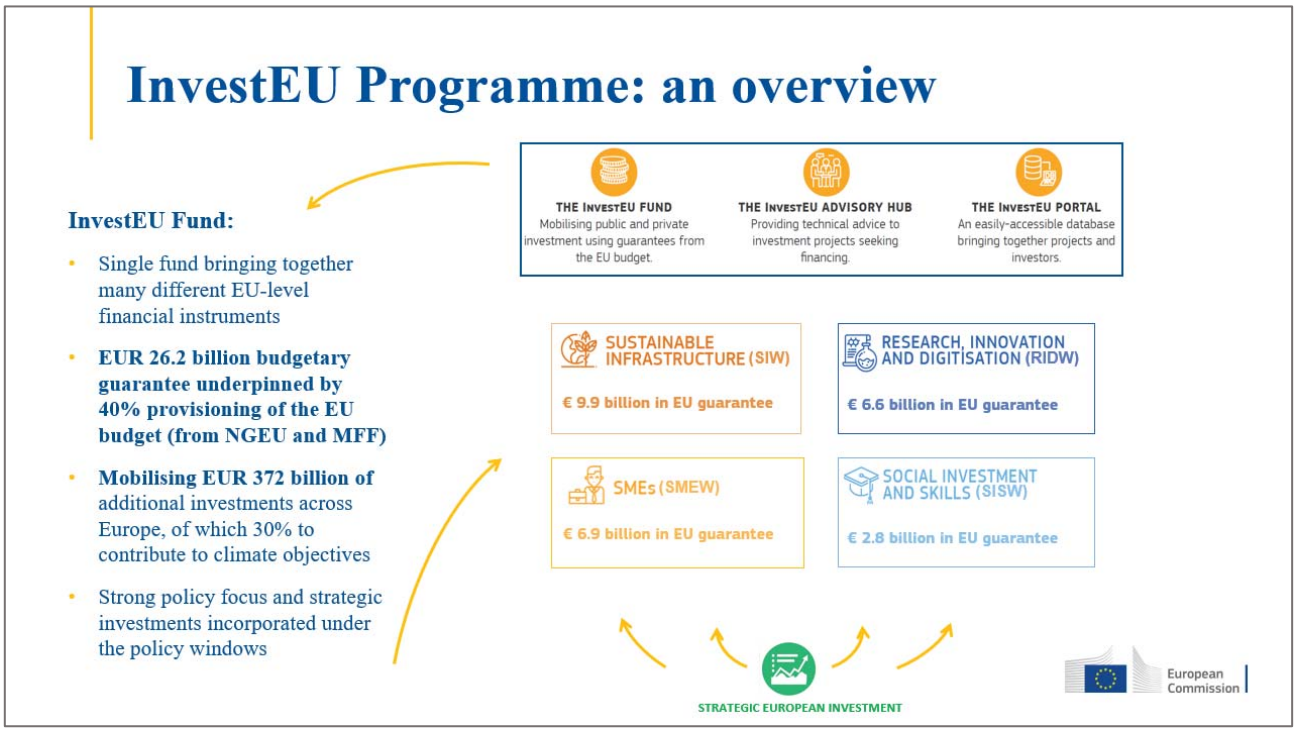
The InvestEU programme, including the InvestEU Fund, is a demand-driven instrument, responding to the investment and finance needs of public and private market participants. Finance supported by the InvestEU Fund should support financing and investment operations with a higher risk profile that require risk-sharing through the EU budget, in order to unlock additional private and public finance. The programme aims at contributing to the necessary conditions for the competitiveness of the EU economy and industry (in accordance with Article 173 of the Treaty on the Functioning of the European Union). This is done by providing financial products designed to address EU-wide and Member State specific market failures and suboptimal investment situations, which cannot be sufficiently achieved by the Member States, but can rather be better realised at EU level.

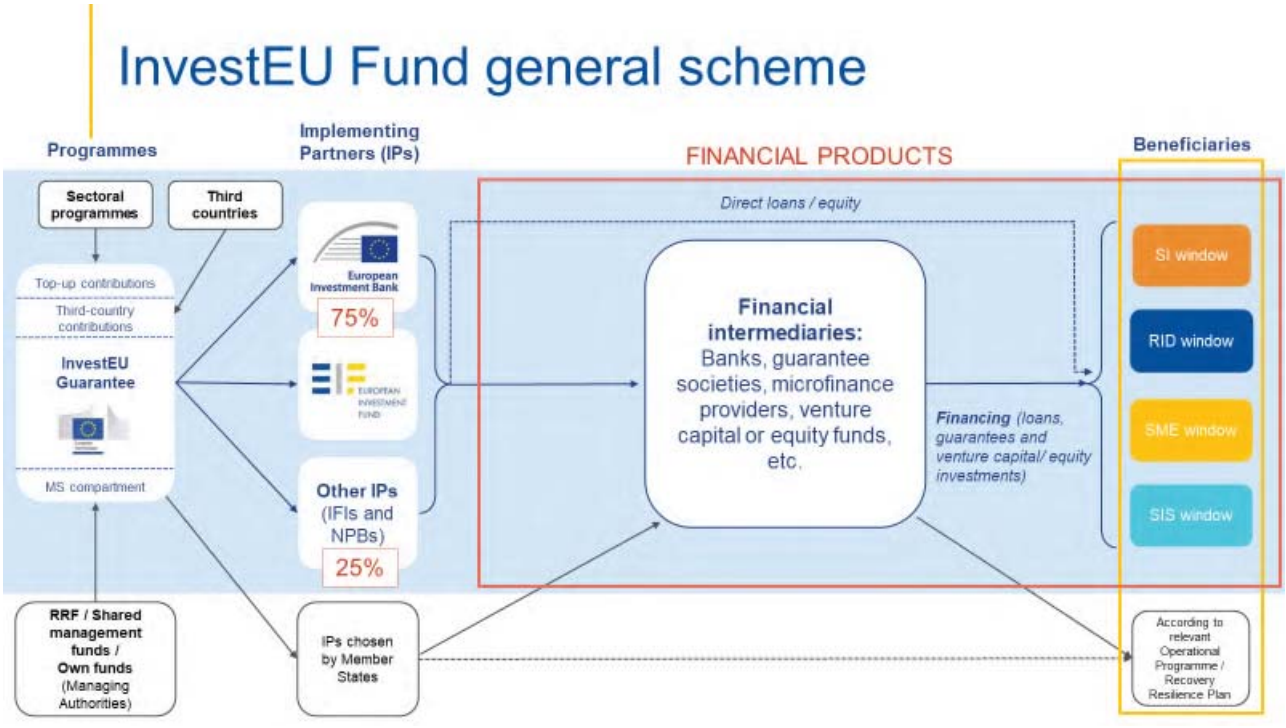
In the context of the InvestEU programme, the Commission may implement blending operations (referred to in Article 6 of the InvestEU regulation) supported by different EU programmes and funds.

In accordance with Article 10 of the InvestEU regulation, Member States can also contribute on a voluntary basis to the InvestEU Member State compartment with Recovery and Resilience Facility funds, structural and cohesion funds as well as Member State own contributions.

The provisioning amounts for the InvestEU Fund are gradually allocated to the InvestEU specific compartments of the Common Provisioning Fund (CPF) referred to in Article 212 of the Financial Regulation. The CPF constitutes a liquidity cushion from which calls on the EU guarantee are to be paid. The resources of the CPF are directly managed by the Commission. For the receipt of the relevant amounts needed for the provisioning of the EU guarantee implemented under the blending operations and also for the ones related to the InvestEU Member State compartments, separate compartments were added under the InvestEU programme in the CPF.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP





LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The InvestEU programme is the successor of the Investment Plan for Europe. It consolidates nearly 30 financial instruments, budgetary guarantees and advisory initiatives deployed under the

2014-2020 multiannual financial framework in various policy areas, in particular in infrastructure, research and innovation, SMEs and social policy.

FURTHER INFORMATION

– Programme website: https://investeu.europa.eu/index_en.

– Impact assessment: the impact assessment accompanying the proposal for a regulation of the European Parliament and of the Council establishing the InvestEU can be consulted through this link.

– Relevant regulation: Regulation (EU) No 2021/523 of the European Parliament and of the Council.

Evaluations[18]: Ex-post evaluation of the European Fund for Strategic Investments (EFSI), the European Investment Advisory Hub (EIAH) and the European Investment Project Portal (EIPP) (europa.eu) concluded in December 2022. Last evaluation of the ELENA Facility was concluded in June 2019. Since 2022, ELENA Facility is integrated in the InvestEU Advisory Hub.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	692.8	1 430.2	504.5	363.6	394.4	215.8	219.2	3 820.5.
NextGenerationEU	1 745.5	1 852.4	2 474.1	0.5	0.5	0.5	0.5	6 074.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.8	35.9	257.7	-	-	-	-	294.4
Total	**2 439.2**	**3 318.5**	**3 236.3**	**364.1**	**394.9**	**216.3**	**219.7**	**10 188.9**

(*) Only Article 15(3) of the financial regulation.

[18] The evaluation report on the InvestEU Programme is on-going and shall be submitted by 30 September 2024 to the European Parliament and to the Council.



Financial programming:

+ EUR 380.1 million (+12%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

– Compared to the reference amount from the legal basis (EUR 3 067.71 million), the InvestEU appropriations include the amounts for 2021 and 2023 stemming from (i) the Cohesion and other additional Member State contributions to the InvestEU Fund under the Member State compartments and to the InvestEU Advisory Hub, (ii) the EFTA contributions as well as (iii) the assigned revenues (reflows) from the predecessor legacy instruments for the InvestEU Fund. In addition, InvestEU contributed about EUR 372 million for the European Investment Fund (EIF) capital increase, in 2021, as planned under the InvestEU regulation.
– The frontloading of the financial programming of the InvestEU programme is mainly related to the strict deadlines applicable to the Next Generation EU (NGEU) funds, under which implementing partners need to approve financing and investment operations corresponding to 60% of the NGEU budget by the end of 2022 and to 100% of the NGEU budget by the end of 2023. Also, overall considering the narrow ceilings over the whole multiannual financial framework period, it was necessary to start building up the provisioning in the first 3 years to spread this over the whole period while respecting the annual ceilings of the multiannual financial framework.
– On top of the 7 guarantee agreements signed with implementing partners in 2022 amounting to EUR 21 billion, the Commission has signed guarantee agreements under EU Compartment with seven new implementing partners in 2023 for a total guarantee amount of more than EUR 1.9 billion. Moreover, eight amendments of guarantee agreements were signed with existing implementing partners in 2023.
– An amount of EUR 257.7 million were transferred to InvestEU in 2023 including: (i) EUR 201 million under the InvestEU Guarantee – Greece, Finland, Bulgaria, Malta and Romania compartments of the CPF, (ii) EUR 2.93 million under the InvestEU Advisory Hub as external assigned revenues from Greece for the Member State compartment, and (iii) EUR 53.77 million in commitment appropriations from the EFTA countries (Norway and Iceland) for the InvestEU Fund, the Portal and ancillary measures and the support expenditure budget.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	8 870.4	10 188.9	87.1%
Payments	3 553.9		34.9%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	692.8	653.6	114.1	107.0
2022	1 430.2	1 196.6	209.4	72.8
2023	504.5	340.7	224.8	113.8

(*) Voted appropriations (C1) only.

– The regulation establishing the InvestEU programme was adopted on 24 March 2021.

– Under the InvestEU Fund, the EU provides funding support through an EU budgetary guarantee of EUR 26.2 billion covering potential losses to the implementation partners.

– The budgetary guarantee is underpinned by an EU budget of EUR 10.46 billion, applying a guarantee provisioning rate of 40%. Starting with 2023, the complementary contributions received from two EFTA countries (Norway and Iceland) increased the EU guarantee and the provisioning for the InvestEU Fund. These contributions are part of the EU compartment of the Common Provisioning Fund (CPF).

– In total, as of end-2023, 90% of the EUR 26.2 billion EU Guarantee has already been signed with Implementing Partners through Guarantee Agreements. The guarantee agreement with the EIB and the EIF (representing a 75% share of the EU budget guarantee, i.e. EUR 19.6 billion) was signed in March 2022. In total 12 guarantee agreements with other implementing partners under the EU-compartment were signed as of end-2023 (under which EUR 3,61 billion of EU Guarantee was allocated). In 2023, guarantee agreements were signed with: Instituto de Crédito Oficial (ICO, Spain) Cassa Depositi e Prestiti CDP SpA (Italy), Bpifrance (France), Bank Gospodarstwa Krajowego (BGK, Poland), Invest-NL (Netherlands), Garantiqa (Hungary) and PMV (Belgium) as well as several amendments to the already existing guarantee agreements. Two more guarantee agreements were signed under the MS-compartment in 2023 with the Bulgarian Development Bank (BDB) and Národní rozvojová banka (NRB) under which EUR 205 million were made available to guarantee InvestEU operations.

– As of end-2023, the volume of approved operations by Implementing partners was EUR 42.9 billion corresponding to 600 InvestEU operations[19]. The volume of operations signed amounted to EUR 19.2 billion, of which EUR 7.6 billion corresponding to the EU guarantee.

([19]) This also includes sub-projects of framework operations approved by the Investment Committee.

– In 2023 the EUR 2.96 billion commitments included the provisioning of the Common Provisioning Fund under the EU compartment, from which future calls on the EU guarantee are to be paid. This amount includes EUR 339.7 million from the EU general budget, EUR 2.42 billion from Next Generation EU and EUR 147.9 million internal assigned revenue from predecessor financial instruments and the InvestEU Fund. Furthermore, EUR 53.6 million was committed as external assigned revenues from the EFTA contribution to the InvestEU Fund, in particular EUR 50.6 million from Norway's contribution and EUR 3 million from Iceland's contribution.
– In 2023, EUR 249.4 million commitments were carried out under the blending operations that combine InvestEU support with support provided under other EU programmes (including Digital Europe Programme, European Space Programme, European Maritime Fisheries and Aquaculture Fund, Creative Europe Programme, EU4Health Programme and European Defence Fund), allocated to the EIB and the EIF for top-up operations. In addition, EUR 50 million were allocated from Horizon Europe to the EIB for non-repayable transactions under the 'green premium agreement'.
– Negotiations with several Member States concerning contributions to the Member State compartment of InvestEU were also successfully concluded in 2022 and 2023. Six contribution agreements were signed with Romania, Bulgaria, Greece, Czechia, Finland and Malta. For the receipt of the relevant amounts needed for the provisioning of the EU guarantee implemented under the InvestEU Member State compartment, in 2022 and 2023 CPF compartments for were also set up for the six Member States. The Member State compartment was included in the Guarantee Agreements signed with EBRD and EIF. Moreover, separate Guarantee Agreements were signed in 2023 with BDB (Bulgaria) and NRB (Czechia) to implement Financial Products under the Member State Compartment.
– Under the InvestEU Guarantee (Member State compartments of the CPF), EUR 201 million was transferred as external assigned revenue from five Member States (Romania, Greece, Finland, Bulgaria and Malta), according to the schedules laid down in the signed contribution agreements. Also, as set out in the adopted partnership agreements and signed contribution agreements, the following appropriations were transferred in 2023 as contributions to the InvestEU Fund: EUR 15.8 million from the European Regional Development Fund for two Member States (Czechia and Malta).
– In 2023, the following commitments (including resources from Next Generation EU) were made: EUR 53.4 million for the InvestEU Advisory Hub, the InvestEU Portal and accompanying measures, and EUR 1.7 million for support expenditure. In addition, under the advisory agreement with the EIB, funds from several EU programmes were committed for a total envelope of EUR 35.4 million.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope

Climate mainstreaming	733.0	985.7	898.4	116.8	115.8	119.9	195.0	3 164.5	33%
Biodiversity mainstreaming (*)			5.9					5.9	0%
Clean air (*)	0.0	83.0	539.1					622.1	6%

(*) The InvestEU contribution to clean air and biodiversity is estimated by dividing the financing amounts supporting clean air and biodiversity by the InvestEU leverage and taking into account the InvestEU provisioning rate.

– InvestEU places significant emphasis on investments that have a positive impact on the climate and the environment. The programme aims to allocate 30% of its overall financial envelope to climate objectives, while 60% of investments from the sustainable infrastructure window will support the EU objectives on climate and the environment. These targets provide strong incentives for financial institutions to develop financial products, in line with the climate ambition of the programme.

– Overall, InvestEU is expected to help mobilise more than EUR 110 billion to meet EU climate goals. For example, at present, the European Investment Bank is already deploying a dedicated 'green transition product'. The Nordic Investment Bank will provide loan financing to several renewable energy projects (notably wind power) in the Nordic and Baltic countries.

– To guide the implementation of the InvestEU financial products, the Commission has published sustainability proofing guidance ([20]) and climate- and environment-tracking guidance ([21]). Investments above EUR 10 million will be subject to sustainability proofing to identify, assess and mitigate climate, environmental or social risks. All InvestEU-supported investment will be tracked in terms of environmental and climate impact against the methodology issued by the Commission. Both guidance documents integrate, where possible, the EU taxonomy framework. InvestEU implementing partners have a choice to track the achievement of the climate and environmental targets under the sustainable infrastructure window using the EU-taxonomy-aligned criteria or the InvestEU climate and environmental markers. As of 31 December 2023, 36% of the aggregate InvestEU signed financing was tracked using EU-taxonomy-aligned criteria for the purpose of the determination of the climate and environmental objectives ([22]). The EU-taxonomy-compliant financing for the implementing partners who use the EU-taxonomy-aligned criteria amounts to 80% of their volume of signed InvestEU operations.

– For the purpose of clean air tracking, InvestEU assigns a 40% coefficient to the amounts reported on climate mitigation and pollution interventions, which amounts to EUR 8 554.72 million of signed InvestEU financing supporting these specific objectives. Therefore, the estimated EU contribution to clean air stands at EUR 539.14 million.

– The reported investment on biodiversity (amounting to EUR 37.6 million) results in an estimated EU contribution of EUR 5.92 million.

– In addition to these ambitious climate targets, the InvestEU Fund set up a dedicated scheme to generate additional investment for the benefit of just transition territories – those territories that will be the most affected by the socioeconomic consequences of the green transition – as a

([20]) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021XC0713(02).

([21]) https://investeu.europa.eu/system/files/2022-06/InvestEU%20C%26E%20T%20C_2021_3316_Main%20%26%20Annexes_EN.pdf.

([22]) InvestEU implementation is currently in a ramp-up phase, and the InvestEU climate and environmental targets apply at the end of the signature period. Any results are therefore preliminary indications of the progress made so far.

complement to the Just Transition Fund and the public sector loan facility. The investments supporting just transition backed by InvestEU amount to EUR 1.5 billion as of the end of 2023.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				
1				
0*	692.8	1 430.2	504.5	2 627.5
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

– In 2023, the InvestEU programme as a whole obtained a score of 0*.

– Specific parts of the programme could have received a higher score based on their contribution to gender equality, however the EU budget allocated to these initiatives is not available. These initiatives include the following.

  • The gender smart advisory initiative, which aims to provide tailored advice and capacity-building to improve access to financing for female-founded and female-led companies. Its key objectives include increasing female representation in the investment community (notably by identifying barriers, strengthening women's capacity, challenging unconscious biases, etc.), and increasing awareness of the funding gap and of missed opportunities. This will be achieved through the organisation of workshops or networking events and through collaboration with existing initiatives of the Commission, the European Investment Bank Group or the wider entrepreneurship and investment community.

  • European Investment Fund equity financing, where gender smart financing is one of the horizontal topics implemented across the different thematic policy areas supported by the fund's equity products:

    - the infrastructure and climate funds product of the sustainable infrastructure window / social investment and skills window;
    - the intermediated equity product of the joint 'Small and medium-sized enterprises / research, innovation and digitalisation' window;
    - the social impact equity product of the social investment and skills window.

    The Commission and the European Investment Fund defined gender criteria with respect to equity intermediaries, focusing on leadership aspects captured at different levels. If an intermediary complies with these criteria, InvestEU can finance up to 50% of the total commitments of the fund (as opposed to 25%).

In addition, the indicative goal of the joint ‘Small and medium-sized enterprises / research, innovation and digitalisation’ window intermediated equity product (under which the European Investment Fund is expected to build a portfolio of investments of around EUR 5.5 billion) is for 25% of all its intermediaries to follow InvestEU’s leadership gender criteria, including (1) a management team composed of at least one third of female partners, (2) 40% female representation in the senior investment team, and (3) at least 40% female representation in the investment committee.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution (*)	0.0	37.6	185.3	222.9	3%

(*) The digital contribution of InvestEU is estimated by dividing the mobilised amount of investment supporting digitalisation by the overall InvestEU multiplier (i.e., the ratio between expected investment mobilised and the total amount of the EU guarantee under InvestEU) and by multiplying the result by the average InvestEU provisioning rate of 40%.

– As of the end of 2023, InvestEU had mobilised EUR 6.58 billion worth of operations supporting digitalisation.
– The EUR 3.64 billion allocated to the ‘Innovation and digitalisation guarantee’ financial product of the SMEs window will support innovation- and digitalisation-driven SMEs and small mid-caps. The EU guarantee will support, among other things, innovative business models, supply chain management, the acquisition of digital skills and support to service providers that enable and support companies in the digitalisation of value chains, as long as these service providers focus predominantly on the provision and adoption of digital products and services.
– Moreover, the joint ‘Small and medium-sized enterprises / research, innovation and digitalisation’ window equity product to be implemented by the European Investment Fund includes a sub-product that supports investments fostering the development of digital, cultural and creative industry solutions.
– Almost all financial products of implementing partners supported by the InvestEU Fund address several policy goals allowing for synergies between them. Implementing partners notably provide finance for investments that target research and climate action, social infrastructure and energy efficiency, SMEs and research/ innovation or infrastructure and digitalisation. Gender equality is applied as a horizontal priority throughout the intermediated equity products, combined for example with climate or social infrastructure goals of investment funds.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment

Investment mobilised	0	**58%**	EUR 372 billion in 2027	EUR 217 billion compared to a target of EUR 372 billion	On track
Multiplier effect achieved	0	**> 100%**	14.2 in 2027	14.8 compared to a target of 14.2	On track
Investment supporting climate objectives (based on volume of signed operations)	0	**> 100%**	30% in 2027	53% compared to a target of 30%	On track
Number of households and public and commercial premises with an improved energy consumption classification	N/A	**N/A**	N/A	3.5 million	N/A
Additional households, enterprises or public buildings with broadband access of at least 100 megabits per second upgradeable to gigabit speed, or the number of Wi-Fi hotspots created	0	**N/A**	N/A	1.4 million	N/A
Number of enterprises supported under the SME policy window	0	**N/A**	N/A	5 997	N/A
Number of engagements of the InvestEU Advisory Hub	0	**N/A**	N/A	844	N/A
Number of projects published on the InvestEU Portal	0	**47%**	1 000 in 2027	463 compared to a target of 1 000	On track

(*) % of target achieved by the end of 2023.

– The performance of the InvestEU programme must be measured against the fact that the InvestEU regulation was adopted with some delay in March 2021. Based on this and due to other circumstances, most of the guarantee agreements with implementing partners under the InvestEU Fund were only signed in late 2022 and during 2023. Therefore, financing for

investments supported by the EU guarantee has progressed, but the impact of supported investments and their concrete contribution to InvestEU objectives, as captured by the key performance indicators, will only be visible at a later stage.

– Implementing partners other than the European Investment Bank Group have been selected through a public call for expression of interest, followed by negotiations of individual guarantee agreements. Opening up the InvestEU programme to other implementing partners than the European Investment Bank Group widens the geographical coverage of the InvestEU programme, expands the pipeline of projects seeking financing and diversifies the risk at both the portfolio and the programme levels.

– In 2023, the Investment Committee of the InvestEU Fund held 12 operational meetings, approving an EU guarantee amount of EUR 9.7 billion for 120 operations (including framework operations) coming from all the implementing partners, with a majority from the European Investment Bank Group. Furthermore, in 2023 10 operations under the InvestEU Member State compartment were approved (from Bulgaria, Greece, Romania and Finland).

– By the end of 2023, the InvestEU programme had enabled the implementing partners to approve EUR 42.9 billion for investment operations (including framework operations), of which EUR 19.2 billion have already been signed. Financing provided by the InvestEU implementing partners included investments in key policy areas of the InvestEU programme under all four policy windows, supporting financing for renewable energy, research, development and innovation, and production of low-carbon technologies, support for SMEs as well as social infrastructure and social impact investments. Those investments financed with InvestEU support directly contribute to the EU's policy objectives in the area of low-carbon energy, energy security and accelerating the green transition, thus helping to reach the policy goals stipulated in the repowerEU plan.

– In addition to the climate-related results of the InvestEU programme (i.e. a 53.47% InvestEU contribution to climate objectives as of the end of 2023 based on the volume of signed operations), the implementing partners will also report on the estimated reduction of greenhouse gas emissions and energy savings. At the end of 2023, implementing partners estimated that the operations funded with the support of InvestEU will avoid 20.8 million tonnes of carbon dioxide emissions, while generating an estimated 230.7 million kilowatt-hours of energy savings ([23]). An illustrative example of a climate related project supported under InvestEU which contributes to the reduction of greenhouse gas emissions is ‘H2Battery’, which focused on a technology that provides a fully flexible, efficient and scalable integrated battery and electrolyser solution.

– As part of the planned roll-out of InvestEU, a number of financial products established under InvestEU would allow specific support for investments in the digital transition. At the end of 2023, an estimated EUR 6.58 billion of investment had been mobilised to support digitalisation. Projects include network expansion to provide fibre connectivity, like ‘Odyssey Network Expansion’ in Ireland and ‘Fibre Optic Network Expansion Poland’, along with investments in funds targeting the digital economy or financing schemes to support medium-sized enterprises and small mid-caps to help with their digital and environmental changeover.

– Measures have been taken to accelerate the financing of investments by implementing partners. These include the ‘warehousing’ of eligible financing and investment operations signed by the European Investment Bank Group and other implementing partners before the signature of the guarantee agreement, along with the use of framework operations for projects that have similar characteristics.

([23]) Implementing partners will report on the actual realised results over time, when the related projects are completed and the financing is repaid.

– The Commission supports the implementation of InvestEU through a number of communication activities, particularly those shown below.
    - Press releases, memos and replies to journalists.
    - Social media posts and the dedicated InvestEU website (https://investeu.europa.eu/index_en).
    - InvestEU 'roadshow' events organised virtually and/or physically in each Member State, in collaboration with the European Investment Bank Group and other implementing partners. There were 23 roadshow events in 2022 and another nine in 2023, and these events also included Iceland and Norway.
    - The first InvestEU success story video was produced in 2023, covering case studies from the fund and the advisory hub across different sectors and Member States.
    - A bi-monthly InvestEU newsletter has been circulated since 2023, informing readers about newly approved and signed projects, programme implementation updates and InvestEU-related events.
– A dedicated high-level event, 'InvestEU: Financing Europe's Future', took place on 23 January 2024 in Brussels, Belgium. After the launch of the InvestEU programme in March 2021, the event in January 2024 showcased the first achievements and early impacts of the programme, based on feedback from implementing partners, beneficiaries and stakeholder organisations.
– Concerning the InvestEU Advisory Hub, the advisory agreement with the European Investment Bank was signed in March 2022. Advisory agreements with Cassa Depositi e Prestiti (Italian National Promotional Institution), Bpifrance and the Caisse des Depôts et Consignations (France) were signed between July and November 2022. Additional agreements with the Council of Europe Development Bank and the European Bank for Reconstruction and Development were signed in early 2023. Also in 2023, the hub dealt with more than 1 300 requests coming directly from the central entry point for advisory requests or sourced by the advisory partners themselves. More than 800 of them have already been turned into ongoing or completed advisory assignments.
– The InvestEU Portal website was launched in April 2021. In 2023, 643 new projects were received, out of which 468 projects were published. By the end of 2023, the portal had provided access to 1 518 investment opportunities and more than 140 projects had received financing after being published on the portal. The portal co-organised two major events with the European Business Angels Network, which brought together more than 600 business leaders, early-stage investors, business angels, venture capitalists, entrepreneurs, accelerators, seed funds and start-ups. In addition, four virtual e-pitching events were held in cooperation with EuroQuity on the following subjects: digital economy and technologies, climate technology solutions, women entrepreneurs in health technology and the circular economy, energy and sustainable solutions. Communication efforts and promotional activities are ongoing to improve the visibility of the portal, such as the participation and co-organisation of matchmaking events and other campaigns.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	Y	The InvestEU programme supports the economic progress through micro-entrepreneurship that contribute to alleviating the poverty. Moreover, 3167 social or affordable housing units were built or renovated through InvestEU support since the start of the implementation of the programme in 2022.
SDG2		
SDG3	Y	InvestEU aims to contribute to better healthcare through investments in rehabilitation and expansion of health infrastructure and through financial support dedicated to medical research. For example, InvestEU finances a project that covers construction of 12 new long-term care centres, three rehabilitation hospitals and four assisted living facilities in Spain.
SDG4	Y	The InvestEU support for inclusive and equitable education and lifelong learning opportunities is channelled via social investments for educational purposes including education supported infrastructure. As of end-2023, 9 732 individuals have benefitted from educational programmes financed under InvestEU.
SDG5	Y	InvestEU aims to provide tailored advisory support and capacity building to improve access to finance for female-founded and female-led companies. The Programme has backed total investments of EUR 2.4 billion supporting gender equality as of end-2023.
SDG6	Y	The InvestEU operations contribute to the sustainable management of water resources by helping projects in the fields of water supply and wastewater treatment. As of 31 December 2023, implementing partners signed around EUR 60 million of operations supporting water resources.

SDG7	Y	Through the energy efficiency measures of the InvestEU supported projects, the programme has contributed to the production of over 27 269 MW of electricity from renewable energy sources.
SDG8	Y	The InvestEU projects can support meaningful advancements towards promoting sustained, inclusive and sustainable economic growth and full and productive employment and decent work for all.
SDG9	Y	Several implementing partners (for instance the EIB Group, EBRD, NIB and CEB, among others) under the InvestEU Fund will finance innovative projects and companies as well as sustainable infrastructure investments, thus building resilient infrastructure, promoting sustainable industrialization and fostering innovation.
SDG10	Y	The InvestEU Advisory Hub is providing advisory support for investment project especially in countries where the financing via the capital market is the less developed.
SDG11	Y	The dedicated investments in economic and social infrastructure projects under InvestEU support advancement towards promoting resilient and inclusive infrastructure, and further efforts to support service-rich integrated infrastructure projects would contribute to inclusive and sustainable cities.
SDG12	Y	The InvestEU support to inclusive business practices and SME growth and development could also contribute to promoting sustainable production and consumption practices.
SDG13	Y	Several implementing partners (for instance EIB Group, EBRD, NIB and CDC, among others) will finance clean energy investments with low or zero emissions, thus combating climate change and its impacts.
SDG14	Y	InvestEU is providing support to activities related to the sustainable use of marine resources, aquaculture and other elements of the wider bioeconomy.
SDG15	Y	InvestEU will contribute to sustainable forest management in line with the biodiversity-related priority areas which are to be supported under various financial products deployed under the InvestEU programme.
SDG16		
SDG17		

CEF

CONNECTING EUROPE FACILITY

Programme in a nutshell

Concrete examples of achievements (*)

497	200	1 000	7 000
alternative fuel supply points supported by the 2021-2027 programme were in operation along the trans-European transport network by the end of 2023 in 14 Member States. Under the 2014-2020 CEF programme, around 2 000 alternative fuel supply points were in operation by the end of 2023 in 19 Member States. They contribute to the greening of road transport, in line with the fit for 55 package.	electric locomotives were equipped with European Railway Traffic Management System on-board equipment and certified for commissioning in five Member States. Additionally, 326 kilometres of European Rail Traffic Management System track-side infrastructure were deployed in four Member States. These figures refer to the end of 2023 and the actions were supported under the 2014-2020 programme.	kilometres of railway lines were addressed through closed studies and works by the end of 2023, in the framework of the 2014-2020 programme investments in France, Croatia, Poland and Romania.	megawatts of electricity transmission capacity were added to interconnect electricity networks and to facilitate the integration of renewable energy in 2023.

45.7	3 613	55	5 387	3 000
billion cubic metres per year of additional transmission capacity through gas pipelines were installed across the EU thanks to the 2014-2020 programme.	kilometres of electricity lines were added to the EU's energy system for the interconnection between Member States, supported under the 2014-2020 programme.	new connections to very high-capacity networks were made in 2023, for socioeconomic drivers and very high-quality connections for local communities.	kilometres of CEF-funded transport corridors covered by 5G connectivity infrastructure (passive and/or active network elements) were added in 2023 at the EU level, for roads, rail and inland waterways.	terabits per second of additional capacity were created in 2023 by deployed backbone networks, including submarine cables.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	31 724.1
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.0
Total budget 2021-2027	**31 724.1**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Connecting Europe Facility programme is a key EU funding instrument for boosting investments across the EU in transport, energy and digital infrastructure projects aiming at greater connectivity between EU Member States.

CHALLENGE

To achieve smart, sustainable and inclusive growth, stimulate job creation and respect its long-term decarbonisation commitments, the EU needs to build an up-to-date, multimodal high-performance infrastructure to help connect and integrate the EU and all its regions in the transport, energy, and digital sectors. In order to complete the trans-European networks, support is needed – in particular to facilitate cross-border connections.

MISSION

The acceleration of these investments benefits not only the countries directly affected, but the entire EU, as it enhances the single market as a whole and brings the whole EU closer to its sustainability objectives. For this reason, action at the EU level is warranted and can provide significant added value.

OBJECTIVES

The Connecting Europe Facility (CEF) aims at building, developing, modernising and completing the trans-European networks in the transport, energy and digital sectors, also facilitating cross-border cooperation in the field of renewable energy. The programme takes into account the long-term decarbonisation commitments and the goals of increasing European competitiveness; smart, sustainable and inclusive growth; territorial, social and economic cohesion; and the access to and integration of the internal market, with an emphasis on facilitating the synergies among the transport, energy and digital sectors.

The CEF has the following specific objectives.

In the transport sector:

– to contribute to the development of an efficient, interconnected and multimodal trans-European transport network and of infrastructure for smart, interoperable, sustainable, inclusive, accessible, safe and secure mobility;
– to adapt parts of the trans-European transport network infrastructure for dual use, improving both civilian and military mobility.

In the energy sector:

– to contribute to the further integration of an efficient and competitive internal energy market;
– to support the interoperability of networks across borders and sectors, and cross-border cooperation;
– to facilitate the decarbonisation of the economy by promoting energy efficiency and ensuring security of supply; and
– to facilitate cross-border cooperation in the area of renewable energy.

In the digital sector:

– to contribute to the deployment of safe and secure very high capacity digital networks and 5G systems;
– to support an increased resilience and capacity of the digital backbone networks on EU territories by linking them to neighbouring territories; and
– to foster the digitalisation of transport and energy networks.

ACTIONS

The CEF has the general objective to build, develop, modernise and complete the trans-European networks, to contribute to the achievement of the 2030 climate and energy targets and to fulfil the EU's long-term decarbonisation commitments on the European Green Deal, and thus contribute to smart, sustainable and inclusive growth and enhance territorial, social and economic cohesion.

For the transport sector, it plays a part in the development of projects of common interest related to the completion of the trans-European transport network and its modernisation (e.g. digitalisation and alternative fuel infrastructure). It contributes to the sustainability of the transport sector through the creation of new and the upgrade of existing infrastructure, including telematics application, new technologies and innovation (namely alternative fuels), interoperability, road safety, infrastructure resilience, accessibility and security of transport., thus reflecting the priorities set in the sustainable and smart mobility strategy, mirroring the Commission political engagement included in the European Green Deal and further emphasised in the 'Fit for 55' initiatives . Moreover, it aims at contributing to the Military Mobility action plan , fostering the adaptation of the Trans-European transport network to the dual-use military-civilian requirements, representing one of the main gateways for the EU financial support for the 'Solidarity Lanes' initiative , taken in the aftermath of the unprovoked Russian war of aggression against Ukraine.

For the energy sector, the CEF contributes to the implementation of projects of common interest, highlighting the enabling role of cross-border energy infrastructure in the transition to climate neutrality, the integration of European energy markets and the interoperability of networks. Furthermore, the new category of cross-border projects in the field of renewable energy specifically contributes to a cost-effective target achievement for renewables by 2030 and is an integral element of the enabling framework for cooperation on renewables.

For the digital sector, CEF focuses on projects of common interest ensuring uninterrupted coverage with 5G systems along major transport paths, the deployment of new or significant upgrade of existing communication backbone networks, and the deployment of and access to very high-capacity networks, including 5G.

STRUCTURAL SET-UP OF THE PROGRAMME

The programme is organised along three strands, transport, energy and digital, contributing to key EU policies and sharing the common objective of completing the trans-European networks. In this context, synergies among the different strands are encouraged so to enable robust and interconnected networks.

For the transport sector, it plays a part in the development of projects of common interest related to the completion of the trans-European transport network and its modernisation (e.g. digitalisation and alternative fuel infrastructure). It contributes to the sustainability of the transport sector through the creation of new and the upgrade of existing infrastructure, including telematics application, new technologies and innovation (namely alternative fuels), interoperability, road safety, infrastructure resilience, accessibility and security of transport., thus reflecting the priorities set in the sustainable and smart mobility strategy, mirroring the Commission political engagement included in the European Green Deal and further emphasised in the 'Fit for 55' initiatives . Moreover, it aims at contributing to the Military Mobility action plan, fostering the adaptation of the Trans-European transport network to the dual-use military-civilian requirements, representing one of the main gateways for the EU financial support for the 'Solidarity Lanes' initiative, taken in the aftermath of the unprovoked Russian war of aggression against Ukraine.

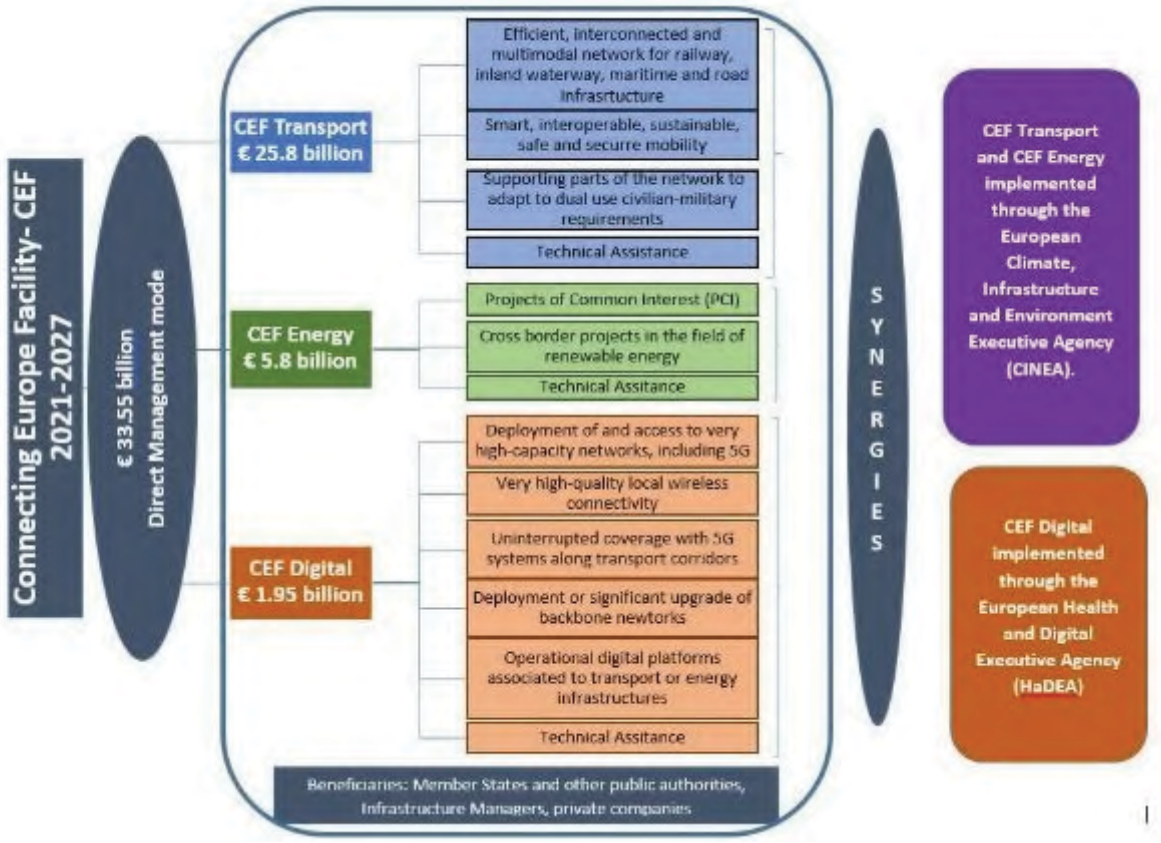
CEF Energy, with an envelope of EUR 5.8 billion, is an integral part of the trans-European networks for energy strategy. The trans-European networks for energy policy framework is focused on linking the energy

infrastructure of Member States. The policy identifies priority corridors and thematic areas in the field of cross-border energy infrastructure and establishes a biennial list of projects of common interest (PCIs) and, since 2023, of projects of mutual interest with third countries (PMIs). The programme mainly supports projects that are chosen for their significant expected impact on energy markets and market integration (covering at least two Member States) and expected contribution to the EU's energy security. They aim at diversifying sources, increasing competition in energy markets, and contributing to the EU's climate and energy goals by integrating renewables.

CEF Energy also includes a window for cross-border cooperation in the field of renewables. This window contributes directly to the enabling framework for cooperation on renewables as called for under Article 3(d) of Directive 2018/2001/EC (renewable energy directive) which is based on the four cooperation mechanisms: statistical transfers, joint projects between Member States, joint projects with non-EU countries and joint support schemes. The programme is implemented by DG ENER and by the European Climate, Infrastructure and Environment Executive Agency (CINEA).

Consistent deployment of fixed gigabit/terabit and mobile 5G infrastructures is needed to meet the increasing demand for the secure transfer and processing of massive amounts of geographically distributed data. By their nature, trans-European, gigabit and terabit networks, including submarine backbones, enable data to flow and people to collaborate wherever they are. By addressing projects of common interest and focusing on cross-border interconnections, CEF Digital, with an allocation of around EUR 2 billion, will contribute to cross-fertilise these investments and act as a catalyst for the EU-wide digital connectivity ecosystem. The underlying goal is to bring together, in an effective manner, public support and private investment. CEF Digital will thus contribute to bridging the investment gap and accelerate the achievement of EU's connectivity targets, contribute to EU's strategic autonomy, and support an EU-wide digital ecosystem.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

For the transport and energy sectors, the CEF continues the successful work of its 2014-2020 multiannual financial framework predecessor, with a focus on new priority actions, such as dual-use civilian-military infrastructure requirements, new energy infrastructure categories and cross-border projects in the field of renewable energy. For the digital strand, the CEF departs from the 2014-2020 CEF Telecom by being fully dedicated to supporting the deployment of high-performance digital communication infrastructures. While building on the experience gained with the previous programme, CEF Digital represents a step forward in terms of the scope, volume and intensity of the proposed EU support, in particular concerning new critical infrastructures like 5G corridors and secure backbone networks.

FURTHER INFORMATION

– Programme website:
    - For transport and energy – CINEA website: https://cinea.ec.europa.eu/programmes/connecting-europe-facility/energy-infrastructure-connecting-europe-facility-0_en

- for transport: Connecting Europe Facility (europa.eu)
- for energy: Project websites in the field of CEF Energy: Key cross border infrastructure projects (europa.eu) and Financing cross border cooperation (europa.eu).
- For digital: Connecting Europe Facility - CEF Digital | Shaping Europe's digital future (europa.eu)

– Impact assessment: the CEF impact assessment was carried out on 6 June 2018: SWD(2018) 312.

– Relevant regulation: Regulation (EU) No 2021/1153 of the European Parliament and of the Council.

– Evaluations: CEF 2014-2020 Mid-term evaluation SWD(2018) 44 final/2

– CEF 2014-2020 ex-post evaluation and CEF 2021-2027 interim evaluation are planned to start in 2024.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	4 511.0	4 564.3	4 832.2	4 580.7	3 074.3	4 994.4	5 166.5	31 724.1
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**4 511.0**	**4 564.3**	**4 832.2**	**4 580.7**	**3 074.3**	**4 994.4**	**5 166.5**	**31 724.1**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 9 300.0 million (+ 45%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison. Contribution from the Cohesion Fund to the Connecting Europe Facility is excluded from financial programming in this comparison.

– The implementation of the CEF Transport strand is mostly in line with the financial programming included above. Nevertheless, it is to be noted that the CEF Transport has contributed with EUR 250 million to the Chips Act Initiative launched by the Commission and also supported additional needs for administrative expenditure resulting from the initiatives tabled by the Commission in the framework of the 'Fit for 55' package, in particular Fuel EU Maritime and ReFuel EU Aviation.
– For CEF Energy, there is no variation in the financial programming's total. However, the programme was backloaded with the reprogramming of EUR 430 million toward the end of this MFF period, instrumented by a temporary transfer of 2023 CEF Energy commitment appropriations to CEF Transport.
– For CEF Digital, compared to the reference amounts in the legal base, EUR 150 million have been transferred to the Chips Act and EUR 110 million to the Infrastructure for Resilience, Interconnectivity and Security by Satellite (IRIS²) initiative (for the 2024-2026 period).

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	13 906.4	31 724.1	43.8%
Payments	5 285.0		16.7 %

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	Initial voted budget	Voted budget implementation	Initial voted budget
2021	4 510.1	4 510.7	18.5	182.7
2022	4 564.1	4 561.1	2 260.2	2 257.6
2023	4 832.2	4 837.2	2 999.9	2 506.3

(*) Voted appropriations (C1) only.

– The CEF Transport work programme, adopted in 2021 and amended in 2023, covers the annual calls in 2021-2024, allocating the total budget foreseen for CEF transport general, cohesion and military mobility envelopes. The annual calls have a budget between EUR 6-7 billion, with a smaller budget for the calls in 2024. The dedicated Alternative Fuels Infrastructure Facility (AFIF), blended with financial instruments provided by national promotional banks and other commercial banks, has been implemented through a rolling-call with five cut-off dates. The indicative budget planned for AFIF in 2021-2023 was EUR 1.6 billion.

– Already during the first CEF Transport calls in 2021 and 2022, the strong interest of project promoters in CEF Transport funding opportunities became evident, with oversubscription rates going up to 300%-400% of the originally estimated budget. Moreover, the unprovoked Russian war of aggression against Ukraine also underlined the need to support the development of civilian-military dual-use transport infrastructure. In the final CEF military mobility call in 2023, project applicants requested financing for their projects that was more than four times the available budget for the call. Furthermore, the impact of increased price of energy and raw materials, and lack of labour force further increased the funding needs, as identified in the analysis of the applications received under the 2022 CEF Transport calls for proposals. For the 2023 call (currently under evaluation), applicants are requesting three times more funding than the budget available.

– In this scenario, the Commission, in agreement with the CEF Committee, made use of the flexibility foreseen within the multiannual work programme (MAP) for the 2021 and 2022 calls, awarding additional funds up to 20% of the amount indicated in the initial 2021-2027 MAP. Moreover, the CEF 2021-2027 MAP was amended in 2023 to frontload to the CEF Transport 2023 and 2024 calls all the available budget under the current MFF. Consequently, the military mobility envelope has been absorbed in the calls 2021-2023, and both general and cohesion envelopes will be absorbed in the final call to be launched in 2024.

– Regarding CEF Energy, calls for proposals for energy infrastructure PCIs have been launched on a yearly basis. The 2021 call allocated a higher amount than initially envisioned (EUR 1 billion), due to substantial funding needs from strategic electricity infrastructure projects (the EuroAsia interconnector between Crete and Cyprus, the Phase 2 of the Baltic Synchronisation, and the Aurora Line between Finland and Sweden). While the subsequent calls for proposals in 2022 and 2023 were oversubscribed, the Commission allocated lower amounts (approx. EUR 600 million each) than the initial call budgets. This rested on considerations notably linked to project maturity, relevance of proposals submitted with regard to the award criteria, justification of funding needs, and the rationale that CEF funding is a last-resort option normally not necessary for all PCIs. It also reflected the objective to preserve a sufficient share of the limited CEF Energy budget for 2024 and later years, when new infrastructure categories essential for

decarbonisation such as hybrid offshore as well as hydrogen infrastructure projects become eligible (once the new project list adopted in November 2023 has entered into force).

– Under the 2022 and 2023 CEF Energy calls for PCIs, grants were notably awarded to the ELMED electricity interconnector between Sicily and Tunisia (also a Global Gateway project), to cross-border smart electricity grid projects GreenSwitch and Gabreta and to natural gas storages in Romania (in Bilciuresti and Depomures) considered as essential in the REPowerEU Plan. In addition, in line with the Commission's new Industrial Carbon Management Strategy, an unprecedented amount of CEF Energy funding for construction works (more than EUR 600 million) will support the first building blocks of a future Europe-wide CO2 value chain in Europe in Antwerp, Dunkirk, Rotterdam and Øygarden in Norway. Regarding cross-border renewable energy projects, three calls for proposals were launched between 2022 and 2023, where the magnitude of the spending (EUR 22.5 million) reflects the novelty of the cross-border RES window under CEF Energy, which is in the process of constituting a pipeline of viable projects and of providing funding for preparatory studies and for technical studies and works. Overall, CEF-2 calls so far have resulted in a lower number of grants compared with CEF-1, albeit with higher grant volumes. This trend reflects a shift from studies to works financing as projects progress towards maturity. For this reason and considering the pace of budget absorption as well as future needs, a share of CEF Energy 2023 commitment appropriations (EUR 430 million) has been temporarily transferred from CEF Energy to CEF Transport. The same amount will be returned to CEF Energy in 2025-2027.

– 2024 and 2025 budgets' needs reflect two considerations. First, the drastic increase in prices of infrastructure components, caused by the Russian war of aggression against Ukraine, and by the volatility in the financial markets, has impacted the costs and in some cases affordability of large energy infrastructure projects. Second, with the adoption of a new list of 166 projects in November 2023 (entry into force expected in April 2024), new infrastructure categories (notably offshore grids and hydrogen) will be eligible to apply for CEF as of 2024. For this reason, EUR 50 million have already been transferred from the ITER programme to reinforce the 2024 commitment appropriations. 2025 will also see the first instalment of the return of commitment appropriations from CEF Transport to CEF Energy. Commitment appropriations in the period 2024-2027 will also be used for calls for cross-border projects in the field of renewable energy, where an increased number of the eligible projects with a status is expected.

– In general, cross-border infrastructure projects supported by CEF Energy are characterised by long implementation periods, with payment instalments over several years (potentially even beyond the multiannual financial framework period). This entails a slower expenditure rate, with the current level of effective payments being at 49.5%. CEF Energy is also characterised by variations in call participation from one year to another and thus in non-linear spending.

– The CEF-Digital multiannual work programme was adopted late in December 2021 and the 2021 budget appropriations were globally committed. The grant agreements corresponding to the first call for proposals (2021 budget) were signed by the end of 2022 with nearly EUR 150 million allocated. The commitment appropriations for 2022 were globally committed to 2023 and have been individually committed by the end of 2023, following the second call for proposals launched in October 2022 (significantly oversubscribed). The grant agreements for the projects following the third call (closed on 20 February 2024) are expected to be signed in autumn 2024 (2023 budget allocation). Notwithstanding the initial late start, the three calls under the 2021-23 work programme followed the yearly planning schedule, with good budget absorption, in particular for certain topics (such as submarine cables). The three calls sum up to nearly 40% of the total EUR 1.6 billion budget for CEF Digital (for the 2023 call, where evaluation is ongoing and expected to be finalised in spring 2024, this includes the maximum budget available for the call).

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	3 191.1	3 567.9	3 516.3	3 532.0	3 421.0	3 552.0	3 661.0	24 441.3	73%
Biodiversity mainstreaming									
Clean air	1 468.1	1 525.9	342.4					3 336.4	10%

– The first CEF Transport calls for proposals were launched in September 2021 and 2022 and the Commission selected projects respectively amounting to more than EUR 5.4 billion and EUR 6.9 billion, including for military mobility. The projects mainly aimed at completing the railway and inland waterway infrastructure along the trans-European transport network and support the take-up of alternative fuels through the co-funding of charging infrastructure, hence contributing to the Green Deal agenda for the decarbonisation of the transport sector. As a result, appropriations committed to the co-funding of these projects correspond to around 75% of the overall Transport strand allocation. Considering the similar nature of the ongoing 2023 Transport call and future 2024 calls, the same share of climate-related commitment appropriations is estimated for the years to come in the transport sector.

– Moreover, the programme contributes to clean-air objectives through investments in sustainable transport infrastructure relating to railways, inland waterways and maritime ports, through the contribution to the deployment of alternative fuels infrastructure for all transport modes and through support to multimodal passenger hubs in urban areas. Overall, 35% of the transport strand budget contributed to clean-air related projects in 2023, which is comparable to previous years. As mentioned above, more than 70% of CEF II (the current programme phase) Transport funding is dedicated to the development of the railway infrastructure (more than EUR 9.5 billion) and the deployment of the alternative fuels infrastructure (more than EUR 900 million) on the trans-European transport network. Similarly, under CEF I (the previous programme phase), around 70% of the total budget was allocated to improve the railway infrastructure. The development of electrified railway infrastructure, including associated signalling subsystems, along with the deployment of infrastructure for zero-emission vehicles, like electric charging points, and the installation of shore-side electricity for ships at berth are all taxonomy-aligned activities.

– The programme’s Energy strand contributes to climate performance by supporting electricity, smart grid and carbon dioxide transport infrastructure and cross-border projects in the field of renewable energy, which account for a 100% climate-tracking coefficient. The programme’s Energy work programme for 2021-2027 is expected to contribute to the achievement of at least 60% of the overall financial envelope of the programme supporting climate objectives.

– Based on the climate-tracking contribution of the Energy strand under CEF I, the estimated contribution of CEF II until 2024 is at least 68% for the CEF projects of common interest budget and 100% for the new cross-border renewables window. It is important to note that the 68% is based on a cautious approach: under the last trans-European networks for energy projects of common interest call of the CEF I regulation (in 2020), the climate contribution was 84%. Under the first trans-European networks for energy projects of common interest calls of CEF II (in

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2021, 2022 and 2023), the climate contribution was consistently above 90%. Similar shares are expected under future calls.

– Besides this, the Energy strand contributes to clean air policy by promoting cross-border infrastructure and renewable energy projects that enable the electrification and decarbonisation of the energy sector. Overall, 36% of the energy strand budget contributed to clean-air related projects by 2023.

– Moreover, most of the investments funded under the Energy strand make a substantial contribution to climate mitigation and adaptation, according to the criteria set in the relevant EU taxonomy delegated acts. The Energy strand therefore significantly contributes (EUR 1.26 billion under the first two calls of CEF II) to taxonomy-aligned activities, including projects relating to electricity transmission, storage and smart grids.

– Because of their nature, the programme's Digital strand projects will contribute to the digitalisation of other infrastructures and services, reducing their carbon footprint and making them energy-efficient.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				
1				
0*	4 510.1	4 564.1	4 832.2	13 906.4
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

– The programme has a 0*-score for its contribution to gender equality.

– The programme, which supports basic infrastructural investments, does not have gender equality as a deliberate objective. Also, at the present time and based on CEF I and CEF II-related regulations, the collection of gender-balance disaggregated data is not feasible for any of the three strands In the CEF Transport sector, the investments mainly concern the development of railway infrastructure, port infrastructure, digitalisation of transport, deployment of alternative fuels infrastructure, etc. This infrastructure is not gender-specific and it is not possible to disaggregate the data concerning gender. Similarly, the Energy strand of CEF has supported investments for large infrastructure such as electricity interconnectors, electricity storages, smart electricity grids, gas pipelines, liquid natural gas terminals, underground gas storage and cross-border carbon dioxide networks, for which it is not possible to have disaggregation gender-specific data.

  As for the Digital strand, it will support only the deployment of physical connectivity infrastructures. However, the actual applications and services which will run on top of them, or the end-users benefiting from them, will ensure the digital inclusiveness of the targeted geographical areas and typologies of connected entities (households, schools, hospitals, etc.).

It is not possible to have disaggregated gender-specific data on the use of connectivity infrastructures. However, it can be assumed that state-of-the-art digital connectivity, along with the innovative applications enabled, will create new opportunities across genders, thus contributing to fill in the gender digital gap.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	366.4	371.1	337.6	1 075.0	8%

– In 2021 and 2022, the digital contribution of the programme was calculated based on the grants signed following the calls for proposals launched in 2021 and 2022. It is foreseen that this contribution will remain stable in 2023. The 2023 CEF transport calls closed in January 2024 and the grant agreements will be signed by the end of the year.

– The support to the digitalisation of the transport sector is one of the main pillars of the sustainable and smart mobility strategy adopted by the Commission at the end of 2020 ([24]). In this framework, the Transport strand aims at modernising the trans-European transport network with the deployment of the necessary digital infrastructure that will enable improved, safer, smarter and greener mobility for all transport modes. As a result of the first Transport calls for proposals for 'Actions related to smart and interoperable mobility' launched in September 2021, 31 actions with programme co-funding of more than EUR 500 million have been awarded. The second call for proposals for the same actions was launched in September 2022. As a result, a total of EUR 450 million was awarded to 24 projects which were selected for co-financing. In particular, support has been provided to the digitalisation of the trans-European transport network railway network, through the support to the European Railway Traffic Management System technology.

– The Energy strand contributes to digitalisation of the energy system and further integration of renewable electricity, notably by reducing bottlenecks in connection requests, improving grid controllability and enabling innovative market solutions, as one of the main objectives of the trans-European networks for energy priority thematic area of smart electricity grids. These projects aim to modernise the grids so that consumers are empowered to become more active players in the market, producing much of their own energy needs while offering a cost-effective solution to balancing energy supply and demand. Under the current multiannual financial framework, a limited number of smart grids projects have been eligible under CEF II (5 out of a total of 98 projects included in the 5th list of energy projects of common interest) and one of these projects has received support for works equivalent to 12% of the second call for proposals of CEF II (EUR 73 million).

([24]) COM/2020/789 final – Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the Sustainable and Smart Mobility Strategy – putting European transport on track for the future.

– Through its specific support to the deployment of digital connectivity infrastructure, the Digital strand will contribute in its entirety to the digital transition policy goals, specifically to achieve the targets set in the Digital Decade policy programme in terms of digitalisation of businesses, public services and citizens. By supporting projects of common interest relating to the deployment of safe, secure, sustainable and very high-capacity digital networks, including 5G systems, the programme's Digital actions contribute to the transformation and modernisation of vertical sectors such as health, education and training, tourism, manufacturing, transport or logistics.
– Enhanced digital connectivity will contribute to the digital readiness and competitiveness of the EU's businesses and the industrial and public services ecosystem. It will give all citizens and businesses new opportunities to benefit fully from the digital single market and accelerate economic recovery and growth.
– The Digital strand will contribute to the inclusiveness of outermost regions and oversea countries and territories by connecting them with up-to-date submarine backbones and ensuring that they can also benefit from advanced wireless and mobile connectivity (5G, Wi-Fi).
– The Digital strand is financing coordination and support actions to promote the best practice projects addressing the deployment and take-up of 5G systems to support services of general interest in local, rural communities, contributing to the digital and green transitions of public services and businesses in such domains as agriculture, healthcare, mobility and tourism.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Number of cross-border and missing links addressed with the support of the programme	0	74%	77 in 2029	57 cross-border and missing links out of 77	On track
Number of programme-supported actions contributing to the digitalisation of transport, in particular through the deployment of the European Rail Traffic Management System, the river information services, the intelligent transport systems, the vessel traffic management information system / e-maritime services and the single European sky air traffic management research programme	0	27%	200 in 2029	54 actions out of 200	On track
Number of alternative fuel supply points built or upgraded with the support of the programme	0	1%	38 000 in 2029	497 alternative fuel supply points out of 38 000	On track
Number of transport infrastructure components adapted to civilian–military dual-use requirements	0	3%	140 in 2029	4 components out of 140	On track
Number of programme actions contributing to projects interconnecting Member State	0	9%	95 in 2030	9 actions out of 95	On track

networks and removing internal constraints					
Number of programme actions contributing to the improvement and digitalisation of grids and increasing energy storage capacity	0	16%	25 in 2030	4 actions out of 25	On track
Number of programme actions contributing to the cost-efficient reaching of the target for EU shared renewable energy sources on the basis of cross-border cooperation in the area of renewables	0	10%	48 in 2030	5 actions out of 48	On track
Number of programme actions enabling 5G connectivity along transport paths	0	48%	46 in 2028	22 actions out of 46	On track
Number of actions enabling new connections to very high capacity networks	0	68%	50 in 2028	34 actions out of 50	On track

(*) % of target achieved by the end of 2023.

– The programme's 2021-2027 legal basis was adopted on 7 July 2021, i.e. later than expected. Despite the preparatory work initiated by the programme's parent DGs, the first multiannual work programmes could only be adopted in August 2021, and the 2021 calls for proposals (for the Transport and Energy strands) were only launched in September 2021.

– Considering the above, the first outcomes of the programme calls were materialised in 2022 with the signature of grant agreements for the three strands.

– For the Transport strand, only the results of the first calls for proposals launched in September 2021 and September 2022 can contribute to this report. Taking into consideration the new design of the programme, with dedicated amounts allocated to the completion of the trans-European transport network, Member States and infrastructure managers targeted their applications to the core network, which shall be achieved by 2030, as per the trans-European transport network regulation.

– In this framework, many more projects than initially foreseen have been awarded to address cross-border and missing links along the trans-European transport network, following the list included in Annex III of the programme regulation.

– At the same time, contrary to the original assumptions, fewer projects contributing to the modernisation of the trans-European transport network have been selected, in particular relating to the digitalisation of all transport modes (with the exception of the European Railway

Traffic Management System for railways). This could be explained by the enhanced focus on the completion of the network more than on its modernisation, and by the absence of a fully-fledged air traffic management topic (only demonstrators), pending the adoption of the single European sky air traffic management research deployment, that took place only in August 2022.

– The Transport strand has been instrumental to the EU's response to Russia's war of aggression against Ukraine. Under the 2022 CEF calls, CEF has supported nine projects with funding of EUR 250 million, aiming at implementation of the EU–Ukraine Solidarity Lanes. The objective of these actions is to develop the transport infrastructure at the border crossing areas between the Member States and Ukraine and Moldova, aiming at facilitating the transport flows to/from the EU. The implementation of the projects is on track, with the projects due to finish in 2025 and 2026.

– Furthermore, also as part of the EU's response to Russia's war of aggression, the Commission anticipated the evaluation of the Military Mobility call for proposals and launched the 2022 Military Mobility call before the summer of 2022. The call, closed during the third quarter of the year, already included the selection of relevant dual-use infrastructure projects to better connect Ukraine and the EU. Moreover, under the 2023 Military Mobility call, which was launched in May 2023 and closed in September, all of the remaining budget for this envelope (EUR 808 million) will be allocated to the projects improving the relevant trans-European transport network infrastructure.

– With reference to the progress achieved for the specific key performance indicators listed above, it should be noted that for the indicators 'Number of alternative fuel supply points built or upgraded with the support of the programme' and 'Number of transport infrastructure components adapted to civilian–military dual-use requirements', the methodology developed by DG Mobility and Transport and the European Climate, Infrastructure and Environment Executive Agency aims at considering only project outputs as relevant data for the reporting exercise. For this reason, only closed actions (or actions expected to be closed) within the reference year will be considered.

– In 2021, 2022 and 2023, CEF has supported the deployment of 497 alternative fuels supply points. For instance, CEF contributed to the deployment of almost 300 interoperable ultrafast chargers for electric vehicles on trans-European transport network roads in Italy.

– Most of the currently signed 57 Military Mobility actions are ongoing and more detailed information will be presented in future reporting. In 2023, two projects aimed at enhancing civilian–military mobility were completed. For instance, an action in Częstochowa (Poland) was finalised. As a result, three new road engineering structures were constructed along National Road 91, classified with the highest load-bearing capacity of 'A' and also facilitating the transportation of military vehicles.

– CEF interventions contribute to the EU's climate objectives, dedicating at least 60% of its budget for actions delivering for this purpose. Concerning the synergies between the horizontal priorities, the CEF Transport strand contributes to the climate, clean air and digital priorities, as indicated above. The majority of the support goes to the sustainable transport modes such as railways and waterborne transport. The Transport strand also supports the digitalisation of transport by the deployment of the European Rail Traffic Management System, Intelligent Transport Systems, the 'Single European Sky ATM Research' project, etc.

– For the energy sector, only the results of the first two trans-European networks for energy projects of common interest calls for proposals (2021 and 2022) have been included in this programme statement. Considering the usual calendar of the calls, results are not reported in the call year, as the signature of the related grant agreements occurs in the following year (e.g. grant agreement signature in 2024 for the 2023 CEF call for projects of common interest).

– The programme's Energy-funded actions significantly contribute to security of supply, notably through the smartening of grids and increasing energy storage capacity. In particular, the 2022 call contributes to the EU aim of increasing the resilience of the EU-wide energy system in order to phase out our dependency on fossil fuels from Russia well before 2030, as foreseen in the repowerEU plan. Complementarities between the programme's Energy strand and the Recovery and Resilience Facility will be exploited. If a common interest project promoter applies to the programme and the same project is also put forward (as an investment-type measure) under the new repowerEU chapter of a Member State's recovery and resilience plan, a clear explanation should be provided on how the two funding sources are complementary, whether they apply to separate project components and how, in the absence of recovery and resilience plan funding, the project timeline would be impacted. Examples of projects supported through the 2021 and 2022 calls include the underground gas storage facilities in Chiren (Bulgaria) and Bilciurești (Romania) that will benefit the larger region by increasing storage capacity and its overall flexibility, and the smart electricity project GreenSwitch between Croatia, Austria and Slovenia, which aims to increase security of supply, quality of service and flexibility.
– The Energy strand also supports interconnecting Member State networks and removing internal constraints. Examples include the EuroAsia and ELMED subsea interconnectors (between Crete and Cyprus and between Sicily and Tunisia, respectively), the Aurora Line interconnection (between Finland and Sweden), or the additional support awarded to phase II of the Baltic synchronisation project that will increase the security of supply in the region. Such electricity projects also contribute to increasing renewable energy source penetration and thus to reaching the related targets. In addition, the Energy strand is a strong catalyst in bringing together project promoters, national regulatory authorities and government representatives to solve issues so that cross-border infrastructure projects can be realised. Its Grants component is making the difference in promoting cooperation between countries to develop and implement energy interconnection projects of common interest that otherwise would not happen. This is especially the case for cross-border projects located in countries with smaller population sizes or in a more remote location, where energy tariffs would need to be increased substantially to cover the investment needs. The EuroAsia Interconnector for electricity between Greece and Cyprus and the Chiren underground gas storage site in Bulgaria are examples of projects that could not have been funded in a purely national context.
– While CEF Energy calls in 2021 and 2022 have been oversubscribed, the monitoring of results is difficult, due to the long implementation time of the grants for works for large and technically complex energy infrastructure projects, and also due to the calendar shift between the awarded actions and the signature of the grant agreements.
– Besides, the trans-European networks for energy regulation was recently revised in line with the European Green Deal objectives, broadening its scope to new energy infrastructure categories, such as offshore grids and hydrogen infrastructure, which will be eligible under CEF II. Hence, as of 2024 the programme's Energy actions will be focused on the projects included in the list of projects of common interest and projects of mutual interest that was adopted in November 2023 and is expected to enter into force in 2024.
– Two considerations have to be borne in mind:
    o the first 2 years of CEF II have led to a lower number of grant agreements with higher grants (e.g. works instead of studies) than what we saw in the first 2 years of CEF I;
    o the current economic environment, with important cost increases for material and components, means that CEF II may finance fewer actions than initially expected.
– One challenge for the first calls had been the state of readiness of some of the novel topics, such as large-scale 5G corridors or cloud interconnections, which require additional time for

preparation. One of the main reasons is that the Digital strand is a new programme with new constituencies and settings and new eligibility requirements (notably the security restrictions). On the other hand, demand exceeded the initial planning for topics such as global gateways / submarine cables, which allowed us to transfer budget between topics using the 20% flexibility given in the financing decision.

– To mitigate the risk of under-subscription, the stakeholders have been informed as early as possible about future funding opportunities for digital networks, through targeted communication campaigns and/or informal contacts. Besides, giving the applicants a reasonable amount time to prepare and submit proposals (ideally 4 months from call launch to closure) would mitigate the challenges experienced and improve efficiency of the programme performance, especially considering that several potential applicants in the digital areas covered under the programme are not used to addressing some of the requirements of EU calls for proposals (ownership control, security requirements, etc.).

– On the other hand, the 'Digital global gateways' calls attracted more proposals than expected, revealing a strong interest and demand of an established constituency, where the technology is very mature. Thanks to the redeployment of the funds, the selected projects could cover a very broad geographic area, including outermost regions and overseas countries and territories.

– The CEF Digital programme, and particularly the Digital Global Gateways topic, has so far also increased the resilience and capacity of the digital backbone networks in EU territories by financing studies or deployment of backbone networks, with more than 30 projects deploying infrastructures in the EU or between the EU and non-EU countries (connecting 17 Members States, Overseas Countries and Territories). As examples:

  - the CEF Digital strand supports the submarine cable CAM Ring (Continent–Azores–Madeira), as the current one is becoming obsolescent and its replacement is an essential priority for the EU;
  - the 'Pisces' project addresses the shortfall of digital connectivity between Ireland and the rest of the EU, with direct (post-Brexit), high-capacity, open access, scalable dark fibre availability directly to France, with a provision for additional subsea branches to Spain and Portugal (approximately 2 100 kilometres);
  - the 'ViaTunisia' project will build a submarine cable between Marseilles (France) and Bizerte (Tunisia).
  - The CEF Digital programme is also supporting several projects: Tussas Connect 1 and 2, Far North Fiber 1, North Pole Fiber 1 and the Northern Gateways study (cost EUR 89.5 million, grant EUR 37.6 million); Arctic connectivity, where there is strategic geopolitical interest in an alternative route to Asia (particularly Japan) via the Arctic as tensions in the Middle East rise; and the Suez Canal chokepoint, with the Red Sea becoming an unstable area and thus endangering critical submarine cable infrastructures. At the same time, connectivity in the Arctic is serving Greenland (a self-governing territory of Denmark) and areas that have remote and isolated populations at risk of connectivity failure, as the investments are not per se economically viable. With the use of 'smart cables' (i.e. cables that have sensors or are used as sensors), there is also an impact on multiple policy areas of the EU (environmental monitoring of the Arctic is useful for evidence-based policies with regards to climate change, seismic/tsunami detection, submarine fauna monitoring, etc.).
  - The project Subsea French Guiana (cost EUR 61.1 million, grant EUR 30 million) is building on top of the existing infrastructure of Elallink, which links Portugal to Brazil. EllaLink is planning to build a 2 145-kilometre branch on the main system to connect the city of Cayenne in French Guiana. While French Guiana currently only relies on infrastructures going through North America, this new cable will connect this EU outermost region directly to continental Europe with no dependency on any non-EU territory, thereby reinforcing the

sovereignty of the digital development of the entire Caribbean region. It will also improve the security and resilience of the highly strategic European Spaceport in Kourou.

– Furthermore, while the ‘5G for Smart Communities’ project started with a modest number of proposals (7) in Call 1, these have since increased to 18 in Call 2. Currently, there are a total of 32 proposals under evaluation in Call 3. The total number of projects under implementation is 17 and most of them are cross-sectoral in nature. The use cases correspond to specific local needs, creating impact on the ground, but at the same time providing replicable solutions to be multiplied throughout Europe.

– To name an example, CONNECTOW is a smart city project in implementation in the city of Wavre (Belgium) which enables four different use-cases with the use of 5G technology. The first one is in public safety with the use of drones for delivering real-time data to emergency responders at the scene. The second is in smart metering for energy management systems and energy awareness of the building inhabitants. In addition, there is a use-case in deploying 5G-based wireless sensor network for air quality monitoring in residential areas to improve quality of life of residents and visitors.

– Security considerations are embedded in the CEF Digital programme by default. These are reflected in the conditions for eligibility, which in principle reserve funding for backbone projects only to EU-controlled undertakings and, as regards 5G infrastructures, require security guarantees approved by the Member State of establishment. Moreover, all participants must submit security-related declarations.

2014-2020 multiannual financial framework – CEF

The CEF is a key EU funding instrument to promote jobs, growth and competitiveness through targeted infrastructure investment at the EU level. It supports the development of high-performance, sustainable and efficiently interconnected trans-European networks in the fields of transport, energy and digital services.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	29 860.5	29 875.9	99.9%
Payments	17 663.5		59.1%

– The overall cumulative implementation rate in payment appropriations (59%) mirrors the specificity of the programme, where investments are mainly channelled towards complex infrastructure projects implemented over a considerably long time.

Transport:

– Regarding the transport sector, the overall reported financial progress by the end of 2023 is around 72% and is the result of delays experienced during the projects' implementation. Under the three specific objectives supported through the transport strand, the following issues were identified: public procurement issues, legal and environmental issues, technical and technological issues, project coordination issues and interdependency with other CEF or EU-funded projects. Furthermore, based on exchanges with the project promoters in 2022 and 2023, the consequence of the COVID-19 pandemic, the inflation and the effect on markets and prices for both raw materials and energy have further affected the implementation of some CEF-supported actions.

– In addition, the related actions are usually characterised by long implementation periods, as they mostly refer to works for large and technically complex transport infrastructure projects. In this framework, and to reduce risks, payments are disbursed during the entire project life cycle and only upon acceptance of eligible costs incurred by the beneficiaries during the project's reporting period.

– The European Climate, Infrastructure and Environment Executive Agency continues to implement its monitoring tools through the assessment of reports, site visits and follow-up meetings with CEF beneficiaries, ensuring a thorough assessment and identifying the actions for which amendments are needed.

Energy:

– The implementation rate of 49.5% for CEF Energy is lower compared to the overall CEF implementation. This is due to several large multiannual actions with long lead times due to their very complex nature and delays linked notably to the need to secure sufficient co-funding (national or other sources), public procurement issues (e.g. complaints/appeals during tender procedures) and legal and environmental issues (e.g. permitting, spatial planning, other authorisations and land acquisition). The COVID-19 sanitary crisis and the post-COVID cost inflation have also led to additional delays for some actions. Some of these projects may only be completed by 2028.

– The Commission can closely monitor the progress of the projects of common interest and the implementation of the projects of common interest, first through a provision in the grant agreements that requires project promoters to regularly submit an action status report to the European Climate, Infrastructure and Environment Executive Agency. These action status reports provide an overview of the technical and financial progress of the action. In addition, projects of common interest are subject to yearly monitoring by national competent authorities and the Agency for the Cooperation of Energy Regulators pursuant to Article 5 of the trans-European networks for energy regulation.

Telecom:

– Regarding CEF Telecom, the implementation rate of 82% is above the average of the overall CEF implementation.

– Also in 2021, through the CEF debt instrument, the European Investment Bank signed a loan agreement with a project promoter for fibre rollout for a total amount of EUR 100 million, of which EUR 70 million is guaranteed by the Commission. The project costs are estimated at EUR 241 million and the European Investment Bank has estimated that, upon completion of the project in Slovenia in 2023, an additional 225 000 households (about 25% of the country) will have access to very high capacity networks.

– CEF Telecom also invested in the equity financial instrument Connecting Europe Broadband Fund, together with the European Investment Bank, three national promotional and institutional banks and private investors. In June 2021, the fund has attracted EUR 165 million private equity investments, for a total fundraising of EUR 555 million, well above the minimum capital of EUR 500 million set at creation time for the fund.

– From 2014 to 2020, CEF Telecom supported the deployment of an ecosystem of trusted cross-border digital service infrastructures (*) that are essential to triggering the digital transformation of public sector services in the Member States, all for the benefit of citizens and businesses.

– With an overall investment of just under EUR 280 million in the core service platforms, the Commission enabled the EU-wide interoperability of specific digital services such as eHealth, public open data, e identification and cybersecurity. With an EU contribution of almost EUR 365 million in generic services and an overall leveraged amount of more than EUR 528 million, the uptake of these services with CEF support reached a portfolio of 735 projects in the Member States and participating countries in the European Economic Area by the end of 2021. The last grant agreements under CEF Telecom were signed in 2021. Nearly half of the total portfolio of projects are under implementation due to the duration of the actions funded by the programme, which go up to 4 years. CEF digital services support EU citizens, businesses and public administrations in interconnecting and adapting their systems to become interoperable across borders.

(*) European, e-identification, e-signature, e-delivery, e-invoicing, e-archiving, public open data, eTranslation, cybersecurity, eProcurement, business registers interconnection system, eHealth, electronic exchange of social security information, the European e-Justice portal, European digital media observatory, European platform on digital skills and jobs, online dispute resolution, safer internet, EU student e-card and blockchain.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
CEF Transport – lines in service equipped with the European railway traffic management system	0	Actual results: 6%	5 491 in 2024	326 km out of 5 491 km	Moderate progress
CEF Transport – number of supply points for alternative fuels	0	Actual results: 9%	21 272 in 2024	1 904 out of 21 272	Moderate progress
CEF Energy – system resilience – number of Member States	3	91%	22 in 2020	20 out of 22	On track
Number of Wi-Fi hotspots supported by CEF	0	> 100% (**)	90 700 in 2023	92 570 out of 90 700	Achieved

(*) % of target achieved by the end of 2023.
(**) % of target achieved by the end of 2022.

NB: Estimated values represent project results to be completed by 2022 based on the contractual delivery dates in the signed grant agreement – see explanation below under 'Performance assessment'.

Transport

– The more than 1 000 actions signed within the programme's 2014-2020 Transport strand have been supported with an EU contribution of more than EUR 23 billion, triggering around EUR 50 billion of private and public investments. These have strongly contributed to paving the way for the achievement of the key trans-European transport network and wider EU policy objectives addressing the removal of bottlenecks and enhancing interoperability, ensuring sustainable and efficient transport systems and optimising the integration and interconnection of transport modes.

– In particular, the programme has been one of the front-running EU spending programmes supporting the sustainable and digital transitions. In line with the European Green Deal, transport investments for infrastructures strongly contributed to climate objectives, feeding the EU long-term decarbonisation commitments. Around 80% of the programme's support has been allocated to the rail and inland waterways sectors and to the acceleration of the deployment of alternative fuels infrastructure, fostering a new mobility paradigm. As an example, in 2023 a CEF I project contributing to the construction of the multimodal logistic platform and a rail-road terminal in Extremadura (Spain) was closed. Being located on the high-

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speed Sines–Lisbon–Madrid railway line at the border crossing point between Spain and Portugal, the new infrastructure improves cross-border freight transport and the modal shift from road to rail. With the aim to shift traffic from the highly saturated road network in Italy, another CEF I project improved the navigability of the Po river by removing bottlenecks such as underbridge clearances and allowing for a better regulation of the river flow throughout the year.

– Furthermore, data and digital infrastructure have received targeted support, enhancing the deployment of digital solutions for all transport modes. As an example, in 2023 a dedicated action contributed to equip 1 400 freight train wagons with sensors and digital communication tools to exchange real-time data. The sensors installed on the wagons will optimise the interoperability for seamless cross-border rail.

– Nevertheless, the implementation of the programme's 2014-2020 actions has also been directly impacted by the geopolitical crisis in Ukraine. In particular, as fallout of the war context, some programme beneficiaries have reported delays linked to increased energy costs, lack or increased prices of raw materials for construction, the impacts of inflation and lack of workforce in some of the Member States bordering Ukraine. While no specific issue at the strand level could be generalised, the Commission services and the European Climate, Infrastructure and Environment Executive Agency are closely monitoring the implementation of all actions and will take informed decisions on possible mitigating measures on a case-by-case basis. In particular, similarly to the actions taken in the aftermath of the pandemic crisis, the Commission might decide to review the duration of some actions, allowing for additional time for their finalisation.

– Taking into consideration the above information and recalling that there is a time lag of approximately 1.5 years between the actual completion of a project and the registration of results, corresponding to the time required to close the projects, it can be concluded that there was overall moderate progress of the implementation of the 2014-2020 programme in the last 12 months.

– As per the current situation, the expected maximum duration of the programme's Transport actions should not go beyond the end of 2024. Their results (outputs triggering performance data) can be achieved by the of 2024 and related information for financial closure can be received until mid-2026. In this framework it is considered that the potential for the achievement of the indicated targets is still there.

Energy

– During the 2014-2020 period, Energy co-funding of a total of EUR 4.59 billion was allocated to 149 actions contributing to 107 projects of common interest. By the end of 2023, 120 actions that received programme support were completed in total: 58 on electricity and storage, 55 on gas, 3 on smart grids and 4 on carbon dioxide networks.

– Under CEF I, 77% of the actions were studies, accounting for 10% of the total commitments under the 2014-2020 multiannual financial framework, as preparatory studies are normally much less budget-intensive than project construction. This means that the largest share of CEF I funding goes to works (90%), representing 23% of the total actions. Compared to CEF I, the proportion of studies versus works is expected to shift for the first calls under CEF II, as a number of key infrastructure projects that had received CEF support for studies under the previous (2014-2020) multiannual financial framework have become mature for support for construction at the onset of the current multiannual financial framework. This means that under the first two calls of CEF II, 38% of the actions have been studies and 62% have been works, with the latter absorbing 97.5% of the total grants awarded.

– In general, the Energy core performance indicators for 2014-2020 reflect different angles of the achievements of the EU energy policy, such as the end of Member States' isolation, the interconnection target levels, the increase of system resilience and the diversification of gas supply sources, which are of the utmost relevance in minimising the effect of the unprovoked Russian aggression to Ukraine on the energy markets.
– The positive impact of the Energy strand should be measured in the long term, considering the lengthy implementation periods of large-scale energy infrastructure projects. In 2023, no progress was registered in terms of commissioned projects reducing Member States' energy isolation (six projects of common interest to target) and system resilience (two Member States to target), while two more Member States have reached the percentage of electricity cross-border transmission power relating to the installed electricity generation capacity expected by the EU policy (19 Member States complying with the 15% interconnection target). Progress has been achieved in terms of projects allowing the diversification of supply sources, as one additional project of common interest supporting the EU's security of supply has been completed in 2023, setting the level of pending projects of common interest to be commissioned under this particular indicator from eight to seven.
– The success of the numerous actions of the projects of common interest and their contribution to the policy objectives of the trans-European networks for energy strategy is not yet fully reflected in the indicators, due to the long implementation time of the grants for large and technically complex energy infrastructure projects. In addition, delays have occurred because of external factors such as the COVID-19 sanitary crisis and cost inflation, the need to secure sufficient co-funding (national or other sources), public procurement issues (e.g. complaints/appeals during tender procedures) and legal and environmental issues (e.g. permitting, spatial planning, other authorisations and land acquisition). The revised trans-European transport network regulation, the policy framework for the infrastructure projects of common interest that are eligible for the Energy strand which entered into force in June 2022, includes strengthened planning and permitting provisions to address project implementation issues.
– Nevertheless, the programme's Energy-funded actions have significantly contributed to the integration of the EU energy market through the strengthening of cross-border connections aiming to end energy isolation and eliminate bottlenecks. The Energy strand also supports projects that increase security of supply in Member States where this issue is most pressing.

Telecom

– Regarding WiFi4EU for the 2018-2020 period, more than 8 800 vouchers were awarded through the programme. The network installations steadily increased and exceeded the expected target of 8 900 by reaching 9 169 in the last quarter of 2023.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3		
SDG4		
SDG5		
SDG6		
SDG7	Yes	CEF Energy supports SDG7 by promoting investments contributing to the further integration of the internal energy market and to sustainable development, by the integration of energy from renewable sources into the transmission network and by the development of smart energy grids. In particular, CEF-Energy supports energy infrastructure projects of common interest that have significant socio-economic benefits and ensure greater solidarity among Member States, but which do not receive adequate financing from the market. An example is the 330 kV interconnector between Tartu, Estonia and Valmiera, Latvia, as an important part of the efforts to synchronise electricity grids of the Baltic countries of Estonia, Latvia and Lithuania with the rest of the EU's electricity system. The line was part of Phase 1 of the Baltic Synchronisation project, which received a total CEF grant of EUR 323 million.
SDG8		

SDG9	Yes	CEF Transport supports SDG 9 through investments for resilient infrastructure, including the necessary technology to ensure proper monitoring of the infrastructure. As an example under CEF 2014-2020, a system for monitoring the behaviour of rail wagons brakes has been developed that would increase rail safety by reducing the probability of accidents. Real time information of damage also allows for more efficient maintenance. As regards the energy strand, CEF-Energy supports SDG 9 through the investments aiming to increase the interoperability of electricity and gas networks across the borders. In this respect, the completion of the Interconnector Bulgaria-Serbia (IBS) project ensures bi-directional interconnection of the gas transmission networks of the Republic of Bulgaria and the Republic of Serbia, increasing the security and diversification of gas supplies and routes and the interconnectivity between both national systems. - The CEF Digital strand supports the SDG 9 through funding of actions enabling uninterrupted connectivity along transport corridors and high-capacity networks for digital global gateways. As an example, under Call 1, funded actions are already deploying 5G (passive/active) infrastructure along the major TEN-T corridors that prospectively would enable seamless 5G connectivity in highways and/or railways fostering the adoption of Connected and Automated Mobility. Another example is the deployment of submarine cables connecting remote areas with the European Union and increasing networks' capacity, resilience and security.
SDG10		
SDG11	Yes	CEF Transport supports sustainable cities and communities (SDG11). It finances for example the connection of airports with the rail network which should help passengers shifting from road to rail. In 2021, CEF has contributed amongst others to the improvement of the rail connection to the airport Helsinki - Vantaa resulting in public transport connections running more smoothly for travellers and commuters to/from the Helsinki airport. The action also provided better and safer access to the rail line by building a new tunnel to the train station.
SDG12	No	

SDG13	Yes	The CEF programme contributes to the climate related goals of the EU, as indicated in the European Green Deal Communication and the European Climate law adopted in 2021. The transport strand strongly supports climate related investments, with a particular focus on the deployment of alternative fuels charging infrastructure. For example since 2021, 497 supply points for alternative fuels have been put into operation along the trans-European transport network. CEF 2 is financing electric charging points for cars and trucks as well as electricity supply for vessels at berth in ports. CEF Energy support SDG13 by financing actions that contribute to the decarbonisation of the energy system, inter alia through the integration of renewable energy into the grid and the transmission of renewable generation to major consumption centres and storage. An example is the electricity interconnection between Greece and Bulgaria, comprising the construction of an AC 400kV cross-border link which improves the transfer capacity between both Member States and increases RES integration.
SDG14		
SDG15		
SDG16		
SDG17		

DEP

DIGITAL EUROPE PROGRAMME

Programme in a nutshell

Concrete examples of achievements (*)

3	151	4	> 200 000
supercomputers procured by the European High Performance Computing Joint Undertaking (EuroHPC Joint Undertaking) and made fully operational in 2023 ranked among the world's top 10 in November 2023. They are among the most powerful and most energy-efficient supercomputers in the world (**).	European digital innovation hubs were established in all EU Member States and in Iceland, Liechtenstein and Norway in 2022 and 2023. By the end of 2023, hub services were available in 90% of European regions, serving public and private organisations, particularly small and medium-sized enterprises.	specialised and large-scale testing and experimentation facilities for artificial intelligence were established in 2023 in four sectors/areas (agrifood, healthcare, manufacturing and smart cities and communities). These facilities support AI innovators in bringing trustworthy artificial intelligence to the market.	image series of about 20 000 individuals are available on the Cancer Image Europe platform, which linked up 36 datasets of images of nine cancer types by the end of 2023.

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27	2 517	250	> 12 000
National Cybersecurity Coordination Centres were established in the EU in 2023, providing access to research and technological expertise in cybersecurity at the national/regional levels and ensuring cross-border cooperation.	students and participants enrolled in the first digital master's programmes (e.g. in digital health and civil engineering) and in short-term training courses (in artificial intelligence, cybersecurity, the internet of things, blockchain, quantum and robotics) by the end of 2023.	public authorities and private entities across the EU started piloting in 2023 the European Digital Identity Wallet across 11 use cases, including mobile driving licence, travel credentials, e-prescriptions, educational / professional credentials and identification for accessing public services.	school visits were made by the Safer Internet Centres in 2023 to provide safety information, educational resources, public awareness tools and counselling and reporting services for young people, teachers, and parents. The Member States now benefit from the services of 25 Safer Internet Centres.

(*) Key achievements in the table state which period they relate to.

(**) The three supercomputers were procured by the EuroHPC Joint Undertaking using funds from the 2014-2020 multiannual financial framework.

Budget for 2021-2027

(million EUR)(**)

Financial programming	8 076.8
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	101.9
Total budget 2021-2027	**8 178.7**

(*) Only Article 15(3) of the financial regulation.

(**) The Chips Act is included.

Rationale and design of the programme

The Digital Europe programme (DEP) is a new EU funding programme focused on bringing digital technology to businesses, citizens and public administrations. It provides strategic funding to face challenges in the area of digital technology and infrastructure, supporting projects in six key capacity areas: supercomputing, artificial intelligence, cybersecurity, advanced digital skills and the wide use of digital technologies across the economy and society, including through digital innovation hubs. A new specific objective was integrated into the Digital Europe Programme with the adoption of the Chips Act Regulation, which promotes Europe's leadership in semiconductor technologies and applications.

CHALLENGE

Europe faces many challenges in the digital area, namely the following:

- The increasing global competition to control digital technologies will shape the world of tomorrow. Today European businesses, the public sector and researchers often have to look outside the EU to access the computing, data or artificial intelligence resources they need.
- Meanwhile, hundreds of thousands of jobs in crucial digital areas go unfilled, hampering investment and innovation.
- Moreover, unless the EU improves its cybersecurity capabilities, its vital infrastructure and data are at risk.
- The uptake of digital technologies by European businesses, small and medium-sized enterprises and public administrations is very uneven. Unless the EU develops key digital capabilities, industries and skills, its open strategic autonomy and competitiveness are at stake.
- Given the network effects of digitalisation (e.g. the need to promote EU interoperability and to reach critical mass in building state-of-the-art capacities), decisive action at the EU level is needed, with co-investments from Member States and the private sector.

MISSION

The Digital Europe programme supports the EU in the digital transformation of the economy and society and brings its benefits to all citizens and businesses. It focuses on:

– building essential capacities and advanced skills in key digital technologies, contributing to the EU's open strategic autonomy;

– accelerating their deployment and making the best use of them in areas of public interest and the private sector.

OBJECTIVES

Specific objective 1: high-performance computing

Specific objective 2: artificial intelligence

Specific objective 3: cybersecurity and trust

Specific objective 4: advanced digital skills

Specific objective 5: deployment and best use of digital capacities and interoperability

Specific objective 6: semiconductors

ACTIONS

- **High-performance computing.** Deploy world-class exascale, post-exascale supercomputing and quantum computing capacities to ensure the widest access to and use of these capacities.
- **Artificial intelligence**. Deploy EU-wide common data spaces based on a cloud-to-edge federated infrastructure and promote the testing and adoption of artificial intelligence technologies with a European AI platform and world-class testing and experimentation facilities.
- **Cybersecurity** and trust. Build up advanced cybersecurity capabilities (equipment, tools and data infrastructures), including a quantum secure communication infrastructure for Europe. Promoting the sharing of best practices and ensuring a wide deployment of the state-of-the-art cybersecurity solutions across the European economy.
- **Advanced digital skills.** Boost academic excellence by increasing the education and training offer in key digital technologies, such as high-performance computing, cybersecurity and artificial intelligence. Training in these areas will be implemented through cooperation among tertiary education institutions, world-class research centres and innovative businesses.
- **Adoption and best use of key digital technologies**. Deploy a network of European digital innovation hubs supporting the digital transformation of European public and private organisations, addressing key societal challenges (e.g. environment and climate change) via high-impact deployments and reinforcing the European blockchain capacities and the digital transformation of public administrations and services through interoperability solutions while promoting an inclusive and trustworthy digital space**.**
- **Semiconductors:** A new specific objective was integrated into the Digital Europe Programme with the adoption of the Chips Act Regulation[25], which promotes Europe's leadership in semiconductor technologies and applications with the following operational objectives:
    - building up advanced design capacities for integrated semiconductor technologies;
    - enhancing existing and developing new advanced pilot lines across the EU to enable development and deployment of cutting-edge and next-generation semiconductor technologies;
    - building advanced technology and engineering capacities for accelerating the innovative development of cutting-edge quantum chips and associated semiconductor technologies;
    - establishing a network of competence centres across the Union; undertaking activities to facilitate access to debt financing and equity.

STRUCTURAL SET-UP OF THE PROGRAMME

The legal bases of the Regulation establishing the DEP are the following provisions of the Treaty on the Functioning of the European Union (TFEU): Article 173(3) TFEU, focused on the EU's industrial competitiveness, with regard to most of activities undertaken under this programme, and Article 172 TFEU, notably with regard to the digital transformation of areas of public interest. The COVID-19 crisis has highlighted the critical role of digital technologies and infrastructures. In light of the exponential development of digital technologies, the constant geopolitical shifts and the large public investments of global competitors in key digital technologies, such as artificial intelligence, supercomputing and cybersecurity, and in digital skills, no Member State acting alone can make critical investments in digital capacities at the scale required. Given the challenges ahead and the level of investments needed, the

[25] Regulation (EU) 2023/1781 of the European Parliament and of the Council of 13 September 2023 establishing a framework of measures for strengthening Europe's semiconductor ecosystem and amending Regulation (EU) 2021/694 (Chips Act): EUR-Lex - 32023R1781 - EN - EUR-Lex (europa.eu).

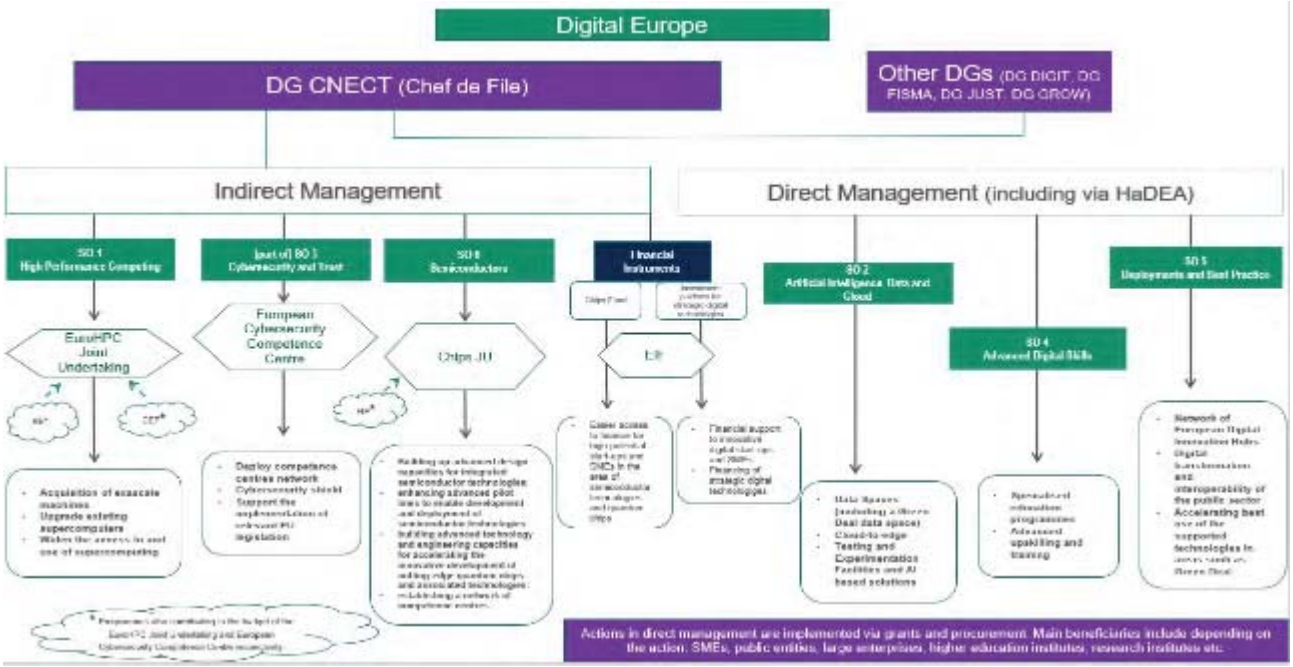
intervention at EU level is necessary in order to improve the competitiveness of Europe in the digital economy and reinforce its strategic autonomy.

The DEP's actions are complemented by an array of regulatory measures aiming to eliminate barriers in several critical technological areas, for instance, to incentivise business-to-business and business-to-government data sharing in across the EU (Data Governance Act, Data Act), the creation of a safer and fairer online environment for users and businesses (Digital Services Act, Digital Markets Act), the improvement of the level of security of network and information systems across the Union (NIS2 directive), to strengthen public sector interoperability (Interoperable Europe Act) and to ensure artificial intelligence in the EU is safe, respects fundamental rights and democracy (AI Act).

In terms of management mode, for the specific objectives 2 – 'artificial intelligence', 4 – 'advanced digital skills' and 5 – 'deployment and best use of digital capacities and interoperability', the Commission directly manages the programme, with the support in some of these areas from the Executive Agency for Health and Digitalisation. The specific objective 1- 'high-performance computing' is implemented primarily through the EuroHPC joint undertaking and the specific objective 3 'Cybersecurity and Trust' is implemented primarily through the European Cybersecurity Industrial, Technology and Research Competence Centre and the Cybersecurity Competence Network. Some activities related to the Cybersecurity Emergency Mechanism will be carried out by the European Union Agency for Cybersecurity (ENISA) via Contribution Agreements. The new SO6 – semiconductors– will be implemented by the Chips Joint Undertaking. Also through indirect management, Destination Earth is implemented by the European Space Agency, the European Centre for Medium-Range Weather Forecasts and the European Organisation for the Exploitation of Meteorological Satellites. The Investment Platform for Strategic Digital Technologies and the Chips Fund are implemented through indirect management with the European Investment Fund under InvestEU.

The lead DG is DG Communications Networks, Content and Technology, with other DGs also involved.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

Although Digital Europe is a new programme, some of its activities target the sustainability and continuation of actions deployed under the previous multiannual financial framework.

In particular, the deployment of digital service infrastructures facilitating cross-border interoperability and exchanges between public administrations, businesses and citizens was funded under the Connecting Europe Facility (CEF) Telecom programme, while the actions in the ISA^2 programme focussed on interoperability in public administration applications. Part of these solutions are now integrated within the scope of the DEP.

The programme also builds on results from successful projects funded under the Horizon 2020 programme, making it possible to move technologies such as HPC and Artificial Intelligence into large-scale deployments. The European high-performance computing strategy was implemented using funding from both Horizon 2020 and CEF programmes. Horizon 2020 supported artificial intelligence but focused on research and innovation and not on large-scale deployments. Against this background, the DEP closes the loop by building essential capacities, accelerating the deployment of key technologies and advanced digital skills.

FURTHER INFORMATION

- Programme website: dDigital Europe programme
- Impact assessment: The impact assessment for the DEP was carried out in 2018. For further information please consult: https://europa.eu/!BJ66th
- Relevant regulation: Regulation (EU) 2021/694 of the European Parliament and of the Council
- Regulation (EU) 2023/1781 of the European Parliament and of the Council of 13 September 2023 establishing a framework of measures for strengthening Europe's semiconductor ecosystem and amending Regulation (EU) 2021/694 (Chips Act)
- Regulation (EU) 2024/903 of the European Parliament and of the Council of 13 March 2024 laying down measures for a high level of public sector interoperability across the Union (Interoperable Europe Act)https://eurohpc-ju.europa.eu
- https://cybersecurity-centre.europa.eu/index_en
- https://www.chips-ju.europa.eu
- https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/digital

Budget implementation and performance

Budget programming

Budget programming (million EUR)(**):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	1 130.5	1 232.8	1 340.8	1 249.3	1 088.1	985.6	1 049.8	8 076.8
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	30.5	31.3	40.1					101.9
Total	**1 161.0**	**1 264.1**	**1 380.9**	**1 249.3**	**1 088.1**	**985.6**	**1 049.8**	**8 076.8**

(*) Only Article 15(3) of the financial regulation.

(**) Chips Act is included



Financial programming:

+ EUR 488.8 million (+ 6%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison. Chips Act is included

The Digital Europe programme's original budget was EUR 7.588 billion covering five specific objectives over the 2021-2027 period. For the implementation of the new specific objective 6 (semiconductors), EUR 800 million were transferred to Digital Europe programme. On the other hand, EUR 270 million were transferred from the Digital Europe programme to the Secure Connectivity Programme. Several cuts (for instance, to ENISA to respond to a growing cybersecurity threat in light of the changed political situation) and small top-ups amount in total to an additional cut of EUR 265 million. These changes and the adoption of the Chips Act made the programme's total budget to increase by six percent compared to the initial programming.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR)(*):

	Implementation	Budget	Implementation rate
Commitments	3 802.1	8 178.7	46.5%
Payments	1 684.0		20.6%

(*) Chips Act is included.

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	1 129.1	1 129.6	23.8	104.8
2022	1 232.5	1 247.8	748.3	844.3
2023	1 339.8	1 306.9	838.0	1 284.5

(*) Voted appropriations (C1) only, Chips Act is included

The first set of work programmes of the DEP was adopted in November 2021. The first projects, stemming from the calls for proposals covered in the first set of work programmes, started the implementation phase in late 2022 / early 2023, when the first payments were performed as part of the pre-financing. The first projects will be finalised and evaluated in early 2024.

Three sets of calls for proposals were published after the adoption of the first set of work programmes. The calls covered topics in all work strands of the programme including the first steps towards the deployment of common data spaces, the promotion of testing of trustful artificial intelligence technologies in testing and experimentation facilities, investments in the area of cybersecurity, education and training opportunities for future ICT experts, the establishment of a network of digital innovation hubs, the deployment of the European blockchain service infrastructure, support to the implementation of the European digital identity framework, the continuation of the investments in the previous financial framework for the safer internet network and the European digital media observatory and its network of hubs.

The 2023-2024 work programmes (Main Work Programme and Cybersecurity Work Programme) adopted in March 2023 (and amended in December 2023) aim to ensure continuity and sustainability of actions already started in 2021 and 2022. At the same time, the work programmes respond to recent developments and societal challenges. Novel elements include:

- support of new high-impact activities, such as the establishment of an Exploitation Office for the broad dissemination of results stemming from forthcoming Important Project of Common European Interest on Next Generation Cloud and Edge Infrastructure and Services and the development of a cloud-based collaborative platform for the management of industrial programmes in the aeronautics and security sector;

- building on the smart communities data infrastructure, the development of virtual reality/ augmented reality worlds and metaverse technologies for communities and interconnected local digital twins in the EU;
- support to AI in the healthcare sector through a platform for advanced virtual human twin, pathways for AI in healthcare and AI in support of Quantum-Enhanced Metabolic Magnetic Resonance Imaging Systems;
- support for the preparation and compliance with the AI Act[26];
- support to build an EU wide digital infrastructure for the AI foundation models for language technologies;
- support to encourage young people and in particular girls to pursue digital studies and careers and to address the gender gap in ICT;
- developing a reference framework addressing urgent needs in energy consumption;
- funding for the Chips Fund, planned in the new European Chips Act;
- support to large-scale projects facilitating the achievement of the targets for digital transformation and industrial recovery in EU (multi-country projects);
- building the capacity of Member States' public administrations to implement the Interoperable Europe Act and enable the joint development of cross-border digital public services in the future.

The 2023-2024 cybersecurity work programme (specific objective 3) will continue to support joint actions in order to create an advanced threat detection and cyber incident analysis ecosystem by building capacities of national and cross-border Security Operation Centres. It will continue to foster cross-border collaboration via National Coordination Centers and provide support to industry, in particular SMEs and start-ups to comply with regulatory requirements, in particular NIS2 and the Cyber Resilience Act. The Programme will contribute to improving the preparedness and cross-border cooperation to tackle large-scale cybersecurity incidents via the new Cybersecurity Emergency Mechanism, develop and deploy cybersecurity systems and tools based on enabling technologies, such as AI and also support post quantum cryptography to respond to the emergence of quantum computers and the associated security threats.

Three set of calls were launched between May and December 2023 covering several initiatives in the main and cybersecurity work programmes (supporting, for instance, advanced digital skills, AI and data spaces, novel AI applications for SOCs and support for the implementation of cybersecurity legislation).

At the end of 2023, the amended Work Programme of the Key Digital Technologies JU renamed Chips Joint Undertaking, published calls for four pilot lines to enable development and deployment of cutting-edge semiconductor technologies and next-generation semiconductor technologies.

Similarly, the implementation of procurement actions in the Main Work Programme 2021-22 has progressed, for instance, within the work strand to increase confidence in digital technologies (platform to support the European Digital Media Observatory and a Better Internet for Kids platform), the procurement of a marketplace for verified cloud services (to be operational in 2024) and the setting up of sectorial data spaces. Procurement actions to promote the digitalisation of public services are well on track and several results were achieved (e.g. concerning the work strands European Digital Identity, eDelivery, Once Only Technical System and digitalisation of justice and consumer protection).

In the area of interoperability, under the Main Work Programme 2021-2022, several activities have been carried out to support, for instance, the development of solutions, tools, specifications and reference architectures for public sector interoperability, the monitoring on digital public administrations, actions on semantic interoperability, the enhancing of digital skills, particularly in the interoperability domain, through

[26] Proposal for a Regulation of the European Parliament and of the Council laying down harmonised rules on Artificial Intelligence (Artificial Intelligence Act) and amending certain Union legislative acts COM/2021/206 final

the Interoperable Europe Academy, as well as the promotion of interoperability initiatives via the Joinup platform. For the current Main Work Programme, a few procurement actions have been launched already for activities supporting semantic interoperability, digital-ready policy-making and the promotion of interoperability solutions, specifications and tools.

Numerous procurements have been launched within the HPC work strands. Since 2022, six large procurements have been implemented to upgrade two existing supercomputers, and to acquire a precursor-to-exascale supercomputer, the first exascale supercomputer and two hybrid HPC/quantum computers.

The DEP is also contributing to the 'Destination Earth' initiative, aimed to develop a highly accurate digital model of the Earth in order to monitor, simulate and predict the interaction between natural phenomena and human activities. After a year of highly visible user engagement events and the procurement of all major components of Phase I (core platform, data lake and first two digital twins), the services of Destination Earth will be made available in mid-2024.

The Digital Europe budget is also being implemented via financial instruments. The Investment Platform for Strategic Digital Technologies (IP-SDT) and the Chips Fund provide financial support to eligible projects through equity and quasi-equity. Both instruments are implemented in indirect management by the European Investment Fund (EIF) that matches 1:1 the available funding under DIGITAL with EIF InvestEU resources.

The IP-SDT started its implementation in March 2022, including a set of advisory services with funding from DEP to the EIB Advisory Hub. 2 transactions for total commitments of EUR 19.8 million have been signed already and 4 more operations are approved for EUR 41 million, covering software investments, early stages digital companies, cybersecurity, AI and DLT.

The Chips Fund deployment was launched late 2023. 1 operation is already signed and 1 approved for a total of EUR 50 million; 5 other deals amounting to EUR 60 million are expected to be signed in 2024. Its deployment is also accompanied by EIF market development & awareness building activities.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	88.9	154.5	70.0	22.8	0.0	0.0	0.0	336.3	4%
Biodiversity mainstreaming									
Clean air									

Several actions in the first work programmes are expected to make a contribution to climate change mitigation or adaptation. This is mainly the case of the 'Destination Earth' initiative, which will develop a very high-precision digital model of the Earth to enable the visualisation, monitoring and forecasting of natural and human activity on the planet. This will allow us to be better prepared to respond to major natural disasters, adapt to climate change and predict its socioeconomic impact. A small number of other

actions – such as the Digital Product Passport, an information system that provides data on a product's sustainability and environmental impact throughout its lifecycle, from design to disposal, currently under development and financed by DEP – are expected to have a non-marginal positive contribution to climate change mitigation or adaptation objectives.

In the 2023/2024 work programmes, Destination Earth and the Digital Product Passport will continue to be funded. A small number of other actions are expected to make a positive contribution to climate change mitigation. For instance, a new action 'EU Energy Saving Reference Framework' will help conserve electricity when there is a shortage of energy supply. This framework for energy-saving applications will support consumers and businesses in enhancing energy efficiency, for example through recommendations on when to increase or decrease energy usage based on regional demand and usage patterns, and personalised guidance for eco-friendly consumption, integrating data from smart metres. The Green Deal data space will offer access to a variety of data relating to the environment and the EU's climate objectives, for instance by providing detailed data on geospatial systems, localised water, soil and air pollution, and energy supply and consumption. The Agricultural data space will enable the agriculture sector to transparently share and access data promoting its economic and environmental performance. Similarly, the Energy data space will provide access to data to foster the development of innovative energy services to optimise the electricity grids and improve energy efficiency. It will play a key role in increasing the integration of intermittent renewable energy sources. The climate contributions after 2024 will depend on the actions to be funded in subsequent work programmes.

In terms of results, the procurements of all major components under Destination Earth have been completed ('core platform, 'data lake' and the first two 'digital twins') and the whole infrastructure will be deployed. The first range of services, including the first two digital twins on climate-change adaptation and extreme weather events, will be made available in mid-2024.

The programme will deliver digital solutions and contribute to closing the digital skills gap, but is not expected to make a direct contribution to biodiversity or clean air. During the implementation of the programme, this *ex ante* assessment will be revised should specific projects make a tangible contribution to these horizontal priorities that could not be anticipated at the start of the implementation.

Contribution to gender equality (million EUR) (*)**:**

Gender Score	2021	2022	2023	Total
2				
1				
0*	1 129.1	1 232.5	1 339.8	3 701.4
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information

– Gender disaggregated information is available for the training courses funded under the ‘advanced digital skills’ specific objective. In 2023, 2 517 participants were enrolled in specialised training programmes and short-term training sessions, involving 1 640 male participants, 876 female participants and one non-binary participant. The educational programmes and training initiatives cover diverse key digital areas, including artificial intelligence, data science, cybersecurity, the internet of things, cloud computing, high-performance computing, quantum technologies, blockchain, microelectronics and robotics.

– In line with the Commission’s methodology to track gender-equality-related expenditure, the programme has been attributed a score of 0*, which means that the programme’s impact on gender will be determined *ex post*, once sufficient information from the programming and implementation phase is available. The contribution from DEP to gender equality in the first set of work programmes may be relevant for the training initiatives to promote advanced digital skills organised under the 'advanced digital skills’ specific objective, in line with Article 7 of the Digital Europe regulation, according to which gender balance should be taken into account. The 2021-2022 work programme states that the specialised education programmes, while mainly focusing on excellence, should also address the gender gap. The 2023-2024 work programme introduces two new actions (EUR 8 million in total) to boost the development of digital skills from an early age, particularly for girls, and to promote gender convergence in information and communications technologies. Should the implementation of the abovementioned actions in specific objective 4 entail a contribution, this will be reflected in the respective programme performance statement.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	1 129.1	1 232.5	1 339.8	3 701.4	100%

The full envelope of the DEP contributes to the digital transition. The contribution is thus 100% of the budget committed in a given year.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
High-performance computing infrastructures jointly procured	7	**43%**	21 in 2026	13 compared to a target of 21	Moderate progress
Co-investment in sites for experimentation and testing	0	**71%**	EUR 180 million in 2027	EUR 127 million compared to a target of EUR 180 million	On track
Usage of common European libraries or interfaces to libraries of algorithms, usage of common European data spaces and usage of sites for experimentation and testing related to activities under this regulation	0	**0%**	1 600 in 2030	0 compared to a target of 1 600	On track
Users and communities getting access to European cybersecurity facilities	0	**0%**	400 in 2028	0 compared to a target of 400	On track

People who have received training to acquire advanced digital skills	0	**4%**	65 000 in 2027	2 517 compared to a target of 65 000	On track
People reporting an improved employment situation after the end of the training supported by the programme	0	**0%**	26 200 in 2027	0 compared to a target of 26 200	On track
Extent of alignment of the national interoperability framework with the European interoperability framework	3.750	**>100%**	3.775 in 2025	3.798 compared to a target of 3.775	On track
Businesses and public sector entities that have used the European digital innovation hub services	0	**5%**	191 400 in 2027	8 739 compared to a target of 191 400	On track

(*) % of target achieved by the end of 2023.

- The implementation of the DEP programme is on track to achieve its objectives, the procedures to achieve the milestones for the upcoming years are being implemented and first results have been achieved.
- Regarding the 'high-performance computing' specific objective, the procurement of high-performance computing infrastructures is ongoing to ensure that the supercomputers are available to stakeholders.
    - In 2023, the third precursor-to-exascale supercomputer, MARENOSTRUM V, was inaugurated in the Barcelona Supercomputing Center. This EuroHPC Joint Undertaking system, with a peak performance of 314 petaflops (314 million billion calculations per second), has entered the Top500 list of the most powerful supercomputers in the world at 8th place. It also ranks at 6th place of the most energy-efficient systems. This supercomputer is specially tailored to strengthen European medical research through drug research, the development of vaccines, virus spread simulations and artificial intelligence and big data processing applications. Currently three of these systems are in the top 10 of the world's most powerful computers. They are also among the most energy-efficient supercomputers.
    - In October 2023, the EuroHPC Joint Undertaking awarded the procurement of JUPITER – the first system in Europe to achieve exascale performance, i.e. the ability to execute over 1 billion calculations per second. The system will place the EU as a world leader in supercomputing and be operational by late 2024, and is expected to have a major impact on European scientific excellence and industrial innovation.
- Concerning the 'artificial intelligence' specific objective, the first calls that will enable the usage of data spaces, testing and experimentation facilities, the cloud-to-edge marketplace

and an artificial-intelligence-on-demand platform were published and evaluated, and the actual implementation of the projects started in Q4 2022 and Q1 2023. The initial data on usage of these platforms will be available as of 2024, when the infrastructures become operational. Considerable progress has already been achieved.

- The Simpl Programme, an open-source large-scale, modular, secure, energy-efficient and interoperable European cloud-to-edge smart middleware to support the data spaces (EUR 46 million) was launched in December 2023 and is expected to deliver its initial results by the end of 2024.

- Four sectorial testing and experimentation facilities in the sectors/areas of agrifood, healthcare, manufacturing and smart cities and communities started their work in January 2023. As of 2024, these facilities will offer highly specialised testing and validation services to artificial intelligence innovators, helping them to speed up cutting-edge solutions and bring them to the market. Co-funded with EUR 220 million over 5 years, they bring together 128 partners from 16 countries.

- 21 grants to fund data spaces have been launched so far, with total EU funding of EUR 115 million and involving around 410 beneficiaries. These cover the sectors/areas of tourism, skills, manufacturing, health, mobility, smart communities, the Green Deal and agriculture.

    - These efforts have already yielded results. The ‘European cancer imaging’ initiative, launched in September 2023, has linked up 36 datasets of images of nine cancer types, for a total of over 200 000 image series of about 20 000 individuals. The ‘European genomic data infrastructure’ project, through a starter kit, gives all countries the technical capability to access more than 2 500 synthetic genomics and phenotypic data (including cancer, rare diseases and population genomics) across borders.

    - The deployment of the Manufacturing data space has been launched: two large-scale projects are currently ongoing, focusing on predictive maintenance and on the deployment of a data infrastructure for energy management.

    - The preparatory action for the common European agricultural data space has identified over 400 data-sharing initiatives already active in the sector in Europe. It has developed proposals for building blocks, governance structures and business models, and opened up interim results for consultation, with the aim to ensure wide acceptance and use of the data space. To lay the foundation for tailored feedback, webinars (including for Member State representatives) and outreach activities have been organised. Moreover, results of actions programmed under Horizon Europe to inform the development of the data space have been taken into account, and exchanges with the the agri-food part of the DEP ‘Testing & Experimenting Trustworthy AI Facilities’ programme and the evolving ‘Agriculture of data’ Horizon Europe partnership have been organised.

    - The preparatory activities for the common European mobility data space identified over 270 data ecosystems in the mobility and transport sector in Europe and recommended common building blocks for the creation of the data space. It helped create a community of key stakeholders and strengthened the momentum to align and collaborate at the EU level. The deployment action for the European mobility data space, which started in November 2023, will deploy real-life implementation projects in nine cities and regions across Europe to help improve the travel experience for

commuters and travellers, and assist public authorities in policymaking and traffic management.The Digital Finance platform has recently made available a data hub to facilitate the exchange of data between national competent authorities and innovative financial firms. It provides synthetic supervisory data for the purpose of testing new solutions and training artificial intelligence / machine learning models.

- In 2023, the open data platform offered access to over 1.6 million open datasets held by public sector bodies. It provides a number of services to promote access and reuse of public sector information, in agreement with the open data directive.

- On the 'cybersecurity and trust' specific objective, the procedures required to launch the actions that will procure cybersecurity infrastructures and tools are on track. Most of the projects implemented via grants or joint procurement will start implementation in early 2024. As it takes approximately 3 years to develop such advanced infrastructures, the target can only be expected to be fully met when the projects are completed.
  - As a first result, a network of National Coordination Centres, comprising one centre in each Member State, has been established. Their mission is to provide access to research and technological expertise in cybersecurity at the national/regional levels and ensure cross-border cooperation.
- On the 'advanced digital skills' specific objective, the first calls that launched the implementation of training for advanced digital skills in 2021 and early 2022 were concluded, evaluated and 20 grant agreements have been signed and projects started to be implemented at the end of 2022 or the beginning of 2023. The call published in late 2022 has also been closed: 12 grant agreements were signed, and the projects started at the end of 2023 or the beginning of 2024. One call from 2023 was already concluded and evaluated, while the indicative start date of the projects is Q2 2024.
  - In 2023, over 2 500 students enrolled in training activities of the specialised education programmes or in the first set of short-term training courses delivered to small and medium-sized enterprises and employees from various industry sectors and the public sector. The specialised programmes and training sessions varied from the designed master's programmes for the acquisition of advanced digital skills for specific sectors, such as health and civil engineering, to training courses, workshops and bootcamps in areas such as artificial intelligence, cybersecurity, the internet of things, blockchain, quantum computing or robotics. New master's courses have been developed and will start to be taught in fall 2024. For example, in the project ManagiDiTH, eight consortium partners from four European countries developed a new master's degree programme, 'Master of Managing Digital Transformation in the Health Sector', which is designed to contribute to the digitisation of healthcare services by teaching data science and information system resources to improve processes and clinical approaches. The programme is a joint degree master and the individual modules will be delivered online in English by the participating higher educational institutions.
- To support public and private organisations in their digital transition, DEP set up a network of European digital innovation hubs in all EU Member States and in Iceland, Liechtenstein and Norway, which comprises 151 hubs. Hub services are available in nearly 90% of the European regions, serving public and private organisations, particularly small and medium-sized enterprises, for instance with facilities allowing them to test before investing in digital solutions and technologies, financing advice or training and skills development. Their strong regional presence leaves them well placed to provide the services local companies need.

- On the work strand ‘confidence in digital transformation’, two main milestones have been achieved.
    - 25 Safer Internet Centres were established, providing safety information, educational resources, public awareness tools and counselling and reporting services to young people, teachers, and parents. Helplines offer advice and support to young users, while hotlines analyse and process reports of suspected online child sexual abuse material from the public, leading to its removal.
    - The European Digital Media Observatory, a network of 14 national and multinational hubs covering all Member States, has been established, supporting and coordinating fact-checkers, researchers and media practitioners. By using the hub’s specific knowledge of local information environments, the observatory strengthens the detection and analysis of disinformation campaigns, improving public awareness, and designs effective responses for national audiences across the EU, such as targeted actions on the war in Ukraine, the Israel–Hamas conflict or the 2024 EU elections.
- The work strand to digitalise public services is well on track and initial results have been achieved.
    - Large-scale pilot projects involving over 250 public authorities and private entities across almost all Member States, along with Iceland, Norway and Ukraine, have begun piloting the European Digital Identity Wallet across 11 important use-cases, including mobile driving licences, payments, travel credentials, organisational digital identity, e-prescriptions, educational/professional credentials, social security documents and identification for accessing public services, opening a bank account and registering for a mobile phone SIM card.
    - The Once-Only Technical System allows both citizens and businesses to carry out all their administrative procedures across the EU faster, as it enables the automated exchange of evidence (in the form of documents) between cross-border competent authorities. All Member States have started to connect their national infrastructures to the system and are currently onboarding their competent authorities.
    - Authorities in 24 countries already use eLab to screen e-shops and platforms for consumer rights violations and investigate malpractices online. For example, 16 000 products were screened in November 2022 and 2 000 misleading price announcements were detected over the 2022 Black Friday sales. In 2023 the tool’s capacity doubled, as over 30 000 products were screened in November, leading to concrete enforcement actions in several countries.
- The Interoperable Europe work strand is on track and main milestones have been achieved. For instance, the Interoperability Test Bed, a Commission solution offering services and components for conformance testing and validation, has so far been actively used by 37 projects, having recorded over 118 000 validations and 66 000 test sessions. In 2023, 2 870 digital solutions were available to governments on the ‘Joinup’ platform funded by the DEP, which received 1 million visits per year.
- Geographical balance must be ensured by aiming to provide wide access across the EU to infrastructures, tools and services funded by the Digital Europe programme. Data spaces, for instance, will allow businesses and the public sector across the whole EU to share data in strategic economic areas in a safe and trustworthy manner. In SO 3, a network of National Coordination Centres has already been established in all Member States to build capacities at the national level, establish synergies among cybersecurity initiatives and ensure wide participation of relevant stakeholders in cybersecurity projects. In specific objective 4, all Member States except Malta are already involved in training initiatives.

Several master's programmes are to be offered online and as a joint degree programme with other universities.

- The services of the 14 national and multinational hubs of the European Digital Media Observatory cover all Member States. By using the hubs' specific knowledge of local information environments, the observatory strengthens the detection and analysis of disinformation campaigns and designs effective responses across the whole EU, such as targeted actions on the war in Ukraine, the Israel–Hamas conflict or the 2024 EU elections. Similarly, Safer Internet Centres have been established in most Member States, offering advice and support to young users, teachers and parents, and supporting the removal of online child sexual abuse material.
- In terms of their geographical outreach, the European digital innovation hub services are available to companies and public sector organisations in 223 regions or nearly 90% of European regions. As companies can reach out to hubs outside their region, the entire EU is covered by the services of the network, which clearly helps in bridging the digital geographical divide.
- Most of the abovementioned results are also relevant in the context of the new 'Strategic technologies for Europe platform' initiative, as they are deployments in the area of deep and digital technologies or related services, or address the skills gaps in critical technologies aimed at decreasing the strategic dependencies of the EU.
- The Digital Europe programme complements several other funding programmes, in particular Horizon Europe and the digital part of the Connecting Europe Facility. These three programmes are contributing to the Digital Decade targets for 2030 at different levels (prepare, deploy, connect). Horizon Europe supports research, technological development, demonstration, piloting, proof-of-concept, testing and innovation – including pre-commercial deployment – for innovative digital technologies. The Digital Europe programme focuses on large-scale digital capacity and infrastructure building to support the uptake and deployment of critical existing or tested innovative digital solutions across the EU. The Connecting Europe Facility supports the high-capacity broadband and 5G corridors necessary to deploy digital services and technologies across the EU. Synergies among the three programmes are anchored in the design of the 2021/2022 and 2023/2024 work programmes, for instance in the areas of European Common data infrastructure and services, along with supercomputing/quantum computing. The DEP-funded sectorial data spaces benefit from Horizon-Europe-funded projects that, for instance, support digital technologies, methods, architectures and processes for user-friendly, safe, trustworthy, transparent and environmentally sustainable collection, storage and processing of data. A concrete example is the Horizon-2020-funded 'Beyond one million genomes' project, which prepared the groundwork for the DEP-funded 'European genomic data infrastructure' project, by defining the legal, technological and data-related requirements and guiding Member States' agreement on respective recommendations. In the area of supercomputing, the EuroHPC Joint Undertaking draws funds from the DEP, Horizon Europe and the Connecting Europe Facility. Synergies between these three programmes are being exploited to be complementary and mutually reinforcing.
- With regard to synergies across different horizontal priorities, the entire DEP budget envelope contributes to the digital transformation, while some actions also contribute to climate change mitigation and adaptation. This is particularly the case for Destination Earth, and some contributions can also be expected from other topics, such as the Digital Product Passport, the EU energy saving reference framework, the Agricultural data space, the Energy data space and the Green Deal data space.

– The Digital Europe programme, while ensuring continuity of activities, has also proven to be flexible in responding to new societal and economic challenges and a changing geopolitical landscape. As a result, the programme has introduced new initiatives as shown below.
    - o The COVID-19 pandemic exacerbated the major supply shortage of semiconductors. DEP reacted swiftly with the integration of a new specific objective to promote leadership in semiconductor technologies with the adoption of the Chips Act ([27])
    - o Russia's war of aggression against Ukraine and the ensuing heightened risk of large-scale cybersecurity threats led to the support for the EU Cyber Solidarity Act, which introduced the Cyber Emergency Mechanism into DEP to increase preparedness and response to large-scale cybersecurity incidents.
– An expected challenge for DEP, as a new programme that often supports large-scale and complex deployments to serve the entire EU, is that the establishment of communities of targeted stakeholders to respond to funding opportunities takes time, and an increased effort to raise awareness is necessary. To remedy the lack of awareness and support at the national level, a network of specific National Contact Points for DEP was set up in early 2023 to support applicants and the implementation of DEP, which in early 2024 comprises 130 established contact points.
– Due to the delay in the publication of the first work programmes (published in November 2021), the first calls were launched only in early 2022 and except for some procurement actions, the actual implementation of projects started in late 2022 or early 2023. Subsequent work programmes were launched in early March 2023 and measures have been taken to accelerate and simplify the implementation process (e.g. better guidance on security restrictions and a simplified application process).
– Participation restrictions brought about by Article 12.5 and Article 12.6, while being key to protecting the EU in key security areas, have also been a hurdle in the implementation, leading to delays and changes in grant agreements. Since the start of the programme, the awareness surrounding security restrictions has significantly increased due to wider outreach activities, training session and information sharing via Programme Committees, National Contact Points and information days.
– As the DEP is a co-funding programme, the investments from the EU budget need to be matched by Member States. The unprovoked Russian invasion of Ukraine and inflation have affected national plans for public spending, which needed to reprioritise investments and support to other areas. This slightly impacted some activities, especially where the contribution needed from Member States was more considerable. Such is the case, for instance, for the joint procurement for high-performance computing infrastructure in the 'high-performance computing' specific objective, in which there were delays in the procurement of supercomputers in 2023. Given the success of the procurement and deployment of EuroHPC supercomputers – which are now among the best in the world (three EuroHPC systems are in the top 10 of the world's most powerful computers) – in the previous multiannual financial framework by the EuroHPC Joint Undertaking, this activity strand is expected to continue to deploy a world-leading data infrastructure and related services.
- The widely used 'simple grant', with a 50% co-financing rate, is an important tool to leverage digital solutions across the EU, but has represented a challenge for some types of stakeholders. The low funding rate also leads beneficiaries, including Member States, to

([27]) Regulation (EU) 2023/1781.

look for other complementary funding, which has proven to be cumbersome and challenging to implement in practice.

2014-2020 multiannual financial framework – CEF Telecom

CEF Telecom supported from 2014 to 2020 the deployment of an ecosystem of trusted cross-border digital service infrastructures ([28]) that are essential to triggering the digital transformation of public sector services in the Member States, all for the benefit of citizens and businesses.

Budget implementation

– With an overall investment of almost EUR 280 million in the core service platforms, the Commission enabled the EU-wide interoperability of specific digital services such as eHealth, public open data, e identification or cybersecurity. With an EU contribution of almost EUR 365 million in generic services and an overall leveraged amount of more than EUR 526 million, the uptake of these services with CEF support reached a portfolio of 735 projects in the Member States and participating countries in the European Economic Area by the end of 2021. The last grant agreements under CEF Telecom were signed in 2021. Nearly one third of the total portfolio of projects are under implementation due to the duration of the actions funded by the programme, which go up to 4 years. CEF digital services support EU citizens, businesses and public administrations in interconnecting and adapting their systems to become interoperable across borders.

– The cumulative implementation table for CEF Telecom can be found in the CEF programme performance statement.

Performance assessment

– The deployment of the digital service infrastructures has been marked by a considerable expansion of the ecosystem, going from eight digital service infrastructures in the first working programme to 20 in the latest one. As a matter of fact, the programme started supporting interoperability in a limited set of areas such as e-government, cybersecurity and the cultural sector. Over the years, the programme started enabling, through various solutions, interoperability in other areas such as health, justice, social security, education and skills, to name a few.

– The digital service infrastructures implemented under the telecommunications part of the Connecting Europe Facility contribute to the EU's preparedness to deal with cyberthreats and incidents, encompassing the need for well-resourced Member State computer security incident response teams and swift and effective operational cooperation between them. Their operational cooperation is facilitated by interacting with the core service platform cooperation mechanism of the cybersecurity digital service infrastructures, MeliCERTes, which supports information sharing, facilitates a shared understanding of artefacts, threats and incidents, provides secure communications and enhances the exchange of data between them. As from

([28]) Europeana, e-identification, e-signature, e-delivery, e-invoicing, e-archiving, public open data, eTranslation, cybersecurity, eProcurement, business registers interconnection system, eHealth, electronic exchange of social security information, the European e-Justice portal, European digital media observatory, European platform on digital skills and jobs, online dispute resolution, safer internet, EU student e-card and blockchain.

2019, an additional cooperation mechanism to facilitate the creation of European-level information sharing and analysis centres has been set up.

– Another example is the e-health digital service infrastructure, which facilitates the movement of health data across national borders, ensuring the continuity of care and the safety of citizens seeking healthcare outside their home country, and enabling the pooling of EU-wide medical expertise to treat rare diseases. To date, 117 projects for e-health have been deployed in all Member States, with overall funding of EUR 29 million.

– An overview of the performance of the actions deployed with the support of the telecommunications part of the Connecting Europe Facility is available here. This data will feed into the *ex post* evaluation of the programme.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	No	
SDG2	No	
SDG3	Yes	The DEP is expected to contribute to this SDG through the support provided for the digitalisation of the health sector, in particular through the uptake of digital health solutions and services. Several actions in the first work programme are expected to contribute directly to this goal. Such is the case of the Data spaces for Health (with over 100 beneficiaries in the first and second calls) or the Testing and Experimentation Facility for Health (with 37 beneficiaries in the second call), which together are meant to constitute an investment from 2021 and 2022 EU budget of up to EUR 68 million. In the Work Programme 2023-24 further EUR 41, 1 million are invested in the increase of health data available for research, innovation, public health policy and healthcare delivery and in the wide access to interoperable health datasets across the EU. Other topics might also marginally contribute with positive externalities although healthcare is not their main objective. Such is the case for support to specialised education programmes in key digital technologies for professionals in various areas, including the health sector.

SDG4	Yes	The DEP promotes learning opportunities in advanced digital skills in key capacity areas like data and artificial intelligence, cybersecurity, quantum and HPC. The support targets training opportunities for the future experts as well as upskilling of the existing workforce through short trainings reflecting the latest developments in the abovementioned key capacity areas. An example of such investment would be the ‘Specialised educational programmes in key capacity areas’ with a total support from EU 2021 and 2022 budget of EUR 122 million. In the first calls 20 beneficiaries were selected to design and deliver higher education programme at ISCED LEVEL 7 to promote advanced digital skills. Specialised educational programmes in key capacity areas continue to be supported with EUR 87 million in the Work Programme 2023-24.
SDG5	No	
SDG6	No	
SDG7	No	
SDG8	Yes	The DEP is expected to contribute to bridging the investment gap in Europe and to generate jobs and economic growth. The programme will support the promotion of the advanced digital skills needed for the deployment of the technologies funded by the programme. An example of such investment would be the ‘Short-term training courses in key capacity areas’ with a total support from EU 2021 and 2022 budget of EUR 25 million. In the second call, 12 beneficiaries have been selected to organise short term training courses for up to 6 months. In the Work Programme 2023-2024, highly specialised training activities in the areas of semiconductors and cybersecurity are supported with a budget of EUR 20 million.

SDG9	Yes	The DEP is contributing to the broader digital transformation of areas of public interest and of industry. The acquisition and deployment of advanced supercomputing capabilities aim to enhance Europe's industrial competitiveness. Moreover, the established network of European digital innovation hubs contributes to the digitisation of industry and address issues of technological accessibility, ensuring that businesses, including small and medium-sized enterprises, have access to cutting-edge technologies and finance for adapting to digital change. The deployment of cross-border interoperable digital solutions will enhance collaboration between European Public administrations. An example of such investment is the setup of the network of digital innovation hubs with a total support from EU 2021-2023 budget of EUR 321 million. 151 beneficiaries have received funding in the first and second calls to establish a network of digital innovation hubs.
SDG10	No	
SDG11	No	
SDG12	No	
SDG13	Yes	A small number of actions under the DEP will contribute to climate mitigation or adaptation. Destination Earth will contribute through the development of a very high precision digital model of the Earth to enable visualising, monitoring and forecasting natural and human activity on the planet in support of sustainable development. The investment from the Digital Europe Programme (Work Programmes 2021/2022 and 2023/2024) for the first two phases exceeds EUR 300 million. The Destination Earth initiative is being implemented via Contribution Agreements by the European Space Agency, the European Centre for Medium Range Weather Forecasts and the European Operational Satellite Agency for Monitoring Weather, Climate and the Environment from Space.
SDG14	No	
SDG15	No	

SDG16	Yes	Selected actions under the DEP as well as the legacy solutions deployed in the context of CEF Telecommunications Programmes aim to enlarge and maximise the benefits of the digital transformation for citizens and businesses. Contribution to this SDG is expected from selected topics that aim to support the digitalization and interoperability of public administrations, piloting of AI applications in law enforcement domain, as well as the digital transformation of Justice and consumer protection. The digital transformation of public administrations shall foster trust in online services, improve the service delivery and the convenience of services for European businesses and citizens, and reduce digital administrative barriers. An example of such investment would be in the work strands supporting the digitalisation of justice and consumer protection implemented via procurement under the first work programme, which sum up to a support from EU 2021 and 2022 budget of EUR 17 million and of EUR 17, 4 million from EU 2023 and 2024 budget.
SDG17	No	

SINGLE MARKET PROGRAMME

PROGRAMME FOR SINGLE MARKET, COMPETITIVENESS OF ENTERPRISES, INCLUDING SMALL AND MEDIUM-SIZED ENTERPRISES, AND EUROPEAN STATISTICS

Programme in a nutshell

Concrete examples of achievements (*)

98.4% of the international financial reporting standards standards were endorsed in the EU in 2023.	60 position papers and responses to public consultations in the field of financial services were produced in 2023.	3 412 alerts were received in 2023 through Safety Gate – the rapid alert system for dangerous non-food products.	0 cases of lumpy skin disease have been reported since 2017, thanks to the vaccination programmes implemented for this disease.
900 000 small and medium-sized enterprises (SMEs) in 35 countries have received financing from the Loan Guarantee Facility in 2014- 2023.	> 2 000 online offers of dangerous products are detected every week by the eSurveillance webcrawler.	22 500 consumers recovered more than EUR 9 million after European Consumer Centres Network interventions with non-compliant traders.	195 training sessions were organised in 2023 under the better training for safer food programme, with 5 866 total participants. In addition, 2 863 people participated in e-learning courses.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	4 **354.7**
NextGenerationEU	0.0

Decommitments made available again (*)	N/A
Contributions from other countries and entities	74.4
Total budget 2021-2027	**4 429.0**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The single market is at the heart of the European project. Since its inception, it has proved a major contributor to growth, competitiveness and employment. It is one of Europe's major achievements and its best asset in an increasingly global world. It is also an engine for building a stronger, more balanced and fairer EU economy. Thanks to the single market, people, goods, services and money can move around the EU almost as freely as within a single country. EU citizens can study, live, shop, work and retire in any EU Member State, and enjoy products from all over Europe. A properly functioning single market is not a given, however. It has yet to materialise in a number of areas, and in others the benefits could be more substantial.

The single market programme (SMP) improves the functioning of the internal market and helps protect and empower citizens, consumers and businesses, including small and medium-sized enterprises (SMEs). The programme supports the design, implementation and enforcement of EU legislation underpinning the proper functioning of the single market for goods and services. It assists the digitalisation of services and business operations and facilitates market access and international cooperation, especially in the areas of company law, contract and extra-contractual law, anti-money laundering, free movement of capital, financial services and competition, consumer protection and product safety. It also contributes to a high level of health and safety for humans, animals and plants, and supports the improvement of animal welfare, the fight against antimicrobial resistance and the development of sustainable food production and consumption. Overarching and contributing to all areas, the programme supports the development, production and dissemination of European statistics on all EU policies.

CHALLENGE

Although the achievements of the single market are well recognised, they are not irreversible. In view of the increasing pressure from global competitors, and in the absence of appropriate financing, there is a risk that the effectiveness of the single market could be undermined with fragmentation and increasing protectionist tendencies within the EU. This could in turn impact the way citizens perceive the benefits of European integration.

A properly functioning single market is even more crucial nowadays to help the green and digital transitions of Europe's industrial ecosystems and to help the EU economy recover from the pandemic and from the impact of the Russian war of aggression against Ukraine.

It is therefore essential to continue to develop EU legislation and standards and to ensure that these are duly enforced, to the benefit of the EU economy and citizens. Moreover, in a context of budgetary constraints, the EU needs to seek synergies and prevent duplication and fragmentation in its support of the single market. It also needs to ensure the greater visibility and coherence of the action it takes, as single

market users may in particular find the proliferation of tools and support programmes confusing. Therefore, through the SMP, the European Commission will continue to address the challenges faced by the single market and help it reach its full potential.

MISSION

The single market has been at the heart of the EU for nearly three decades. It has enabled people, goods, services and money to move around the EU almost as freely as within a single country. EU citizens can study, live, shop, work and retire in any Member State, and enjoy products from all over Europe while their consumers rights are protected and a greater choice of high-quality products and services is available at lower prices. The single market has provided better legal certainty, and made it easier for enterprises (including SMEs) to access new markets across the EU. It has also ensured better access to financial services, investment opportunities and funding. However, the single market is yet to materialise in a number of areas and can improve in others. A well-functioning single market is crucial for the resilience of our economy, including our SMEs. The SMP therefore aims to:

(1) ensure a properly functioning single market for goods and services, with fit-for-purpose legislation, including in the areas of financial services, anti-money laundering, free movement of capital, protection of consumers, product safety, and animal and plant health;

(2) provide high-quality statistics on all EU policies;

(3) coordinate capacity building for joint action between the Commission and Member States;

(4) Support the competitiveness and sustainability of SMEs.

OBJECTIVES

The programme has the following specific objectives:

1. making the internal market work better through improved product market surveillance, in order to continue providing protection to consumers and to EU businesses playing by the rules;
2. improving the competitiveness and sustainability of businesses, especially SMEs;
3. increasing standardisation, including by supporting the development of high-quality financial and non-financial reporting and auditing standards;
4. ensuring the effective functioning of the internal market through the financing of European standardisation and the participation of all relevant stakeholders in setting up European standards;
5. ensuring a high level of consumer protection and product safety and promoting the interests of consumers, including in financial services;
6. contributing to a high level of health for humans, animals and plants throughout the food chain;
7. improving the welfare of animals, the fight against antimicrobial resistance and the development of sustainable food production and consumption;
8. developing, producing and disseminating high-quality statistics on Europe.

ACTIONS

The programme supports activities such as:

- data gathering and analysis in support of the effective enforcement and modernisation of the EU's legal framework;
- studies, surveys, analyses, statistics and evaluations;
- capacity-building activities and the facilitation of joint action between Member States, their competent authorities, key European-level networks, the Commission and the decentralised EU agencies;
- developing information and communications technology tools and supporting Member States in exchanging information;
- financing mechanisms allowing individuals, consumers and business representatives to contribute to decision-making processes;
- advisory and information services, mentoring, training, education, mobility projects, cross-border cooperation;
- strengthening mutual learning through the exchange of good practices and the dissemination of expertise and knowledge;
- awareness-raising activities and discussion forums.

The programme will particularly support, through targeted action, improved competitiveness and sustainability (notably of SMEs); financial stability and the free movement of capital; EU standards for goods and services; the development and monitoring of financial and non-financial reporting; the development, production and dissemination of EU statistics; and several measures concerning the food chain, the protection of human, animal and plant health and the improvement of animal welfare.

STRUCTURAL SET-UP OF THE PROGRAMME

The SMP is mainly implemented under direct management, in particular, but not exclusively, using grants and procurement. The participating directorates-general are DG Internal Market, Industry, Entrepreneurship and SMEs, DG Competition, DG Financial Stability, Financial Services and Capital Markets Union, DG Taxation and Customs Union, DG Health and Food Safety, DG Justice and Consumers and Eurostat. The programme is coordinated in accordance with the memorandum of understanding signed by the seven participating directorates-general, with the support of a coordination team based in DG Internal Market, Industry, Entrepreneurship and SMEs.

The ambition of the SMP is to provide a broad range of targeted tools facilitating the functioning of the single market, from support to EU policymaking and ensuring that the interests of the consumers are well protected. This is enacted through the following objectives/strands.

Internal market objective. Making the internal market more effective, especially in the light of the digital transformation, by supporting the development, implementation and enforcement of EU law covering the internal market in goods and services, including the free movement of capital and financial services, and effective market surveillance throughout the EU. This should ensure that citizens and businesses enjoy the benefits of the internal market and, through a range of tools, ensure they are aware of and can exercise their rights. Through this pillar, the SMP will implement, enforce and develop rules in areas including company and contract law, anti-money laundering, the free movement of capital and financial services. This

pillar will support effective market surveillance to ensure that only safe and compliant products are made available on the EU market. The SMP will ensure financial services meet the needs of consumers, civil society and end users and will enhance the tools and expertise of the Commission so it can effectively enforce competition rules in the digital economy.

SME objective. The measures under this objective have the ambition of helping the EU's businesses and industrial ecosystems become more competitive and sustainable. It supports measures with EU-level added value for this purpose. This includes measures to boost resilience and to support recovery, the digital transition, industry modernisation, market access in the single market and beyond, entrepreneurship and the acquisition of entrepreneurial skills, growth, the scaling-up and creation of SMEs, access to finance, an enhanced business environment and the reduction of administrative burdens.

Effective standards objective. The programme provides financial support to organisations that develop Europe-wide standards to ensure that products and services meet an agreed level of quality and safety. The EU financially supports the European standardisation organisations: the european committee for electrotechnical standardization covers standardisation in the electrotechnical field, the European Telecommunications Standards Institute covers information technology standardisation and the European Committee for Standardization covers all other sectors. In European standardisation, financial support also goes to organisations representing SMEs, social and societal interests (currently ANEC, the Environmental Coalition on Standards, the European Trade Union Confederation and Small Business Standards). In particular, it provides financial support for the development of international financial reporting and auditing standards. These international standards underpin the EU's own legal framework on financial reporting (accounting and auditing) and are essential for the functioning of the EU's capital markets. The SMP also contributes to the development of European and, thereby, global standards on sustainability reporting, which are fundamental for the achievement of the Commission's priorities set out in the European Green Deal.

Consumer objective. Through the initiatives financed under this objective, the programme supports the enforcement of consumer rights and product safety rules ensuring a high level of consumer protection. It empowers consumers and puts them at the heart of the internal market by supporting and complementing states' policies in seeking to ensure that consumers can fully reap the benefits of the internal market and that their safety, legal and economic interests are properly protected. It also supports a coordinated approach to market surveillance rules across the EU. The SMP boosts trust on the part of consumers and traders by giving them access to more efficient and cost-effective means of out-of-court redress. The activities under the consumer strand implement the priorities of the *''New Consumer Agenda for 2020-2025'*, addressing consumers' needs and rights, in particular those of the most vulnerable, and promoting a greener, more digital and fairer single market. The SMP also enhances the participation of consumers, other end users of financial services and civil society in financial-services policymaking and promotes better understanding of the financial sector by providing continuous support to designated organisations. By doing so the Single Market programme (SMP) contributes to the Commission's political priority on 'An economy that works for people' and helps the Commission shape an economy that can fully respond to the needs of the EU's citizens.

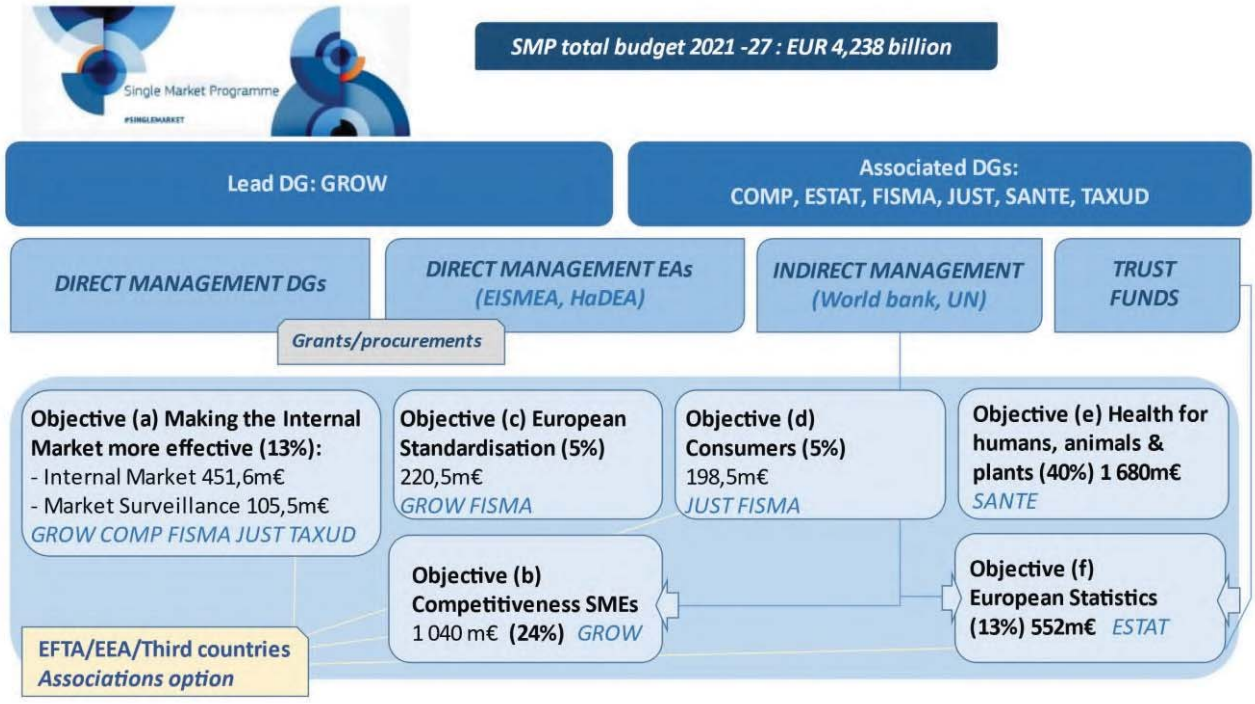
Food objective. Through the food strand, the programme will prevent, control and eradicate animal diseases and plant pests; support sustainable food production and consumption and the improvement of animal welfare; and improve the effectiveness, efficiency and reliability of official controls. The SMP will cover veterinary and phytosanitary programmes, emergency measures and activities relating to official controls. Since 2021, under the new multiannual financial framework regulation and the SMP, the EU has been able to financially support measures and initiatives relating to animal welfare, the prevention of food waste and fraudulent practices, the fight against antimicrobial resistance and the promotion of sustainable food production and consumption.

European statistics objective. Under this objective, the programme will provide funding to national statistical institutes and other national authorities for the development, production and dissemination of high-quality statistics. This allows the provision of information on and the monitoring of the economic, social, environmental and territorial situation, thereby providing for evidence-based decision-making in the EU, supporting policy design and measuring the impact of EU initiatives. This will be done in a timely, impartial and cost-efficient manner, through a strengthened European Statistical System and enhanced partnerships within that system and with all relevant external parties. Multiple data sources, advanced data analytics methods, smart systems and digital technologies will be used, and a national breakdown, and where possible a regional one, will be provided.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP

The SMP is structured into six programme pillars supporting activities in several policy areas.

The budget structure is set out in line with the specific objectives of the SMP regulation (Regulation (EU) 2021/690).



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The SMP brings together six predecessor programmes from various policy areas, notably the grants and contracts part of the former programme for the competitiveness of enterprises and small and medium-sized enterprises (COSME); programmes on consumer protection; consumers and end users in financial services; specific activities in the field of developing financial reporting and auditing standards; measures to contribute to a high level of health for humans, animals and plants throughout the food chain and in related areas; and European statistics. It also integrates a number of former prerogative budget lines. Drawing from the lessons of the impact assessment,

this integrated set-up is expected to constitute a more flexible and agile financing framework, which will allow the exploitation of synergies, the prevention of duplication and fragmentation, and prioritisation to be improved across all 14 industrial ecosystems.

An important change in the support provided to SMEs with the introduction of the SMP is the establishment of multiannual initiatives to provide medium-term continuity to flagship initiatives that had already demonstrated their impact upon SMEs, such as the Enterprise Europe Network, actions for clusters and Erasmus for young entrepreneurs. In addition, the financial instruments for SMEs that were previously included in the COSME programme are now part of the InvestEU framework.

FURTHER INFORMATION

Programme website: Single market programme – Performance (europa.eu)

Impact assessment: the impact assessment of the SMP was carried out in June 2018 (SWD(2018) 320 final, 7 June 2018.

Relevant regulation: Regulation (EU) 2021/690 of the European Parliament and of the Council of 28 April2021 establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (single market programme) and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014 and (EU) No 652/2014 (OJ L 153, 3.5.2021, p. 1).

Final evaluation of the COSME programme ([29]) and *ex post* evaluation of the entrepreneurship and innovation programme: Approval of the Commission's final evaluation report is planned for May 2024.

The final *ex post* evaluation of Regulation (EU) No 652/2014 is ongoing.

The *final* evaluation of the 2014-2020 consumer programme is ongoing and completion is planned for end of 2024.

The interim evaluation of the single market programme will analyse the performance of the SMP from 2021-2023 in conformity with the Article 18 of the regulation (EU) 2021/690. A support study that will build on the evaluation & monitoring framework created for the SMP during the spring 2023 will be carried out by an independent external contractor following a call for tender published in the summer 2023. Work started in October 2023 and the interim evaluation has been chosen for Regulatory Scrutiny Board (RSB) scrutiny. Approval of the final interim evaluation report and completion of the mid-term evaluation is planned for end of 2024.

The final evaluation of the single market programme shall take place in any event no later than four years after the end of the programme, 31 December 2027.

Commission delegated regulation (EU)2023/2445 adopted on 28/7/2023 (C(2023)4993) supplements Regulation (EU)2021/690 of the European Parliament and of the Council as regards the establishment of a monitoring and evaluation framework for the SMP. Accompanying staff working document SWD(2023)271 provides more detailed and technical supporting information on the full set of second level indicators and data reporting requirements and includes the Intervention logic of the SMP.

([29]) The interim evaluation of the COSME programme was published in 2019: Report from the Commission to the Council and the European Parliament for the interim evaluation of the programme for the competitiveness of enterprises and small and medium-sized enterprises (COM(2019) 468).

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	583.1	687.6	633.8	602.3	609.8	618.6	619.5	4 354.7
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	35.1	14.4	24.9	0.0	0.0	0.0	0.0	74.4
Total	**618.2**	**702.0**	**658.8**	**602.3**	**609.8**	**618.6**	**619.5**	**4 429.0**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 146.6 million (+ 3%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

The 2023 EU budget for the SME pillar was increased by EUR 10 million following a decision of the budgetary authority..

Negotiations with several non-EU countries ([30]) have been completed or are in the final stages and their contributions are included in the budget once the agreements are ratified. Most countries do not participate in all strands of the SMP; this is discussed during the negotiation process.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	1 959.8	4 429.0	44.2%
Payments	1 149.4		26.0%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	582.5	575.0	83.8	131.6
2022	687.5	613.5	391.7	399.6
2023	633.8	602.8	636.5	531.8

(*) Voted appropriations (C1) only.

The legal basis of the SMP was adopted by the European Parliament and the Council of the EU in April 2021. The work programme for the full SMP and the 2021 financing decision were adopted in May 2021. The 2022 and 2023 work programmes were adopted respectively in February 2022 and February 2023.

The EU budget allocated to **market surveillance** under the SMP is around EUR 15 million annually. The main expenses relate to supporting EU joint actions in the area of product inspection, supporting capacity building (e.g. enhancing testing facilities, developing IT tools for the benefit of market surveillance authorities), commissioning expertise in different areas and operational expenses relating to the functioning of the EU product compliance network.

As regards joint actions in the area of product inspection, which take up about one third of the market surveillance budget, 12 inspection campaigns were financed in 2021 and eight in 2022. The remaining budget under the 2022 SMP will be executed in 2023 due to a switch from grants to procurement and the setting-up of a joint framework contract between DG Justice and Consumers and DG Internal Market, Industry, Entrepreneurship and SMEs, which caused a delay.

At the end of 2023, EUR 430 million had been committed to the SMEs objective.

([30]) Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia, Türkiye (enlargement countries); Armenia, Georgia, Moldova, Ukraine (Eastern Partnership countries).

In the first three years of the programme key calls were launched for the multiannual initiatives (enterprise europe network, the joint cluster initiative and the erasmus for young entrepreneurs mobility programme), and calls for projects and calls for tenders covering tourism, social economy, SME internationalisation and SME policy development.

The enterprise europe network (EEN) progressed well. By the end of 2023 a total of 85 EEN grant agreements had been signed for a total maximum grant amount of EUR 180,656,576.40. These cover the provision of EEN services to SMEs across the EU, European Economic Area Member States, and six associated countries. In 2023 five newly associated countries joined the network [31].

An international consortium of EEN members is also involved in the ongoing "EEN energy efficiency Action [32]" under which direct financial support is being distributed to SMEs for investments into energy efficiency projects.

For tourism, a total of EUR 32 million of support is being provided to 16 projects (10 projects under a call published in 2021 to support resilience and recovery after the Covid-19 crisis and 6 projects under the 2022 call to support sustainable growth in this sector). Both sets of projects will also provide direct financial support to approximately 1 405 SMEs to cover capacity building costs such as training, certification, networking and matchmaking, and it is estimated that both generations of projects combined will provide financial or non-financial support to approximately 4360 SMEs.

The 30 ongoing joint clusters initiative projects from the 2021 multiannual call are benefiting from EUR 39 million in EU funding from 2021-2023 budget and will receive a further EUR 3 million for 2024. At this halfway stage, all 30 projects have published at least one of the calls for providing direct support to SMEs and 12 out of 30 projects have completed these call procedures and awarded funding to SMEs.

There are 11 ongoing projects under the 2021 Erasmus for young entrepreneurs call for intermediary organisations to recruit the new and experienced entrepreneurs and support their participation in Erasmus for young entrepreneurs (EYE) exchanges. The amount committed to these projects for 2021-2023 is EUR 28 004 751 and an additional amount of EUR 10 050 000 will be committed in 2024 and 2025.

In 2023, calls for proposals were published for tourism projects (see above), social economy missions, boosting the digital transition of social economy businesses, agri-food clusters, the EEN energy efficiency action mentioned above and actions to support Ukrainian enterprises for integrating the single market and participating in Erasmus for young entrepreneurs.

The 2024 SME pillar work programme includes the budget for continuing EEN, the joint cluster initiatives, and EYE, and a new clusters action for Ukraine. Support to ecosystems and sectors in 2024 will focus on social-economy, textiles, agrifood and retail, life-style industries and tourism[33.] Funding will also be provided to the solar academy and a new raw materials academy to tackle skills gaps by providing training to businesses in these sectors.

In relation to standards, three operating grants were concluded with the **European standardisation** organisations in 2021 for a total amount of EUR 4 052 243 and a global commitment of EUR 10 250 609, EUR 8 898 790 of which was used for the conclusion in 2022 of three pending proposals for action grants.

[31] Ukraine joined EEN in 2022 and Turkey, North Macedonia, Bosnia Herzegovina, Montenegro and Serbia joined the network in 2023.

[32] This is funded under work programme 2022 with an EU grant of EUR 10 million

[33] In particular, organisational and entrepreneurial capacity-building in the social economy sector, digital up-/re-skilling for textiles, agrifood and retail renewable energy communities, a new WORTH accelerator project for lifestyle industries and promotion of trans-European tourism products in third countries.

Also in 2021, four grants were concluded with organisations representing SMEs, consumers and social and environmental interests in standardisation for an amount of EUR 4 673 384. In 2022, three operating grants amounting to EUR 3 423 629 and six action grants amounting to EUR 2 955 342 were concluded with the European standardisation organisations. A global commitment for EUR 10 318 313 was made in 2022. Of this, EUR 9 136 385 is expected to be consumed by the 24 action grant proposals under evaluation, while the remaining amount will be spent on new call for action grants. In relation to organisations representing SMEs, consumers and social and environmental interests in standardisation, four grants were concluded in 2022 for an amount of EUR 44 907 151 with EUR 1 218 654 coming from the 2021 appropriations through a global commitment and the rest EUR 3 688 497 from the 2022 budget.

In 2023, the budget was allocated to support the functioning of European standardisation organisations and organisations meeting the criteria outlined in Annex III to Regulation (EU) No 1025/2012. European standardisation organisations received three operating grants totalling EUR 3,119,975. Additionally, organisations representing SMEs, consumers, and social and environmental interests in standardisation received four grants totalling EUR 5,734,539, with EUR 4,717,840 coming from 2022 appropriations through a global commitment and the remaining EUR 1,016,699 from the 2023 budget.

Furthermore, 23 action grants totalling EUR 7,485,723 were awarded to European standardisation organisations for the implementation of standardisation priorities, with EUR 5,600,473 coming from 2022 appropriations through a global commitment and the remaining EUR 1,885,250 from the 2023 budget. As of the end of 2023, eight grant agreements for actions with European standardisation organisations totalling EUR 5,305,190 were in preparation. Additionally, a call for six proposals for grants totalling EUR 4,460,000 was issued, resulting in a global commitment of EUR 14,810,050 to support pending proposals and future calls in 2024.

For the **financial and non-financial reporting and auditing standards** objective, grants totalling EUR 8 078 058 in 2021, EUR 8 427 095 in 2022, and EUR 9 654 000 in 2023 in commitment appropriations, were awarded to the three beneficiaries – identified in the regulation – supporting the development of high-quality financial and non-financial reporting and auditing standards. Commitment appropriations not needed for 2021 and 2022 have been reprogrammed for later years. In addition, just over EUR 337 000 was decommitted in 2022, as one beneficiary did not fully use the maximum grant awarded to it for 2021. For 2024, grants for a total amount of just over EUR 10 004 000 are expected to be awarded.

For the objective of **enhancing consumers' involvement in EU policymaking in the field of financial services**, grants totalling EUR 1 496 375 in 2021, EUR 1 497 691 in 2022, and EUR 1 497 841 in 2023 in commitment appropriations, were awarded to the two beneficiaries – identified in the regulation establishing the single market – for their initiatives supporting consumers and other end users of financial services. For 2024, grants for a total amount of just under EUR 1 500 000 are expected to be awarded.

For the **consumer protection** objective, a total budget of around EUR 73 million in commitment appropriations was implemented under grants and procurements in 2021-2023. Around 50% of the budget was consumed for grants to support activities offering assistance to consumers in Member States in the form of alternative dispute resolution; promote stable debt advice services; support joint action by the European Consumer Centres; support cooperation between national authorities responsible for the enforcement of consumer protection law; support the activities of Member State authorities participating in EU consumer policy; and support the activities of the consumer organisation at the EU level (*the European Consumer Organisation BEUC*). In total, 182 proposals were submitted from 29 countries, including EU Member States, Iceland and Norway. The other activities financed under the SMP were procurement procedures supporting market surveillance and enforcement actions; capacity building, awareness raising and consumer education initiatives; studies, evaluations and surveys; events and communication campaigns; IT systems and information support structures.

A total budget of around EUR 303 million in commitment appropriations was implemented under the **food strand** in 2022, with a great focus on veterinary and phytosanitary programmes (38% of the budget). An increase of EUR 74 million was received in 2022 to honour outstanding obligations under signed grant decisions for emergency measures in line with Article 4(5) of the SMP regulation. The overall committed amount for emergency measures in 2022 was thus EUR 105 million. The other initiatives financed under the SMP in 2022 were direct grants to the EU reference laboratories (EUR 20 million), grants in the domain of antimicrobial resistance, better training for safer food, information technology initiatives, initiatives implemented under indirect management and others.

In 2023, under the food strand pillar a total budget of approximately EUR 265 million in commitment appropriations was implemented. The primary focus of spending shifted towards the veterinary and phytosanitary emergency measures, which accounted for 50% of the implemented budget. Given the significant outbreaks in the field of Animal Health during the years 2020-2022, particularly related to African Swine Fever and Highly Pathogenic Avian Influenza, an additional EUR 31 million in commitment appropriations was allocated. This reinforcement aimed to honour signed grants for emergency measures. The total amount committed for emergency measures from the 2023 budget reached EUR 133.4 million. As in 2022, other actions financed under the SMP in 2023 included direct grants to the EU reference laboratories and EU reference centres, grants in domains such as antimicrobial resistance, food waste, food information. The Food chain strand also financed actions under the better training for safer food initiative, many information technology projects as well as actions implemented under indirect management.

In the domain of **European statistics**, the voted budget for the period of 2021-2023, totalling of 224.7 million in commitment appropriations were fully implemented, supporting calls for proposals, tenders, etc. Besides supporting the operations of the European Statistical System, activities also focused on the response to the Russian war of aggression against Ukraine and the related energy and cost of living crisis, the recovery from the COVID-19 pandemic, monitoring the progress towards the sustainable development goals (SDGs) in the EU context and modernising the production of European statistics by building capacity within the European statistical system regarding the use of new data and new production techniques in line with the digital transformation.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	47.4	62.6	74.8					184.9	4%
Biodiversity mainstreaming									
Clean air									

Overall, activities financed by the SMP contribute mainly indirectly to the mainstreaming priorities with the programme's objective to support resilience of the single market for recovery and ensure restoration after

COVID-19 and fulfil the green and digital transition of Europe's industrial ecosystems. The ongoing midterm evaluation of the SMP also aims to assess the programme's progress towards the achievements of its objectives and to assess how it contributes to the Commission's horizontal priorities. The transition towards a greener and more digital internal market is sought through the funding of activities, new technologies and creation of opportunities and business-cases allowing the fostering of sustainable competitiveness while ensuring the protection of consumers and citizens in the EU. The objectives of the SMP are inherently linked to the success of the twin transitions for their achievement. Reciprocally, progress towards these objectives, thus creating a thriving environment for businesses and citizens (consumers), provide the necessary means and incentives needed for the transitions.

Within the **SME pillar**, the Enterprise Europe Network uses the full range of its innovation and business advisory services to support SMEs with the transition towards more sustainable business models and more climate-friendly products and processes. For example, EEN's innovation management advisory services, which help companies manage change processes, can support the transition towards more sustainable business models, whereas its innovation and technology transfer services support the introduction of cleaner, less waste-producing and more energy-efficient production lines in SMEs. A dedicated group of sustainability experts within the network acts as a focal point and community of practice within EEN. The Enterprise Europe Network energy-efficiency action is now fully operational (see the point on SDG 7). Supporting the green transition is also one of the key objectives of the Euroclusters projects. Approximately 40% of the budget of this action supports climate goals. This is achieved mainly by providing direct financial support to SMEs (via cascading calls) to assist their adoption of new technologies leading to higher sustainability. Examples of Euroclusters projects with a specific focus on climate goals are the INGENIOUS project for energy intensive industries, and the B-Resilient project to build up the biomass resilience of food-producing and processing SMEs through green and digitised value chains. All projects under the local green deals strand of the social economy and local green deals action (work programme 2021) led to the conclusion of local green deals that serve as a basis for work to implement more climate-friendly practices within their local communities.

The sustainable procurement hubs action (work programme 2024) with EU funding of EUR 4 500 000 will support living labs with strong links between innovators and public administration in areas like mobility, the green and digital transitions, health and education. These will allow public authorities and SMEs to interact to define challenges and possible innovative solutions, with a view to creating new opportunities for SMEs to participate in innovation procurement contracts for boosting sustainability.

There are many other projects and actions that contribute to climate goals, while also focusing on other objectives (for example the 2021 projects on sustainable growth in tourism). It is therefore difficult to estimate the total expenditure on climate across the SME pillar.

A number of **SME pillar** initiatives contribute to biodiversity goals. Protection of plant variety rights is one objective of the SME Fund intellectual property voucher scheme that reimburses certain types of expenses incurred by SMEs for protecting their intellectual property rights. In 2023, the fund awarded a total of EUR 1 575 to 167 SMEs (funded by a contribution of EUR 100 000 from the SME Pillar budget, and additional funds from the European Union Intellectual Property Office.

EUIPO ([34]) to support them with the start of the registration process of certain new plant varieties in the EU and encourage them to invest in innovations in plant breeding. The average amount awarded per SME was EUR 225. A number of changes were also made to encourage a higher

([34]) The total EU budget for the SME Fund in 2023 was EUR 2 100 000, of which EUR 100 000 was specifically allocated to plant variety rights. In accordance with the SME Pillar work programme, the additional funding for this scheme comes from the European Union Intellectual Property Office's legacy surplus outside its operational budget.

number of SME applications in 2024 for plant variety rights protection ([35]). The European agrifood sustainability cluster partnerships action (two projects with a total maximum EU grant of EUR 1.6 million under the 2023 work programme) will support the establishment and development of cluster partnerships to mobilise and support SMEs from this sector to engage in resource efficiency and sustainability improvements, including improvements relating to biodiversity.

Grants to the **European financial reporting advisory group** support the development of European sustainability reporting standards as provided for by the corporate sustainability reporting directive, adopted on 14 December 2022. The directive is a key instrument to support the EU sustainable finance agenda and important to meet the objectives of the European Green Deal. The European financial reporting advisory group submitted the first set of 12 final draft European sustainability reporting standards on 22 November 2022 covering 10 topical sustainability matters including climate change, pollution, own work force and affected communities. The Commission adopted the standards on 31 July 2023 and they apply as of 1 January 2024. The European financial reporting advisory group has continued developing further draft standards and implementation guidance during 2023.

The action grants to the European **standardisation** organisations reflect the priorities of the annual EU work programme for European standardisation, of which the green transition is one of the main dimensions. The first three action grants under the SMP concern ambient air, plastic fishing gear and organic fertilisers.

Within the **consumer pillar**, one of the key priorities in the **New Consumer Agenda** for 2020-2025 is to support the green transition by promoting more sustainable production and consumption of goods and services. In this context, several procurement initiatives were concluded in 2021-2023 to support measures that empower and assist consumers to make sustainable and informed choices, by raising consumers' awareness of the environmental performance of products, such as their durability, reparability and eco-design features. The initiatives also aimed at protecting consumers from harmful practices, such as greenwashing, early obsolescence of goods and better information at the point of sale. To promote sustainable production, the consumer pillar launched the **sustainable consumption pledge**, which calls upon businesses in various sectors of the economy to undertake specific, public and verifiable commitments to reduce their overall environmental footprint, to produce and market more sustainable products and to change their business practices towards a more circular model.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				
1				
0*	582.5	687.6	633.8	1 903.9
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;

([35]) An increase in the maximum reimbursable amount to EUR 1 500 and the extension of types of eligible fees which now also include examination fees.

- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information:

Eurostat, in addition to domain-specific databases, is disseminating gender equality statistics via the dedicated section on equality: https://ec.europa.eu/eurostat/web/equality-non-discrimination/overview.

Measures supported under this programme respect gender equality principles and take the gender dimension into account.

Under the SME pillar, 59% of the operational coordinators of Enterprise Europe Network consortia are female and 41% are male. The network also has a dedicated group that supports women entrepreneurs and provides partnership and advisory services specifically tailored to their needs. In 2023 ([36]), 58% of the total financial support provided for Erasmus for young entrepreneurs exchanges went to female new entrepreneurs (297 female new entrepreneurs benefited from the programme and received a total of EUR 951 733 to support the costs of their stay). The SME pillar has also created opportunities for businesses in sectors such as the social economy, which are known to attract a high percentage of women entrepreneurs. A total of 19 projects to support local green deals and boost resilience in the social economy sector started in May 2022 (with a total budget of EUR 4 million). Ten of the 19 coordinators are women, and 63 women (50%) are registered as contact persons out of the 125 partners in these projects. The evaluation procedures for the 2023 social economy call ([37]) are in their final stages. The action for helping Ukrainian companies to integrate into the single market (work programme 2023, total EU funding EUR 4 500 000) gives specific priority to women entrepreneurs and social economy companies ([38]). This project is in its early stages and will run until October 2025. The 2023 work programme also includes a dedicated action with a budget of EUR 400 000 to collect data on women's entrepreneurship and organise a media campaign on promoting female role models for girls and women ([39]).

Eurostat pays special attention to the gender perspective in its programme by systematically collecting, providing and disseminating sex-disaggregated data in a wide range of domains, including health, employment, income and living conditions, education and training, participation in society, discrimination and gender-based violence. A stocktaking of the availability of equality data in different statistical domains at Eurostat was carried out, and detailed discussions with users were carried out to discover their data needs. To support the improvement of equality and non-discrimination statistics in the EU, Eurostat has set up an 'equality and non-discrimination statistics task force' as a sub-group to the European directors of social statistics expert group to which it will report. This sub-group is expected to complete its tasks by the end of 2026.

([36]) This data covers exchanges which started and finished in 2023, but not exchanges which started in 2023 and will finish in 2024.

([37]) This focuses on digital transition of social economy SMEs and entrepreneurs (total EU budget EUR 8 000 000).

([38]) This project aims to provide 1 500 Ukrainian SMEs with direct support of up to EUR 2 500 to enter the single market, participate in trade fairs and develop their business and/or online services. The first call for third-party financing is currently in progress.

([39]) Call for tenders published on 22 December 2023 – deadline 28 February 2024.

The agreed initiatives aim at improving data availability and quality by:

- developing guidelines and recommendations for improved comparability of the statistical terminology and taxonomies in the EU context;
- supporting the coordination between the Commission, Member States and other stakeholders;
- making proposals for better coverage of equality and non-discrimination statistics at the EU level based on the six grounds of discrimination (sex, racial or ethnic origin, religion or belief, disability, age and sexual orientation).

In 2023, Eurostat disseminated gender pay gap data for 2021, along with many detailed sex-disaggregated socioeconomic indicators and discrimination statistics. The EU gender-based violence survey data collection in 18 Member States coordinated by Eurostat is finalised and the indicators providing information on the prevalence and dynamics of violence were disseminated by the end of November 2023.

Under the **consumer pillar**, a panel discussion, entitled 'Safe for all? Gender and product safety' was organised during International Product Safety Week in 2022. Although product safety has long been considered a gender-neutral field, in recent years increasing attention has been paid to how gender differences affect health and safety. For example, product-safety panellists pointed out that products are not always modelled on women during their design process. Consequently, this may result in the creation of unsafe products for them. There are also gender differences in consumption patterns, and thus in the type of risks women face. In addition, women drive most household purchases, which means that they can play a key role in consumer safety. The session concluded with good practices on how to involve the gender dimension in policymaking, product design and education campaigns.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	2.4	10.2	8.0	20.6	1%

The general objective of the SMP as a funding programme is to enhance the single market, so that it can reach its full potential, and does not have the specific scope of digital contribution. However, the programme does include financing of activities that contribute to the goals of the digital and green transition in some parts.

The 2023 SME pillar work programme includes an initiative with a budget of EUR 8 000 000 that is entirely dedicated to boosting the digital transition of social economy enterprises. Many of the Euroclusters projects provide support to businesses for the digital transition (together with sustainability and resilience building). There is no clear breakdown of the percentage of the Euroclusters budget allocated to digitalisation. One relevant project example is the AIBC Euroclusters project, which focuses on artificial intelligence and blockchain technologies. The ongoing work seeks to boost the capacities/skills of clusters to allow them to provide stronger support to European SMEs that develop artificial intelligence and blockchain solutions and to support the uptake of related applications by different industrial ecosystems. There are also a number of Euroclusters projects with multiple goals that have published calls for third-party finance specifically dedicated to the digital transition ([40]).

The Enterprise Europe Network's service package includes advice to help SMEs prepare for and implement the digital transition by adapting their processes, using digital technologies and developing new products and services using new digital means. These services are provided in collaboration with other relevant European networks such as the European digital innovation hubs. As the Enterprise Europe Network grant agreement does not break down personnel costs by topic, it is not possible to specify the percentage of the network's budget that supports this goal.

The 2022 tourism call covers both digital and sustainability transitions for tourism ([41]), offering training, networking and capacity-building support. Support for digitalisation and sustainability is also provided to the construction and renovation sector to facilitate SMEs' participation in lighthouse renovation projects for affordable housing and a project for digitalisation of the built environment, public procurement and construction SMEs is ongoing until June 2024 (budget EUR 750 000 under the 2021 work programme). One of the new second-level indicators for the SME pillar approved in mid-2023 measures the number of SMEs supported which undertook business process innovation tied to technological adoption leading to higher digitalisation. Reporting data on the new indicators will be available in future reporting periods.

The action grants to the **European standardisation organisations** reflect the priorities of the annual EU work programme for European standardisation, in which the digital transition is one of the main dimensions. Several action grants concern e-invoicing, the internet of things and interoperability activities.

Under the **consumer pillar**, one of the top priorities in the **New Consumer Agenda** for 2020-2025 is to ensure that consumers derive full benefit from the digital transformation which is radically changing consumers' lives, offering new opportunities while addressing digitalisation challenges for vulnerable consumers. In this context, in 2021-2023 the SMP supported several initiatives aimed at ensuring digital fairness and protecting consumer's rights when buying online (including in digital finance), addressing the new challenges to the safety of products brought by new technologies and online sales, along with tackling unfair online practices and manipulations such as dark pattern models and hidden influencer marketing. In 2023, the programme financed a supporting study that provides the evidence basis for the fitness check of EU consumer law on digital fairness. The latter evaluates whether EU consumer law is still adequate in the digital environment or whether any targeted changes are necessary. It examines issues such as dark patterns, addictive design, emotional manipulation, commercial personalisation (advertising, pricing etc.), marketing activities by social media influencers, digital subscription cancellations and renewals, unfair contract terms and use of artificial intelligence chatbots in customer service.

([40]) For example, the 2021 Euroclusters 'Supporting The Recovery And Business Transformation Of Lighting & Furniture SMEs' project recently published a second call for business digital transformation projects (total call budget EUR 135 000).

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Number of cases of non-compliance in the area of goods, including online sales	9 606	**NA**	NA	16 245	NA
Number of entrepreneurs benefiting from mentoring and mobility schemes, including young, new and female entrepreneurs, along with other specific target groups (**)	0	**9%**	22 000 in 2027	2 086 compared to a target of 22 000	Moderate progress
Percentage of international financial reporting and auditing standards endorsed by the EU	100%	**98%**	100% in 2027	98.4% compared to a target of 100%	On track
Number of position papers and responses to public consultations in the field of financial services from beneficiaries	0	**43%**	371 in 2027	161 compared to a target of 371	On track
Number of successfully implemented national veterinary programmes	90%	**> 100%** (***)	> 90% in 2027	94% compared to a target of > 90%	On track
Number of successfully implemented national phytosanitary programmes	0	**> 100%** (***)	95% in 2027	100% compared to a target of 95%	On track
Number of web mentions and positive/negative opinions	480 000	**> 100%**	499 539 in 2028	931 300 (****) compared to a target of 499 539	On track

(*) % of target achieved by the end of 2023.
(**) No single market programme reporting data is envisaged for the mentoring and mobility actions in 2021, as the actions during this period are funded under the previous programme for the competitiveness of enterprises and small and medium-sized enterprises.
(***) % of target achieved by the end of 2022.
(****) See text below for an explanation of why the result for 2023 is above tha target.

With implementation in the third year of this new programme, a midterm evaluation has been launched to assess the performance of the SMP as a whole during the first 3 years of implementation. A tailored

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monitoring and evaluation framework was developed in 2023, whose purpose is to ensure the effective assessment of the SMP's progress towards the achievements of its objectives. Additional second-level indicators (design and content level) for the pillars and the programme as a whole have been adopted via a delegated act (Commission Delegated Regulation 2023/2445 of 28 July 2023) and supplement the core performance indicators already established in the legal basis (annex IV to the SMP regulation). While certain interventions throughout the programme to some extent contribute to several horizontal priorities at the same time, there is a need to further align and explore more and deeper synergies. The results of the first midterm evaluation will serve as a substantial source of information to feed into this reflection, enhancing synergies in the context of the horizontal priorities.

Making the internal market more effective by supporting the development, implementation and enforcement of EU law in the areas of the internal market for financial services

- In 2023, the single market programme continued to support the Commission's policy work fostering stable and globally competitive financial markets in the interest of businesses and consumers and promoting growth and job creation. To that end, the Commission continued its work to also advance competitiveness with its actions to promote a European capital markets union. That resulted in the Commission adopting legislative initiatives that alleviate the administrative burden on businesses including SMEs.

- To enhance retail investors' trust and confidence to safely invest in their future and take full advantage of the EU's capital markets union, in May 2023 the Commission adopted its **retail investment strategy.** The strategy aims to foster participation in EU capital markets, which are an essential means to channel private funding into the economy and to fund the green and digital transitions. To ensure the EU's financial sector can adapt to the ongoing digital transformation, in June 2023 the Commission put forward a proposal to amend and modernise the **current payment services directive (PSD2)**, which will **become PSD3**, and also establish a **payment services regulation (PSR)**. These will ensure that consumers can continue to safely and securely make electronic payments and transactions in the EU, domestically or cross-border, in euro and other currencies. To ensure that consumers and small businesses can continue to access and pay with euro banknotes and coins across the euro area, and to set out a framework for a possible new digital form of the euro, in June 2023 the Commission adopted its 'single currency package'. The package includes a legislative proposal establishing the legal framework for a possible **digital euro** and a legislative proposal on the **legal tender of euro cash**, which ensures that cash remains easily accessible for people and businesses across the euro area.

- In April 2023, the Commission adopted a proposal further strengthening the existing EU bank crisis management and deposit insurance framework. This will enable authorities to organise an orderly market exit for failing banks of any size and business model, including smaller banks. Through this proposal, the EU will further protect taxpayers and depositors, and increase the efficiency of the crisis management framework for the economy.

- To address the need to improve levels of financial literacy in the EU, in September 2023 the Commission published a joint EU–Organisation for Economic Co-operation and Development **financial competence framework for children and young people**, which was then supported by a capital markets union **social media campaign**.

- To support the green transition, in June 2023 the Commission put forward a new package of measures to strengthen the foundations of the EU sustainable finance framework. The package aims to ensure that the framework continues to support companies and the financial sector, while encouraging the private funding of transition projects and

technologies. In this respect, the Commission added additional activities to the EU taxonomy and proposed new rules for **environmental, social and governance rating** providers, which will increase transparency on the market for sustainable investments.

Product market surveillance

- The EU product compliance network, composed of Member State representatives in the area of market surveillance and officials of the Commission, continued working on the implementation of Regulation (EU) 2019/1020 on market surveillance, which entered into force in July 2021. The implementation of the regulation includes initiatives financed by the EU budget.
- Under the SMP, the Commission provides yearly financial support for joint actions between the market surveillance authorities of different Member States, to undertake joint product inspection campaigns. The purpose of the cooperation is to harmonise the ways of working at the EU level, especially in terms of risk assessment of the products tested. When a campaign is finalised, the market surveillance authority coordinating the action presents the results to the EU product compliance network, and follow-up action is undertaken to remedy any issues identified. This is a way to share best practices, and is much appreciated by the members of the network. Two campaigns were finalised in 2022 (portable heaters and recreational crafts). Thirty product campaigns are currently ongoing.
- The Commission supports the market surveillance authorities with the development of three information technology pilot projects meant to facilitate and automate the work of market surveillance inspectors. A special focus is put on e-commerce surveillance. The development of the tools is ongoing. The purpose of this initiative is to provide the Member States with effective tools, especially for less digitally advanced market surveillance authorities.
- The Commission continues to offer Member States a platform for the exchange of information between market surveillance authorities, namely the information and communication system for market surveillance. The platform is continuously maintained and developed to meet the needs of market surveillance authorities.
- Various cooperation agreements have been set up under the SMP in the form of administrative arrangements. The purpose of these activities is to collect relevant information in order to implement evidence-based policy. DG Internal Market, Industry, Entrepreneurship and SMEs cooperates with the Joint Research Centre for the collection of national market surveillance indicators and peer reviews between market surveillance authorities. The first results were delivered in 2022. DG Internal Market, Industry, Entrepreneurship and SMEs also has a cooperation agreement in place with DG Taxation and Customs Union for the development of a system for exchanging data between customs authorities and market surveillance authorities, under which the first data was delivered in 2022.

Consumer protection pillar – Ensuring high levels of consumer protection and product safety

- One of the top priorities of the consumer policy, outlined in the New Consumer Agenda for 2020-2025, is to empower consumers to take an active role in the twin green and digital transitions. The Consumer pillar supports the convergence of digital and green thinking: reducing the environmental impact of digital technology and using digital tools to foster sustainable production and consumption. European consumers rightly expect to benefit fully from the single market and to live in a fair market – online and offline – where the sustainable choice is the easy and affordable choice, and digitalisation works to the benefit of all. To help

consumers in this transition, the Commission has adopted a new law granting consumers the right to repair common household appliances and established new rules to ensure consumers are better informed and better protected, for example against early obsolescence, greenwashing or misleading environmental claims. The digital transformation offers to consumers opportunity to make comparisons between products, to check their environmental impacts and reliability of information. To ensure that consumers derive full benefit from the digital transformation which is radically changing consumers' lives by offering opportunities while addressing new challenges, the SMP supported initiatives aimed at tackling dark patterns, ensuring digital fairness and protecting consumer's rights when buying online. The Commission also adopted new EU-wide rules on product safety that cover new digital technologies and online sales. Consumers are now also better protected regarding financial services contracts concluded at a distance.

- Under the consumer protection pillar, the programme continued to finance Safety Gate, the EU's rapid alert system for the dissemination of information on dangerous non-food products, so the national authorities in the single market can take effective action. In 2023, Safety Gate enabled the circulation of 3 412 alerts, or 55% more than the annual average observed over the last 5 years. This increase can be explained by the constant improvement of the system and wider use of the e-surveillance web crawler, launched by the Commission in 2022 to enhance authorities' capacity to trace dangerous products. This powerful tool traces whether dangerous products banned from sale are removed from all online listings. It is now used by more than 500 surveillance authorities in 29 EU/EEA countries and detects on average 2 000 online offers of reported dangerous products every week.
- The consumer pillar also facilitated cooperation among EU/EEA market surveillance authorities to reinforce the safety of products placed in the single market by financing the joint testing of products, the analysis of the outcomes, assessing the risks, taking the measures on dangerous products, along with sharing of knowledge and best practices.
- In 2021-2023, the programme provided EUR 24 million to the European Consumer Centres network, which helps consumers with cross-border purchases and educates them about their rights when shopping on the single market. Since the outbreak of COVID-19, the European Consumer Centres have been at the forefront of helping consumers confronted with cancellations of flights and package travel, problems related to online shopping and the increase in the number of scams. In 2023, the network received 125 000 requests for assistance. In 22 500 cases it acted as an intermediary with the trader in obtaining redress, which resulted in the recovery of over EUR 9 million.
- The consumer budget continues to support the operational capacities of the national consumer protection cooperation authorities responsible for the enforcement of EU consumer protection laws. The action grants were awarded to consumer protection cooperation authorities to assist them in, for example, exchanging good practices, creating online investigation tools, training staff, developing artificial intelligence tools to detect online infringements and creating a new database of consumer complaints to allow similar market issues to be detected in several Member States. The grants also support EU authorities' networking activities with non-EU enforcement bodies as part of the international consumer protection and enforcement network. In 2023, on Member States' request, the support scheme was changed from grants to public procurements that facilitated organisation of workshop on dual quality and peer-to peer meetings.
- The programme provides financial contributions to Alternative Dispute Resolution (ADR) entities aimed at providing redress to consumers without them having to go to court. The action grants support activities including training for practitioners, customised assistance for vulnerable consumers, the creation of an online case-handling tool and exchanging of best practices. Sectoral seminars and workshops organised in 2021-2023 brought together more than 300 practitioners to attempt to strengthen the effectiveness of ADR bodies and to address challenges relating to the energy crisis and the shift towards digitalisation. As digital

markets require quick and simple redress mechanisms, the SMP facilitated to gather evidence-based information from alternative dispute resolution practitioners and other stakeholders to feed the Commission's proposal to revise the Alternative Dispute Resolution directive. In 2021-2023 the consumer pillar funded several initiatives to help over-indebted consumers to remedy their economic wealth by facilitating exchange of best practices and capacity building to debt advisors, and by offering action grants to support creation of stable debt-advice services and the networks of experts.

- In 2023, the programme financed a supporting study that provides the evidence basis for the fitness check of EU consumer law on digital fairness, and which evaluates whether EU consumer law is still adequate in the digital environment.
- The programme has supported several capacity-building, awareness-raising and education activities, for example: (1) Consumer-Law Rady project providing training courses dedicated to SMEs; (2) Consumer Pro training programme addressed to consumer organisations and other actors in consumer protection; (3) Enforcement Academy aiming to improve the digital investigation and enforcement capacities of national consumer protection authorities and consumer safety networks; (4) Influencer Legal Hub, an online library providing guidelines for social media influencers; and (5) 'Better Internet for Kids', ensuring that children are protected, respected and empowered online.
- The programme also provides an operating grant of EUR 2.4 million per year to The European Consumer Organisation (Bureau européen des unions de consommateurs (BEUC)) to support various activities aimed at defending the interests of European consumers and providing support to the consumer organisations.

Enhancing the participation of consumers in financial services

- In 2023, the programme provided action grants to two organisations (Better Finance and Finance Watch) for their actions contributing to the SMP's specific objectives on enhancing the participation of consumers, other end users of financial services and representatives of civil society in financial services policymaking; promoting a better understanding of the financial sector and of the different categories of commercialised financial products; and ensuring that the interests of consumers in the area of retail financial services are protected. Since the launch of the SMP, the two beneficiaries have been working successfully towards the achievement of the programme's objectives, including by producing a number of position papers, research reports and replies to public consultations informing EU policymaking in the field of financial services.

SME pillar

- The SME pillar of the SMP continues to implement the SME strategy and the SME components of the updated industrial strategy, along with supporting the work of the SME relief package. It has a strong focus on supporting SMEs' growth and recovery and the green and digital transitions, while helping the former to achieve success in an increasingly competitive and fast-moving environment.
- The 2023 SME pillar work programme included the budget contribution for multiannual initiatives launched in 2021 (the Enterprise Europe Network, the joint cluster initiative, Erasmus for young entrepreneurs and the intellectual property voucher for post-COVID-19 recovery and the green and digital transitions). There were also calls for proposals for the tourism and social economy sectors.
- The first results of the calls launched in 2021 and 2022 are now available. The later launch of the Erasmus for young entrepreneurs call, due to the ongoing previous project, means that the full 2023 picture is not yet available. However the data so far (2 086 matches from a target of 3 000) is encouraging. The other two key indicators are on track. The Enterprise Europe Network and Joint Cluster Initiative calls were launched in 2021 and the numbers of SMEs,

clusters and business network organisations, and business support organisations supported is 266 448, with a midterm target of 320 000 expected by 2025. Business partnerships are measured at 1 724, with the target of 2 700 to be achieved by 2024.

- Enterprise Europe Network advisory services are now available in Ukraine (an Enterprise Europe Network Ukraine grant agreement was signed in October 2022), and Ukrainian businesses are also active participants in Erasmus for young entrepreneurs exchanges. EUR 10 million was allocated in 2023 to launch the Enterprise Europe Network energy advisors call following the inflation rise combined with the energy prices. This call responds to the needs of SMEs that are seeking to improve their energy performance.
- An additional call of EUR 4.5 million was launched to facilitate the integration of Ukrainian SMEs into the single market (both businesses based in Ukraine and displaced Ukrainian-registered companies currently operating from the EU. The action complements successful initiatives undertaken by the existing and consolidated networks – including their Ukrainian members – of the Enterprise Europe Network, the European Cluster Collaboration Platform, the Ukrainian Cluster Alliance and the Erasmus for young entrepreneurs intermediary organisations.
- The preliminary findings of the ongoing evaluation of the programme for the competitiveness of enterprises and small and medium-sized enterprises (2014-2020) are encouraging for the work which continues for many of the SME pillar actions, but in particular for the work of the Enterprise Europe Network, covering over 40% of the operational budget.
- **Standardisation pillar**
- The 2022 indicator shows that most European standards are available in all Member States, and this supports the smooth implementation of EU legislation and policies in the single market. Financing focuses on projects that support the strategic priorities for European standardisation and ensures the effective participation of all relevant stakeholders in the standardisation processes. The high implementation rate is additional proof of the quality and wide acceptance of European standards in the single market.
- In 2023, the programme provided grants to three organisations (the European financial reporting advisory group, the international financial reporting standards foundation and the public interest oversight board) for their work on the development of international financial reporting and auditing standards.
- In addition to continuing its financial reporting advisory activities, the European financial reporting advisory group received a new mandate from the corporate sustainability reporting directive, adopted on 14 December 2022, to develop European sustainability reporting standards. The directive is a key instrument to support the EU sustainable finance agenda and important to meet the objectives of the European Green Deal. The European financial reporting advisory group submitted the first set of 12 final draft European sustainability reporting standards on 22 November 2022 covering 10 topical sustainability matters including climate change, pollution, own work force and affected communities. The Commission adopted the standards on 31 July 2023, they entered into force at the end of 2023; first application is for the financial year 2024. The European financial reporting advisory group, with the Commission's mandate, has continued developing further drafts for additional standards and guidance pertaining to directive matters, for example specific draft standards for small and medium-sized companies, implementation guidance on two key concepts under the directive (value chain of companies, materiality assessment) and drafts on a digital classification system required by the directive.
- In July 2022, the international accounting standards board published its feedback statement on the third agenda consultation, outlining its priorities and work activities for the 2022-2026

period. The three main strategic priorities are to maintain the strategic direction and balance of the international accounting standards board's activities while increasing slightly efforts to develop digital financial reporting and improving the understandability and accessibility of international financial reporting standards; to progress current projects; and to add intangibles, statement of cash flows and climate-related risk in financial statements to the work plan. These priorities also have a direct impact on the work plans of the European financial reporting advisory group and the public interest oversight board.

Food pillar

- Among the important achievements in the area of food and feed (a high level of health for humans, animals and plants), despite the sizeable decrease of the budget available, it is worth noting the dramatic reduction of both food-borne salmonellosis in humans (due to programmes implemented in poultry flocks for many years) and classical bovine spongiform encephalopathy (mad cow disease, with no cases for several years). Lumpy skin disease, an emerging cattle disease, has also been controlled effectively (vaccination campaigns), with no outbreaks in south-eastern Europe since 2017. In the area of plant health, the co-funding, although significantly decreased, has helped Member States effectively survey their territories and take early actions in case of findings. Several outbreaks of longhorn beetles have been declared eradicated in 2021-2023.
- The better training for safer food programme has contributed to increase knowledge of Member State staff involved in official controls. In 2023, 195 training sessions were organised with a total of 5 866 participants, and 2 863 staff participated in e-learning courses.
- In order to achieve objectives laid down in SMP, different activities were financed, such as support to EU reference laboratories and EU reference centres, actions to fight antimicrobial resistance, actions to reduce food waste, food information campaigns and information technology initiatives.
- In 2019, the Commission's Internal Audit Service requested that DG Health and Food Safety further improve and simplify the financial management of the veterinary and phytosanitary programmes. In the light of this process, the DG signed an administrative arrangement with the Joint Research Centre to develop new methodologies for the calculation of unit costs in both areas. In the final report, the Joint Research Centre suggested the use of lump sum as a matter of simplification, as the payment is based on the technical results achieved and no invoices or financial checks are needed anymore before the payment. After the adoption of the decision of 23 March 2022, authorising the use of lump sum contributions for annual and multiannual veterinary and phytosanitary programmes under the single market programme, lump sums have been used for 2021-2022 grant agreements.

Statistics pillar

- Eurostat continued to provide high-quality European statistics to support the Commission's six headline ambitions. Moreover, it provided European statistics specifically supporting EU policymaking in response to the Russian war of aggression against Ukraine and the related energy crisis, along with the management and recovery from the COVID-19 pandemic.
- The key performance indicator, measuring Eurostat's impact on the internet, shows that the programme has performed well. The number of times that Eurostat is mentioned on the internet has increased and has overcome the target, also due to a change in the behaviour of Talkwalker, the information technology tool used to measure it. According to Talkwalker, the application programming interface used to retrieve X (formerly Twitter) mentions

provides more numerous results than in the past. This is due to the fact that X had changed their policy and give access to more data. The percentage of negative opinions continues to be extremely low, showing trust in and satisfaction with the data produced.

2014-2020 multiannual financial framework – Programme for the competitiveness of enterprises and small and medium-sized enterprises

COSME supports measures to strengthen the competitiveness and sustainability of SMEs, which also achieve additionality at the EU level. This encompasses measures to foster growth; scale up and create SMEs; improve access to markets (including through internationalisation); improve access to finance for SMEs in the form of equity and debt; promote entrepreneurship, entrepreneurial skills, the business environment and digital transformation; create new business opportunities for SMEs (including those with innovative business models); improve the competitiveness of industrial ecosystems and sectors; develop industrial value chains; modernise industry; and contribute to a green, digital and resilient economy.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	2 358.7	2 359.0	100.0%
Payments	1 972.5		83.6%

As of 31 December 2021, the programme had committed the whole of its available envelope.

In terms of payments, the loan guarantee facility has an implementation ratio of 95% (payments vis-à-vis commitments), while the equity facility for growth has an implementation ratio of 63% due to the specificities in the implementation of this instrument (see below).

In the case of the loan guarantee facility, payment appropriations are needed to allow the implementation partner (the European Investment Fund) to honour guarantee calls from financial intermediaries for defaulting loans and to pay implementation fees. The Loan Guarantee Facility has also been reinforced by the SME window of the European Fund for Strategic Investments since 2015. This has added additional risk-taking capacity and has doubled the available resources in terms of commitment appropriations.

In the case of the equity facility for growth, payment appropriations are needed to allow the implementation partner (the European Investment Fund) to honour cash calls from fund managers, who will use the cash to invest in portfolio companies and for implementation fees. Since it is standard in the industry that venture capital fund managers have up to 5 years to make the first initial investments in SMEs following the creation of the venture fund, there is a significant delay between the time of signature of a fund agreement by the European investment fund and the respective cash calls by the fund managers. Furthermore, following the initial investment by the fund manager, funds can hold on to their portfolio companies for up to 10 years, during which time they can undertake follow-on investments to grow the companies. This pattern of activity explains

why there is a time delay between commitment and payment appropriations in the case of venture capital investments.

Both financial instruments are expected to last until 31 December 2034.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Loan Guarantee Facility – volume of debt financing mobilised	0	> 100%	EUR 14.3 billion in 2020	EUR 53.0 billion compared to a target of EUR 14.3 billion	Achieved
Loan Guarantee Facility – number of firms benefiting from debt financing	312 000	> 100%	220 000 in 2020	873 751 compared to a target of 220 000	Achieved
Enterprise European Network – number of partnership agreements signed	2 295	> 100% (**)	2 500 in 2020	2 701 compared to a target of 2 500	Achieved

(*) % of target achieved as of September 2022.

(**) % of target achieved as of September 2021.

In 2019, SMEs accounted for over 60% of the increase in EU-27 added value, and 70% of the increase in EU-27 employment. In both cases, SMEs' contribution was driven by micro-SMEs, which accounted for 31% and 56% of the total growth in value added and employment respectively ([42]).

However, in 2020 the COVID-19 crisis brought to an abrupt halt or even reversed the gains made by the EU SME sector over the past decade. Many industries, especially in the SME-intensive services sector, experienced large declines in sales as a result of the various lockdowns and other measures introduced by Member States, while some other industries saw their sales increase. The various business support measures implemented by Member States during the pandemic limited the employment impact of the decline in economic activity.

Since 2020, a recovery has taken place but new challenges have arisen, such as historically high inflation and high energy prices. The 2023 SME performance review shows that across the EU, the number of SMEs has recovered from the COVID-19 pandemic and increased by 2.7% in 2022. Employment in SMEs rose by 2.4% in 2022. SME employment took until 2022 to reach 2019

([42]) SME performance review.

levels. In the high inflation environment of 2022, SME added value, when adjusted for inflation, declined by 2.5%.

Up to September 2023, the loan guarantee facility had enabled more than 900 000 SMEs to receive more than EUR 56 billion in financial support over the 2014-2023 period. In reaction to the COVID-19 crisis, EUR 714 million from the European fund for strategic investments was redirected (since 2020) to the programme for the competitiveness of enterprises and small and medium-sized enterprises loan guarantee facility to allow the European investment fund to incentivise banks to provide liquidity to SMEs affected by the crisis. More flexibility was given to users of the facility, and the guarantee rate was increased from 50% to 80%. Up to September 2023 this helped more than 110 000 European SMEs to access more than EUR 10 billion in liquidity finance under the COVID-19 measure of the programme for the competitiveness of enterprises and small and medium-sized enterprises within the loan guarantee facility.

By September 2023, the funds supported by the equity facility for growth had invested more than EUR 8 billion in more than 1 000 companies. Of this amount, more than EUR 5 billion was invested in more than 700 SMEs in their growth and expansion stage.

2014-2020 multiannual financial framework – Food and feed

The food and feed programme aims to prevent, control and eradicate animal diseases and plant pests, support sustainable food production and consumption and improve animal welfare and the effectiveness, efficiency and reliability of official controls.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	1 827.2	1 827.3	100.0%
Payments	1 567.9		85.8%

Payment appropriations are still needed under the previous food programme for the completion of initiatives that were agreed upon in the last years of the previous multiannual financial framework regulation. The majority of these payments will be done until end of 2025 and the need for decommitments will be assessed as projects are completed.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Coverage of EU territory by surveys for pests not known to occur within that territory	5%	80%	100% in 2020	90% compared to a target of 100%	On track

(*) % of target achieved by the end of 2020.

Among the important achievements in the area of food and feed (a high level of health for humans, animals and plants), it is worth noting the dramatic reduction of both food-borne salmonellosis in humans and classical bovine spongiform encephalopathy (mad cow disease, which has almost disappeared). Lumpy skin disease, an emerging cattle disease, has also been controlled effectively (vaccination campaigns), with no outbreaks in south-eastern Europe since 2017. In the area of plant health, the co-funding, although significantly decreased, has helped Member States effectively survey their territories and take early actions in case of findings.

In 2014-2020, the European Court of Auditors published several reports assessing the implementation of the food and feed programme. In chemical hazards in our food – special report 02/2019, the Court emphasised that the EU's food safety model in respect of chemicals is considered a point of reference, and that it is soundly based and respected. On 26 April 2016, the Court published dealing with serious cross-border threats to health in the EU – Special report 28/2016 on a performance audit on animal disease eradication programmes, and drew positive

conclusions on DG Health and Food Safety's management of the programmes. All of the Court's recommendations referred to initiatives that were already ongoing, and all of them have already been finalised.

The food and feed programme has contributed to the improvement of animal welfare through its financial support for courses (better training for safer food programme) in this area in several countries. This has led to improvements in this sector, as stated by the Court of Auditors, which emphasised in Animal Welfare in the EU – Special report 31/2018 that EU action on animal welfare has improved compliance with the EU's requirements and has supported higher standards, with a clear positive impact on animal welfare.

In 2019, the Internal Audit Service requested that DG Health and Food Safety further improve and simplify the financial management of the veterinary and phytosanitary programmes. In light of this process, DG Health and Food Safety signed an administrative arrangement with the Joint Research Centre to develop new methodologies for the calculation of unit costs in both areas. The work suffered slight delays because of the COVID-19 situation, but the final report on the review of the methodology for unit costs in the veterinary area was submitted by the Joint Research Centre to DG Health and Food Safety in March 2021. At the same time, the report for phase 1 concerning a new methodology for the calculation of unit costs for sampling activities in the phytosanitary area (where no such approach existed) was also submitted by the Joint Research Centre. The Joint Research Centre final report suggested the use of lump sum as a matter of simplification, as the payment is based on the technical results achieved and no invoices or financial checks are needed anymore before the payment.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	NO	
SDG2	NO	
SDG3	NO	
SDG4	NO	
SDG5	NO	
SDG6	NO	

SDG7	YES	The European solar academy (budget EUR 2.5 million in SME pillar work programme 2023 and EUR 5 million in work programme 2024) will provide training for SMEs across the solar photovoltaics value chain. It will contribute to the availability of affordable and clean energy by supporting training of SME staff which in turn will ensure better availability of competitive domestically produced solar photovoltaics components. Reporting data will be made available on the number of SMEs trained. The “EEN energy efficiency action” run by an international consortium of EEN members is providing direct financial support to SMEs for investments into energy efficiency projects. This is funded under SME Pillar work programme 2023 with an EU grant of EUR 10 million.
SDG8	YES	Relevant measures under the SME pillar include the Erasmus for young entrepreneurs exchange scheme, which supports enriching and sustainable business exchanges that allow new and experienced entrepreneurs to learn from each other’s experience ([43]). The Enterprise Europe Network’s sustainability advisor services also contribute to this goal (see SDG 9). The SME pillar also supported initiatives to help tourism businesses to developing their skills and capacities in sustainable tourism (total budget of EUR 30 850 000 for 2021-2022, and an additional EUR 7 500 000 in 2023. Under the SME pillar action for local green deals and resilience boosting in the social economy sector (2021 work programme) 19 projects with a total budget of EUR 4 million are currently ongoing until April 2024.
SDG9	YES	Various initiatives support industry and innovation, notably EEN’s advisory, innovation and sustainability advisor services and its sector groups, the Euroclusters and the intelligent cities challenge. In addition the 2021 action for monitoring the performance of EU industry and industrial ecosystems contributes to the work of the industry forum that is playing a key role in the transition pathways to drive the green and digital transition in business. The reports on specific ecosystems and country reports also contribute to policy making to support innovation in industry.
SDG10	no	

([43]) As part of the ongoing work on a draft delegated act to clarify further details of the SMP monitoring and evaluation framework, the possibility of adding a new second level indicator on ‘the number of businesses created following an Erasmus for young entrepreneurs exchange or number of entrepreneurs with formal plans for setting up a business as a result of an Erasmus for young entrepreneurs exchange’ is under consideration.

SDG11	YES	The intelligent cities challenge under the SME pillar (mentioned also under SDG9) contributes to achieving this goal by supporting cities to achieve sustainable growth by means of advanced technologies. It also prepares the local workforces for the green and digital twin transition and the jobs of the future.
SDG12	YES	Several euroclusters projects focus on responsible production and consumption. For example; the Resist project is supporting SMEs from the automotive-transport-mobility and manufacturing ecosystems with personalised and targeted services to become more sustainable and resilient and succeed their digital transition, including access to co-funding for innovation projects, coaching and mentoring services, networking, training and internationalisation services. The project is ongoing until February 2025 and will support more than 100 SMEs.

SDG13	YES	Within the SME pillar, the Enterprise Europe Network helps SMEs to make use of innovation to become more resource efficient. The network also has sector and thematic groups for sustainable construction, intelligent energy, the environment and the circular economy. Over 200 expert Enterprise Europe Network business advisers specialise in climate-related issues. The Enterprise Europe Network's annual client survey ([44]) will include a question on whether/how the Network's services have helped SMEs put in place a more sustainable business model (reduction in emissions, better energy efficiency, better waste management, etc.) but no quantitative information will be available on the reductions in emissions or waste. The enterprise europe network is also implementing an energy-efficiency action with a total budget of EUR 10 000 000 (see SDG 7). The intelligent cities challenge (EUR 7 435 915 – 2022 SME pillar work programme) helps cities to coordinate measures for delivering comprehensive business models, governance structures and networks to boost the transition to circular business models and a sustainable economy. It will provide guidance and support to cities for putting in place local green deals, which address the green transformation in local industry and business. There is also an SME pillar action to support local industrial partnerships involving SMEs and social enterprises, to pilot lighthouse renovation districts for the affordable housing initiative. At least 33 SMEs active in the construction and social housing sectors will receive support to help them to upskill, reskill and integrate the latest digital, environmental and socially innovative solutions needed to participate in this type of renovation work, and to identify technology needs and developments. The budget for the ongoing projects under the 2022 work programme is EUR 1 2 million. A further EUR 1 million will be available under the 2023 work programme. The circinwater euroclusters project focuses on supporting European SMEs to develop and implement water-smart solutions for the agrifood and energy-intensive industries (mining, pulp and paper, steel and chemical industry).
SDG14	no	
SDG15	NO	

([44]) The first results of this are expected to be available in the second quarter of 2023 and then on an annual basis.

SDG16	YES	Under the European statistics objective, Eurostat is called to regularly monitor progress towards the UN SDGs in an EU context. For this purpose, it coordinated the development of the EU SDG indicator set, which consists of around 100 indicators. The indicator set is reviewed every year to ensure the highest quality and that the most policy relevant indicators are included. About two thirds of these indicators are produced by the European statistical system. Based on the EU SDG indicator set, Eurostat produces an annual monitoring report (https://ec.europa.eu/eurostat/web/sdi) assessing the progress of the EU towards the UN SDGs. The report is complemented by various communication products (website, data tables, interactive visualisation tools, country profiles) to target different user groups. Eurostat also analyses spillover effects on countries outside the EU. The 2023 edition included a special chapter on short-term progress towards the SDGs in the face of multiple crises. Furthermore, the SDG indicators are integrated in the European semester. Eurostat provides a graphical overview of status and progress of each Member State towards the SDGs, which is included in the country reports. In 2023, Eurostat also prepared the statistical annex to the EU Voluntary Review on the implementation of the 2030 Agenda for Sustainable Development, which was presented to the UN High-Level Political Forum on Sustainable Development. Eurostat also provides training to the national statistical institutes to produce harmonised and comparable social statistics, environmental statistics, national accounts, etc. Moreover, it offers courses to explain indicator frameworks and the monitoring of the UN agenda 2030 for sustainable development.
SDG17	NO	

ANTI-FRAUD

THE UNION ANTI-FRAUD PROGRAMME

Programme in a nutshell

Concrete examples of achievements (*)

5 699 000 illegal cigarettes were detected in a single day by an X-ray scanner acquired with European Anti-Fraud Office (OLAF) funds and put in operation between 2021 and 2023.	**110** law enforcement officials from the 27 EU Member States and candidate countries participated in the specialised digital forensic and analyst training procured by OLAF in 2023.	**9** high-level events focused on the protection of the EU's financial interests were organised by OLAF in 2023, including a workshop of beneficiaries of the training component of the programme.	**3** Information technology tools were financed for use by the Member States in 2023, including customs data-analysis tools and tobacco product identification tools. .
EUR 703.4 million is the value of the assets seized during the implementation of a single project between 2021 and 2023 funded by the programme.	**1** remotely piloted aircraft system (drones) was purchased by Italy, financed by the programme and aimed at better combating the phenomena of tobacco smuggling and counterfeiting.	**4** multiple accesses to commercial databases were provided to Member State authorities, financed by the programme, such as access keys to company data and trade statistics databases.	**13** joint customs operations were supported in 2023 through the programme, targeting the protection of EU financial interests, combating counterfeit medicines, illegal pesticides, waste and wildlife trafficking.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	181.2
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.0
Total budget 2021-2027	**181.2**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The programme supports the prevention of and the combat against fraud, corruption and any other illegal activities affecting the financial interests of the EU.

Through its three strands, related to the three specific objectives, it helps Member States and beneficiaries fight fraud through financial support and by organising mutual administrative assistance and cooperation in customs and agricultural matters, notably via the Anti-Fraud Information System (AFIS) and the Irregularity Management System (IMS).

CHALLENGE

The EU's financial interests are threatened by fraudulent activities and financial irregularities – both on revenues and expenditure – as shown every year by the Commission's annual report on the protection of the EU's financial interests.

Tackling these threats requires continuous and enhanced action by the EU. Irregularities and fraud are by definition an EU-wide phenomenon, which is not limited to any individual Member State. Intervention at the EU level on the protection of EU financial interests is justified in terms of subsidiarity, where it facilitates cooperation between the EU and the Member States or between Member States, without impinging on Member States' responsibilities. Examples of such interventions include the necessary coordination of Member States' antifraud activities and the provision of financial, technical and information support to Member States in their efforts and actions to protect the EU's financial interests. The importance and value of this coordination and support role by the EU are particularly obvious when the fraud or irregularity has a cross-border dimension or affects several Member States.

The main challenges for the programme are, on the one hand, keeping track with the changing fraud landscape and techniques, by promoting the use of the most advanced technological items. On the other hand, creating appropriate opportunities for Member States' authorities to cooperate and exchange best practices in relation to the common goal of fighting fraud affecting the EU's financial interests.

MISSION

The general objectives of the Programme are to:

(a) protect the financial interests of the EU;

(b) support mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters.

The programme supports and complements the Member States' (financial) efforts to prevent and fight fraud and corruption, affecting the financial interests of the EU and provides mutual assistance in customs and agricultural matters. In this way, the programme provided added value by allowing the beneficiaries to acquire new equipment, including its maintenance and/or upgrades (e.g. soft- and hardware). The programme helps to diminish the potential differences between Member States in budgetary capacity and supports those Member States that have special needs because of their size or bordering with non-EU or candidate countries, such as for example Ukraine.

OBJECTIVES

The programme has three components, each with its specific objective:

– preventing and combating fraud, corruption and any other illegal activities affecting the financial interests of the EU;
– supporting the reporting of irregularities, including fraud, with regard to the shared management and pre-accession funds of the EU budget;
– providing tools for information exchange and support for operational activities in the field of mutual administrative assistance in customs and agricultural matters.

ACTIONS

The first component of the programme provides Member States with targeted assistance in achieving their obligations to protect the EU's financial interests by supporting the purchase of specific anti-fraud equipment, specific trainings, targeted conferences and studies.

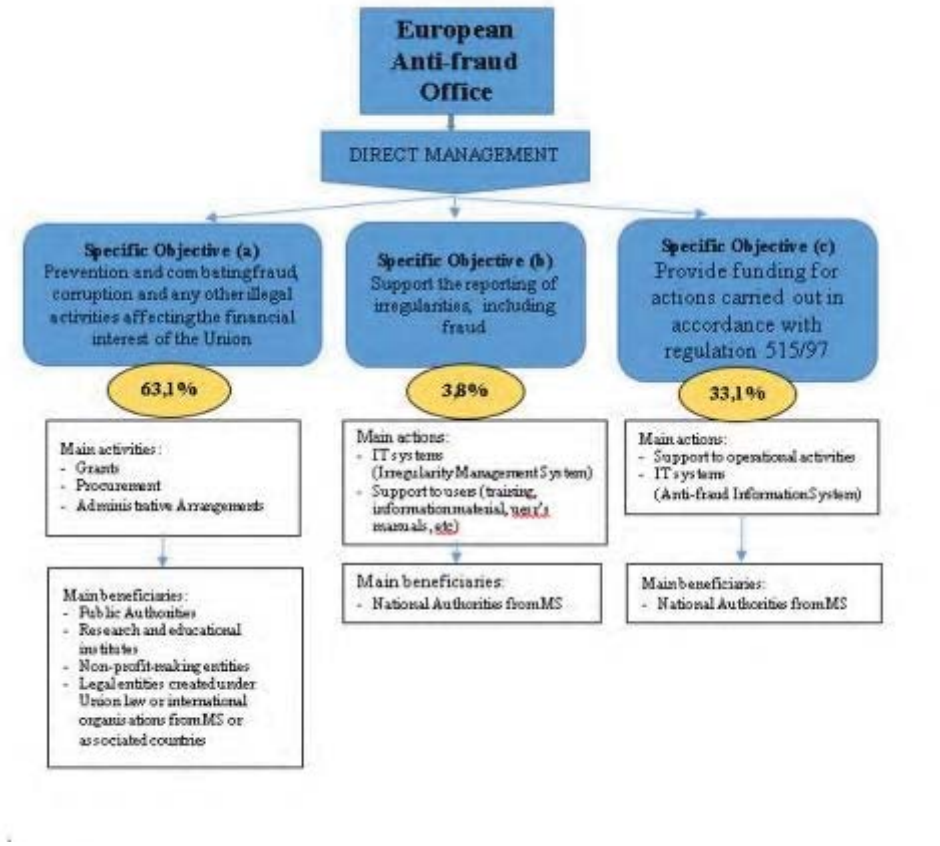
For the second component, the Commission puts at Member States' disposal and maintains the Irregularity Management System to facilitate Member States' and candidate countries' compliance with their obligation (laid down in various sectorial pieces of legislation) to report detected irregularities – including fraud – in cases related to shared management and pre-accession assistance funds.

The third component encompasses the operation and maintenance of AFIS (supporting Member States' mutual assistance in customs and agricultural matters) and other supported activities, such as joint customs operations, training courses and preparatory or evaluation meetings for operational actions.

STRUCTURAL SET-UP OF THE PROGRAMME

The programme is implemented through direct management. The European Anti-Fraud Office (OLAF) is the lead service for the programme implementation.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The programme merges three instruments that were implemented separately in the 2014-2020 multiannual financial framework, namely the former Hercule III programme and the financing bases of both the Anti-Fraud Information System (AFIS) and the Irregularity Management System (IMS).

FURTHER INFORMATION

– Programme website: UAFP

– Impact assessment

  - The *ex ante* evaluation of the programme was carried out in 2018. For further information please consult: https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52018SC0294

– Relevant regulation

  - Regulation (EU) 2021/785 of 29.4.2021 of the European Parliament and of the Council.

– Evaluation:

https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12435-Fraud-prevention-final-evaluation-of-the-Hercule-III-programme-2014-20-_en (link to the Report from the Commission on the final evaluation of the Hercule III programme, December 2021)

An external study contract has been ordered in early 2023 to conduct an interim evaluation study on the Union anti-fraud programme. The study is ongoing and due to be finalised in May 2024. The study should serve as a basis for a Report from the Commission to the Institutions by end December 2024, accompanied by a staff working document on the findings, conclusions, recommendations and way forward.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	24.1	24.4	24.9	25.5	26.4	27.4	28.7	181.2
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**24.1**	**24.4**	**24.9**	**25.5**	**26.4**	**27.4**	**28.7**	**181.2**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 0.0 million (+ 0%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	73.3	181.2	40.4%
Payments	44.4		24.5%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	24.0	24.1	2.5	8.7
2022	24.4	24.4	19.0	21.3
2023	24.8	24.9	22.9	24.9

(*) Voted appropriations (C1) only.

– In 2023, the programme committed 100% and paid 99.79% of the available appropriations. The prolongation of a number of grant agreements awarded in 2021 and 2022 led to delayed final payments, partially due to the aftermath effects of the COVID-19 period. Also, some of the grants awarded in 2023 were only signed (and the pre-financing paid) in the beginning of 2024.

– For the first strand (Hercule actions), commitment appropriations were used to conclude the majority of awarded grants under the 2023 calls for proposals (30 grants awarded in total under the two calls). In addition to the annual granting cycle, the 2023 commitment appropriations were also used for establishing specific contracts (procurement) and administrative arrangements for the provision of access to commercial databases, specialised information technology tools and specific anti-fraud related training and conference events. Two calls for proposals under the 2023 budget were published early March 2023 (total indicative budget of EUR 10.55 million, technical assistance and training calls).

– The available commitment appropriations in 2023 for the second (Irregularity Management System) and third (AFIS) strands were exclusively used to conclude specific contracts (procurement) for the provision of information technology services, hardware and software. Payment appropriations for these two strands were used to pay invoices related to specific contracts that were concluded in the current and the previous year.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming									
Biodiversity mainstreaming									
Clean air									

Not applicable.

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2				
1				
0*				
0	24.0	24.4	24.8	73.2

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information:

The programme falls under the gender score of 0. This is because around 80% of the programme's yearly budget is used to finance the purchase of specialised technical equipment, including information technology tools. Overall, the programme has no significant bearing on the promotion of gender equality. However, with regard to the procured training events, and more specifically the ones directly organised by the Commission (OLAF), with financial support from the programme, OLAF encouraged the Member State authorities to aspire to a better gender balance in their selection of training participants to these events.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	11.6	11.9	16.4	39.9	55%

– The programme is considered to contribute to the Commission's priority of digital transition through its three components, as described below. The 'technical assistance activities' part of the first component is considered to contribute by funding those projects that are related (only) to the purchase and implementation of hardware and software, including updates and maintenance of the related information technology material to run such hardware or software. The second and third components (the Irregularity Management System and the Automated Fingerprint Identification System) are considered to contribute in full to the digital transition (of authorities in beneficiary countries), since they are information technology platforms that allow the partners and the Commission to receive and share data and information. In that sense, these two systems contribute to a more efficient and more user-friendly management of data and information in all 27 participating Member States, by improving the digital transition of their administrations.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Satisfaction rate of activities organised and (co-)financed through the programme	0%	**43%** (*)	95% in 2027	Milestones achieved in 2021, 2022 and 2023	On track
Percentage of Member States receiving support each year of the programme	0%	**43%** (*)	87% in 2027	Milestones achieved in 2021, 2022 and 2023	On track
User satisfaction rate for the use of the Irregularity Management System	0%	**75%** (**)	72% annually until 2024	Milestones achieved in 2021, 2022 and 2023	On track
Number of mutual assistance information items	18 639	**67%** (**)	24 000 in 2024	Milestones achieved in 2022 and 2023	On track

made available and number of supported mutual assistance-related activities	

(*) % of years for which the milestones or target have been achieved during the 2021-2027 period.

(**) % of years for which the milestones or target have been achieved during the 2021-2024 period.

– As shown by the key performance indicators reported above, the programme is being successfully implemented and is achieving its general and specific objectives for the three strands.

– Concerning the programme's first strand (Hercule), two calls for proposals were published at the beginning of March 2023, covering the following topics: (1) technical assistance and (2) training, conferences, staff exchanges and studies. Overall, the two calls registered 104 applications from 17 Member States. 13 Member States received financial support through grants awarded under the 2023 call for proposals. However, all Member States receive financial support from the programme through procured activities such as the digital forensic analysts' training sessions and access to commercial databases and specialised information technology tools.

– From the 104 applications, 30 projects have been selected for grant funding. Regarding the procurement aspects, specific contracts and administrative arrangements were made to provide the Member States with the necessary support and tools in their fight against fraud and illegal activities. These include access to three commercial databases, a renewed administrative arrangement with the Joint Research Centre and specialised forensics and analyst training in 2023.

– In relation to the implementation of the technical assistance activities financed by the programme, the creation of the Customs Control Equipment Instrument allowed the programme to shift its focus to advanced tools and technologies (including data analysis) and generated valuable synergies and complementarity across the two programmes, while avoiding any overlap.

– In 2023, the interim evaluation of the programme was launched, supported by an external study. The results of this evaluation will feed the future programme for a better and more efficient implementation.

– Concerning the programme's second strand (the Irregularity Management System), the committed amount for 2023 was EUR 959 770.31, of which EUR 1 285 052.83 was spent in 2023 (covering contracts from 2022 and 2021).

– With regard to the programme's third strand (AFIS), one platform release (consisting of several combined application releases), 44 releases for the new Import, Export and Transit directory and several other releases and hotfixes were developed in 2023, totalling more than 110 releases.

– Among these several major releases were: (1) a new version of the Import, Export and Transit directory, which integrates all features previously available in the legacy Anti-Fraud Transit Information System and provides additional features, such as improved search capabilities, the possibility to define alarms and export data in different formats; (2) two new versions of the Container Status Message directory, with visual analytics capabilities and the new container origin signal module, which signals potential origin fraud; (3) two new versions of the automated monitoring tool, with historical data from the Comext database on international trade in goods and new visualisations; and (4) a completely redeveloped version of the tobacco seizures management application.

– Additional data sources and analytical tools were implemented for the fraud analytical platform and its computing resources extended. In 2023, AFIS also supported 13 joint customs operations.

2014-2020 multiannual financial framework – Programme Anti-Fraud Information System

AFIS is an umbrella term for a set of anti-fraud information technology applications operated by OLAF under a common technical infrastructure. The aim of these applications is to exchange fraud-related information between the competent national and EU administrations in a timely and secure manner. AFIS also helps to store and analyse relevant data.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR)(*):

	Implementation	Budget	Implementation rate
Commitments	132.4	133.4	99.3%
Payments	117.8		88.3%

(*) Cumulative implementation rate of AFIS and Hercule.

– With regard to the implementation of the IMS budget for 2023, a 100% of the budget for IMS was committed in 2023.

– As for the payment appropriations, the 2023 existing credit amounts were exhausted 97.5% for IMS and 100% for AFIS.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Mutual assistance – information exchange: number of active customs fraud cases	8 000	**70%**	24 000 in 2020	19 125 out of 24 000 cases	Moderate progress

(*) % of target achieved by the end of 2020.

– The programme has achieved all but one of the targets of its indicators. Its target – 24 000 active customs fraud cases by 2020 – was based on the main assumption that relevant intellectual property rights infringements, which are reported via the DG Taxation and Customs Union anti-counterfeit and piracy system, would significantly contribute to the number of cases. However, at the end of 2020, such infringements represented only 971 cases (5%) of all reported cases. The indicator continues to be monitored and is expected to meet its target in 2024.
– Following Member State recommendations in previous years, OLAF has strengthened in the reporting period the involvement of Member States during all stages of development of new or updated AFIS applications, aiming at improving their usage and user satisfaction. Special workshops were organised for the new versions of the anti-fraud systems managed by the programme, which attracted a large number of participants from the Member States. As a result, Member State acceptance and usage of the applications has significantly improved, as shown by usage statistics and satisfaction reports. The number of AFIS users increased from 8 000 users in 1 200 services in 2015 to 8 500 users in 1 400 services at the end of 2020.

2014-2020 multiannual financial framework – Hercule III

Hercule III helped Member States to fight fraud, corruption and other illegal activities though financing of practical projects, such as the purchase by national authorities of sniffer dogs, X-ray scanners and other technical equipment, to stamp out smuggling and other criminal activities that are against the EU's financial interests.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR)(*):

	Implementation	Budget	Implementation rate
Commitments	132.4	133.4	99.3%
Payments	117.8		88.3%

(*) Cumulative implementation rate of AFIS and Hercule.

– Note: Due to the intertwined budgetary nature of the previous programmes, this section presents a combined cumulative implementation rate of both predecessor 2014-2020 programmes, AFIS and Hercule III.
– AFIS and Hercule III jointly consumed 99% of the available commitment appropriations and 82% of the available payment appropriations. The remaining payment appropriations are planned to be used for cost claims of ongoing grants.

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Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target	Results	Assessment
Percentage of users who felt that the use of Hercule III-funded equipment added value to their activities	0%	> 100% (*)	75%	97% of beneficiaries compared to a target of 75%	Achieved
Satisfaction rate for training activities funded, including specialised training events	60%	> 100% (**)	75%	94% of beneficiaries compared to a target of 75%	Achieved

(*) % of target achieved by the end of 2021.

(**) % of target achieved by the end of 2020.

– The exceptional pandemic circumstances of 2020-2021 had an important impact on the general implementation of the programme, especially in terms of training and conferences activities. The beneficiaries of grants were, in most cases, unable to continue with the implementation of their projects as planned (both the purchase of technical equipment and the training, conferences and staff exchanges were in many cases delayed). OLAF offered its support in postponing the project's implementation and amending the contracts.

– The programme performed above expectations with regard to the added value and effective use of co-financed technical equipment, expressed by the number of direct users of the equipment in their final technical reports. The final reports received in 2021 show an overall satisfaction rate of 97%, significantly above the target.

– In parallel, the satisfaction rate of the number and type of trainings activities funded under the programme reached 94%, thus also significantly exceeding the target. In 2020, the programme awarded 24 grants for training-related activities. Due to the pandemic, most of the trainings and conferences initially planned for 2020 (both grant and procurement contracts) were postponed to 2021. 15 trainings and conferences were organised, mostly in a virtual or hybrid mode. Two of them took place with physical presence.

– Following the successful publication and evaluation of the 2020 calls for proposals, unused amounts earmarked for procured activities in the 2020 budget were transferred to grants. EUR 2 million were transferred from procured activities to grants, representing approximately 12% of the total budget for the year. This ensured an efficient implementation of available operational funds and allowed grant awards to the best-ranked applications across the three calls. These grant contracts are currently being implemented, covering 2021-2022.

– The access to commercial databases (such as company data, trade data and vessel and maritime movement) and analytical information technology tools continued to be provided to

Member State authorities, by signing specific contracts under the existing framework contracts with suppliers.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3		
SDG4		
SDG5		
SDG6		
SDG7		
SDG8		
SDG9		
SDG10	Y	The financial support provided by technical assistance (TA) grants indirectly assists in harmonising differentiated levels of (financial) resources and (budgetary) capability, helping to reduce as such inequality within and among Member States (administrations). EUR 9.52 million is the total proposed amount to grant 23 selected projects in 2023, which will continue to run in 2024. .
SDG11		
SDG12		
SDG13		
SDG14		
SDG15		

SDG16	Y	The programme indirectly helps building effective, accountable and inclusive institutions in the Member States at various levels of national and/or local administrations (law enforcement agencies), in particular through support given leading to an enhanced digital transition. EUR 16.4 million has been allocated in 2023 to run and manage IMS and AFIS, including grants for TA projects in the field of IT and digitalisation of law enforcement agencies. The latter projects will run in 2023 and continue beyond, in 2024 and 2025.
SDG17		

FISCALIS

ACTION PROGRAMME FOR COOPERATION IN THE FIELD OF TAXATION IN THE EUROPEAN UNION

Programme in a nutshell

Concrete examples of achievements (*)

2 452 million messages were exchanged on the key European electronic systems and their components in 2023.	298 e-learning tax modules were in use in 2023.	29 European electronic systems were in operation in 2023.	5 expert teams in the taxation area were operational at the end of 2023.
99.67% is the average amount of time that the European electronic systems were available for use in 2023.	5 562 participants took part in the 369 virtual and physical meetings organised in 2023 under the general collaboration actions grant.	206 online collaboration groups were supported by the programme in 2023.	

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	267.8
NextGenerationEU	0.0
Decommitments made available again (*)	N/A

Contributions from other countries and entities	0.2
Total budget 2021-2027	**268.0**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Fiscalis programme is an EU cooperation programme that enables national tax administrations to create and exchange information and expertise. It helps Member States to develop and run major trans-European information technology tax systems, as well as establishing networks of officials across the EU.

CHALLENGE

Tax fraud, tax evasion and tax avoidance, combined with digitalisation and new business models, present continued challenges to both the EU and the functioning and performance of national tax administrations. The latter need to provide quick and joint responses, while at the same time avoiding unnecessary administrative burden for citizens and businesses engaging in cross-border transactions. Individual Member States cannot adequately address these problems on their own. Rather, these challenges, both within the EU and with non-EU countries, require action at the EU level.

MISSION

The Fiscalis programme has the general objective of supporting tax authorities and taxation in order to enhance the functioning of the internal market, foster the competitiveness of the EU and fair competition in the EU and protect the financial and economic interests of the EU and its Member States. This includes protecting these interests from tax fraud, tax evasion and tax avoidance and improving tax collection. It offers Member States a framework to develop activities through cooperation among national taxation officials on the one hand, and information technology and human capacity building on the other.

OBJECTIVES

The programme has the specific objectives of supporting tax policy and implementing Union law relating to the field of taxation; fostering cooperation between tax authorities, including the exchange of tax related information; and supporting administrative capacity building, including human competency and the development and operation of the European electronic systems .

ACTIONS

The Fiscalis programme provides financial support for information technology capacity-building actions – in particular the development and operation of European electronic systems for taxation – and fosters cooperation among national tax authorities via meetings and project-based structured collaboration, such as project groups and expert teams. The programme also provides financial support for human competency and other capacity-building actions, including training and exchange of best practices, as well as other actions such as studies, communication and innovation activities.

STRUCTURAL SET-UP OF THE PROGRAMME

The Fiscalis programme was established by Regulation (EU) 2021/847. The legal bases of this regulation are articles 114 and 197 TFEU.

In addition, the multi annual work programmes (MAWPs) constitutes the operational and financial framework for the programme implementation, stipulating the priorities for a specific period. The latter are defined on the basis of the Programme's objectives and DG Taxation and Customs policy priorities, as established in the multi-annual strategic plan for taxation (MASP-T) for information technology projects and other strategic documents (e.g. TAXUD Strategic Plans, Communication strategy, action plan for fair and simple taxation supporting the recovery strategy, the European Green Deal etc.). MAWPs are established via comitology, in consultation with the Fiscalis programme committee.

Tax policies, being part of the EU policies, play an instrumental role in implementing the Commission's political objectives, particularly in supporting green and digital transition, promoting social fairness and prosperity, reinforcing social justice and rule of law while promoting economic growth.

Collecting taxes and combating tax fraud and evasion are competences of the EU Member States. Nevertheless, in an increasingly globalised world, the EU provides a common framework as well as instruments to effectively handle cross-border tax issues. Through information technology and other means, the EU allows for cooperation and the exchange of information among its Member States. EU legislation enables collaboration between national tax authorities in various ways.

The Fiscalis Programme supports European electronic systems and related applications in operation for taxation. These systems allow information to be exchanged rapidly and in a common format that can be recognized by all Member States. The Fiscalis Programme also funds activities to support the automatic exchange of information. Furthermore, the Programme supports collaborative actions such as meetings, workshops as well as other events and capacity-building actions for tax officials to strengthen their capacity of tackling tax fraud, tax evasion and aggressive tax planning.

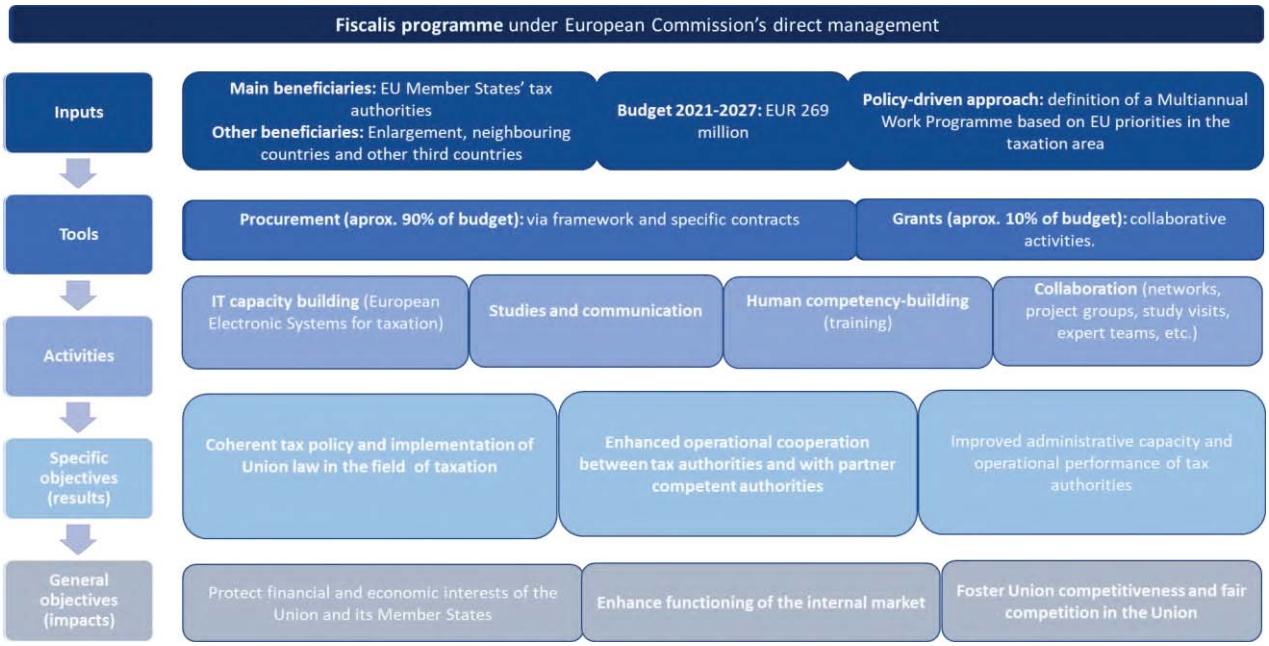
Thanks to its financial support, the programme contributes – directly and indirectly - to the EU agenda for economic recovery and long-term growth, fair taxation while advancing in the digital transition.

To achieve this, the Fiscalis programme budget (EUR 269 million) is implemented in direct management by the Commission (DG Taxation and Customs union) through:

- Procurement contracts: for the European electronic systems expenditure, training activities, studies and other actions (e.g. communication and studies). These contracts are initiated, managed and implemented by the Commission. In 2023, around 89% of the financial capacity of the Programme[45] was devoted to procurement for information technology capacity-building actions (e.g. development and operation of the European electronic systems for taxation, including their design, specification, conformance testing, deployment, maintenance, evolution, modernisation, security, quality assurance and quality control).
- Grant with the participating countries regarding collaborative actions, including expert teams, workshops, project groups and similar activities. These are initiated and managed by the Commission, and implemented by the grant beneficiaries (being the participating countries' tax administrations). These activities provide forums for collaboration among the beneficiaries' tax authorities, in order to allow them to share knowledge, experience, and set guidelines and common working practices through programme activities. Besides, the programme is open to the participation of non-EU countries on condition that specific agreements are in place.

[45] Compared to the total committed expenses for 2023.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The Fiscalis programme is a continuation of its predecessor in the 2014-2020 multiannual financial framework, with more intensive cooperation and a larger number of electronic systems.

FURTHER INFORMATION

– Programme website: Fiscalis programme
– Impact assessment:
– Relevant regulation: Regulation (EU) 2021/847 of the European Parliament and of the Council.
– Evaluation:
    - The *final* evaluation of the Fiscalis 2020 programme was completed in 2022. For further information please consult:

        The external study.

        Commission staff working document on the Final evaluation of Regulation (EU) No 1286/2013 of the European Parliament and of the Council of 11 December 2013 establishing an action programme to improve the operation of taxation systems in the European Union for the period 2014-2020 (Fiscalis 2020) and repealing Decision No 1482/2007/EC.

        The report from the Commission to the European Parliament and the Council on the final evaluation of the Fiscalis 2020 programme.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	34.8	36.9	37.7	38.4	39.2	40.0	40.8	267.8
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.2
Total	**34.8**	**37.0**	**37.8**	**38.4**	**39.2**	**40.0**	**40.8**	**268.0**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

- EUR 1.4 million (- 1%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	107.9	268.0	40.3%
Payments	65.9		24.6%

Voted budget implementation (million EUR):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	34.8	36.2	10.1	8.8
2022	36.9	36.9	21.3	27.7
2023	36.2	37.8	33.9	34.7

(*) Voted appropriations (C1) only.

– The delayed adoption of the 2021-2027 multiannual financial framework resulted in the late adoption and launch of the Fiscalis programme. Consequently the signature of the new grant agreements and the implementation of general collaboration activities and expert team grants was affected, starting only from December 2021.

– Despite the late adoption of the Fiscalis regulation and the 2021-2023 financing decision, almost 100% of the total envelope devoted to 2023 was committed.

– In 2023, DG Taxation and Customs Union has fully implemented the commitment appropriations with the below breakdown:

  - European electronic systems EUR 31.3 million
  - Collaboration activities grants (including Expert Teams) EUR 1 million
  - Other service contracts (communication, trainings, studies, etc.) EUR 3.9 million

– In 2023, two new expert team grant agreements in the field of administrative cooperation, and in the fight against tax fraud were signed.

– The COVID-19 pandemic, the late adoption of the regulation and financing decision, the level of online collaboration and the streamlining exercise of the number of groups, impacted the financial programming of the new programme. While the impact was very limited for the expenditure on procurement – largely related to the maintenance and development of the information technology systems – it was more significant for expenditure on grants on collaborative actions, due a lower number of face-to-face meetings. While in 2023 COVID-19

related travel restrictions are no longer limiting physical meetings, the online collaboration remains strong, with nearly half of the meetings taking place online, in line with greening objectives. In addition, a streamlining exercise took place in the DG in relation to the number of groups, also affecting the number of project groups under the Fiscalis programme.

– These conditions led to under consumption of some grants under the new programme which were extended. For these reasons, some of the planned grants have been postponed and will be launched in 2024.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	0.0	4.1	0.0					4.1	2%
Biodiversity mainstreaming									
Clean air									

– In accordance with the above table, during 2023 there were no actions that specifically contributed to green budgeting priorities.

– However, the programme continued indirectly supporting the green deal by means of reinforced digitalisation of information technology taxation systems and related cooperation actions.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				
1				
0*	12.6	2.3	4.9	19.8
0	22.2	34.7	31.3	88.1

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Figures on female and male participants in 2023 can be provided only for a specific type of programme actions under the score 0*, namely general collaborative activities (one grant that represents 7.4% of the programme's total implemented budget):

- 2 626 participants identified themselves as female, and
- 3 029 as male ([46]).

The Fiscalis programme's interventions are split relating to gender equality score as follows:

- Score 0: relates to information technology expenditure, in particular on the development and operation of European electronic systems, which does not target the promotion of gender equality.

- Score 0*: relates to the remaining types of expenditure, i.e. collaboration activities, training, studies and communication, for which a potential to promote gender equality has been identified.

At the policy level, the programme's objective is to support tax cooperation across the EU. DG Taxation and Customs Union takes note of the potential relevance of gender equality in the taxation domain in light of, inter alia, taxation redistribution and multiplier effects.

At the same time, the programme has implemented an internal tracking mechanism in its activity reporting tool, which enables the identification of collaborative activities with a direct link to gender equality.

Based on this tracking mechanism, it can be confirmed that no collaborative programme activities took place in either 2021, 2022 or 2023 regarding gender equality. For the time being, no interventions have been planned or identified for 2024.

Contribution to the digital transition (million EUR):

([46]) The main beneficiaries of the programme are the tax authorities in the participating countries. In particular for the collaborative activities grant, tax authorities decide at their own discretion to whom they delegate the specific programme events, according to the activity's agenda and objectives. The figures relate to a specific type of the 0* activities in 2023, even if none of them were identified as having gender equality impact. The data reflects the information available in the activity reporting tool as of 3 February 2024.

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	22.2	34.7	31.6	88.5	81%

– The programme allocates the majority of the budget to information technology capacity-building actions, defined as a top priority in the programme's regulation (recital 12). Among the information technology capacity-building actions supported by the programme, priority is given to the European electronic systems that are necessary for the implementation of the general and specific objectives of the programme.

– In 2023, the committed expenses for the development and maintenance of European electronic systems were EUR 31.3 million. This volume is in line with the committed budget to information technology procurement under the programme in 2022. The cumulative commitment appropriations devoted to the European electronic system represents 81.7% of the total envelope of the Fiscalis programme for the 2021-2023 period.

– The high inflation levels registered since the start of the current multiannual financial framework require close monitoring of the scheduled budget for 2023 and the remaining years, especially in terms of costs linked with ensuring the development and functioning of the European electronic systems for taxation. In this context, the Commission assesses the actual information technology spending against initial information technology budget allocations.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
EU law and policy application and implementation index – number of actions under the programme organised in this area	0	**43%** (*)	23 annually in 2027	25 compared to a target of 23	On track
Learning index – number of tax officials trained by using common training material	0	**62%** (*)	96 400 in 2027	60 124 compared to a target of 96 400	On track
Availability of European electronic systems	0%	**43%** (**)	99.50% annually from 2021 to 2027	Milestones achieved for 2021, 2022 and 2023	On track
Availability of the common	0%	**29%** (**)	99.80% annually from 2021 to 2027	Milestones achieved for 2021	On track

communication networks				and 2023. Milestone not achieved for 2022	
Information technology simplified procedures for the national administrations and economic operators – number of economic operators registered	0	**33%** (*)	41.4 million in 2027	13.6 million compared to a target of 41.4 million	On track
Information technology simplified procedures for the national administrations and economic operators – number of applications	0	**37%** (*)	5.6 million in 2027	2.1 million compared to a target of 5.6 million	On track
Collaboration robustness index – number of online collaboration groups	0	**43%** (***)	206 annually from 2021 to 2027	Milestones achieved in 2021, 2022 and 2023	On track

(*) % of target achieved by the end of 2023: latest result compared to target.

(**) % of target achieved by the end of 2023: proportion of years for which the results are equal or higher than the annual milestone.

(***) % of years for which the results are within 10% of the target.

– The year 2023 was the second full year of implementation of the Fiscalis programme following the adoption of the programme regulation in May 2021. In 2023, the programme activities were implemented under the 2021-2023 multiannual work programme, contributing to the overall EU priorities to support economic recovery and the digital transition. Throughout the year, the programme continued to support tax authorities and taxation, in order to enhance the functioning of the internal market.

– The programme's collaborative activities provided forums to exchange expertise and best practices among the participating countries and between them and the Commission on various aspects of taxation and policy measures and their operational implementation.

– The overall progress of the performance indicators is on track. Some of the milestones and indicators were based on an extrapolation of the previous iteration of the programme or on the first month of implementation (December 2021) of the current programme. It has shown that this has not always been representative, for example for the number of actions under the programme organised in area of EU law, policy application and implementation and the number of online collaboration groups. Hence the milestones and targets were reviewed in 2024, based on the results of the first 2 full years of implementation of the programme, as anticipated for these indicators in the 2021 programme statements. The revision ensured that the milestones and targets are adapted to the new programme realities.

– In 2023, the support to the development of the European electronic systems for taxation remained a focal point of the programme. In 2023, 89% of the Fiscalis programme budget was devoted to the development and operation of the common components of the European electronic systems, which are considered as a key element in the digitalisation and simplification process of public services in the area of taxation, thus reinforcing synergies with the Commission's horizontal priorities on digital transition. In addition, procurement activities relevant to the Fiscalis programme in the digital (information technology) area take into account Commission horizontal policies relating to greening and gender equality to the extent possible.

– In all, 29 European electronic systems funded by the programme were operational in 2023. The programme was instrumental in guaranteeing business continuity of the European electronic systems for taxation, which is confirmed by the fact that the availability of the European electronic systems supported by the programme remained close to 100%, in line with the set milestone of 99.5%.

– With 99.99% the availability of the common communication networks was above the milestone of 99.8%, guaranteeing business continuity for information technology standards. This is supported by the use of the systems that continued to grow in terms of both the number of messages exchanged and the number of consultations carried out.

– More physical meetings took place in 2023, while online collaboration remained strong. The increasing proportion of physical meetings allowed for closer human interaction and networking. Physical meetings are considered essential by many participants to guarantee the networking opportunities created by the programme: nearly 80% of the participants reported strong satisfaction with the networking possibilities offered through the programme. With the programme in full swing, the collaboration activities bore a high number of outputs/recommendations that were reported as useful and well used in the administrations.

– In terms of training, a substantial increase was observed in the number of tax officials trained, from 8 830 in 2022 to 34 981 in 2023. This includes the number of professionals who followed the courses with support of the EU portal (33 355) ([47]), together with the number of tax officials

([47]) The figure on the number of officials trained includes the number of officials completing a course directly in the EU central training portal and the number of officials, as declared on the EU central portal by national administrations, to whom the downloaded courses are made available via the national distribution systems

who participated in common learning event programme events (575) and information technology training sessions supported by the Fiscalis programme (1 051). Overall, 103 502 professionals (including tax officials and other tax professionals) benefited from the training opportunities offered by the programme. As expected, in 2023 the quality score of e-learnings also remained slightly below the target, which can be explained by the fact that the majority of courses is over 8 years old. An update of the tax courses in the portfolio was foreseen for 2023 but has been postponed to 2024 for some of the modules.

– Concerning the participation of non-EU countries in the Fiscalis programme, there are currently nine candidate and potential candidate countries that take part in the Fiscalis programme. The programme offers enlargement countries the possibility to cooperate with EU Member States and their peer tax authorities, and to learn the sector-specific EU legislation and operational good practices, which should help both the *acquis* harmonisation and its implementation.

– The Fiscalis programme is an important source of assistance for Ukraine's tax administration, as the country became part of the programme at the end of 2022 and started participating in the activities funded by the programme in 2023. The programme supports Ukrainian work towards harmonisation with EU *acquis* in tax policy, which became more relevant after the Council of the European Union provided for opening the accession negotiations with Ukraine in 2023.

(e.g. national intranets, portals of the national training institutes). The number of tax officials may also include officials of other public institutions.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3		
SDG4		
SDG5		
SDG6		
SDG7		
SDG8	Yes (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)	The Fiscalis programme supports tax authorities to enhance the functioning of the internal market, foster competitiveness, fight tax fraud, tax evasion and tax avoidance and improve tax collection. These are important elements for compliant businesses to reap the benefits of the internal market and sustain the union economic growth. The Programme secures this contribution through the support to digitalisation, efficiency of the EU tax administrations, as well as to the development of human competency and training for tax officials. As an example, in 2023, 103 502 professionals (including tax officials and other tax professionals) benefitted from the training opportunities offered in the customs & tax EU learning portal developed with the support of the programme.

SDG9	Yes (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation)	89% of the Fiscalis programme budget in 2023 was devoted to the development and operation of the common components of the european electronic systems, a key element in the digitalisation and in the simplification process of public services in the area of taxation. The programme funded in 2023 the launch of excise movement and control system (EMCS 4.0), following the update of the Directive on general arrangements for excise duty[48]. EMCS Phase 4.0 consists mostly in the automation of the procedure for the movement of excise goods which have been released for consumption in the territory of one member state and moved to the territory of another for commercial purposes, also known as ‘duty paid business to business (B2B) movements’. This makes the taxation of alcohol, tobacco and energy products fully paperless. Moreover, in 2023, the Fiscalis programme funded projects in the area of taxation on best practices in dealing with data, digital security, the use of chatbots and the use of artificial intelligence for tax purposes.
SDG10		
SDG11		
SDG12		
SDG13		
SDG14		
SDG15		
SDG16		
SDG17		

[48] Council Directive (EU) 2020/262 of 19 December 2019 laying down the general arrangements for excise duty (recast) (OJ L 58, 27.2.2020, p. 4).

CUSTOMS

ACTION PROGRAMME FOR COOPERATION IN THE FIELD OF CUSTOMS IN THE EUROPEAN UNION

Programme in a nutshell

Concrete examples of achievements (*)

5.6 billion messages were exchanged on the key customs European electronic systems and their components in 2023.	248 527 officials reported having been trained by using EU common training material in 2023.	91.45% of the Union customs code information technology systems were completed by the end of 2023.	99.86% is the percentage of time during which the key European electronic systems for customs were available for use in 2023.
1 801 recommendations and guidelines were developed in 2023 by collaborative programme actions, contributing to the preparation and uniform implementation of customs legislation and policy.		280 virtual and physical meetings were organised under the programme in 2023 under the general collaboration actions grant.	191 online collaboration groups were active within the programme in 2023.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	937.1
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	3.6
Total budget 2021-2027	**940.8**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Customs programme supports the essential cooperation between customs authorities across the EU and protects the financial and economic interests of the EU and its Member States. It helps to build a modern and innovative customs union that ensures the safety and security of all EU citizens, all while facilitating growing global trade.

CHALLENGE

Safeguarding the financial interests of the EU and of member states and protecting the integrity of the single market in terms of goods (including health, environmental and other threats) requires an effective management of the EU's customs.

This in turn requires intense operational cooperation between member state customs administrations and between them and other authorities of trading partners and other non-EU countries. As many activities in the customs area are of a cross-border nature, they cannot be effectively and efficiently carried out by individual national administrations on their own: action at the EU level is warranted.

MISSION

The Customs programme has the general objective of supporting the EU customs union and customs authorities working together and acting as one to protect the financial and economic interests of the EU and its Member States, to ensure security and safety within the EU and to protect the EU from unfair and illegal trade while facilitating legitimate business activity.

OBJECTIVES

The Programme has the specific objectives of supporting the preparation and uniform implementation of customs legislation and policy, customs cooperation and administrative and information technology capacity-building. This includes human competency building and training, along with the development and operation of European electronic systems and innovation in the area of customs policy.

ACTIONS

The Customs programme provides financial support for information technology capacity-building actions, in particular the development and operation of European electronic systems for customs. It also fosters cooperation among national customs authorities via meetings and project-based structured collaboration, such as project groups and expert teams.

The Programme also provides financial support for human competency and capacity building actions, including training and exchange of best practices, along with other actions such as studies, communication and innovation activities.

STRUCTURAL SET-UP OF THE PROGRAMME

The legal bases of the regulation establishing the programme are article 33 TFEU (customs cooperation) article 114 TFEU (internal market) and article 207 TFEU (common commercial policy). The Customs programme, as a Union-level action (rather than national level action), is necessary for the following reasons:

- The customs union is an exclusive competence of the Union with a high degree of harmonised EU legislation. However, the implementation of this legislation remains with the individual Member States. Strong cooperation is thus essential to reach a deeper operational integration of customs authorities and to act as if they were one.

- Many of the activities in the customs area are of a cross-border nature, involving and affecting all member states, and therefore they cannot be effectively and efficiently delivered by individual member states. Union action is needed to underpin the European dimension of customs work, to avoid internal market distortions and to support the effective protection of the Union’s external borders.

In this regard, union action is justified to ensure the proper functioning and further development of the customs union and its common regulatory framework, as it has been shown to be the most efficient and effective response to shortcomings and challenges in implementing the customs union and customs cooperation. Against this backdrop, the Customs programme for cooperation in the field of customs has the general objective to support the customs union and customs authorities to work together and act as one to protect the financial and economic interests of the Union and its member states, ensure the security and safety of the Union, and facilitate legitimate business activity. To attain these general objectives, the Programme’s actions aim at supporting the following specific objectives or results: a) preparation and uniform implementation of customs legislation and policy; b) promotion of customs cooperation; c) support of administrative capacity building, including human competency and the development and operation of European electronic systems and; d) support to innovation in customs policy.

To achieve this, the Customs programme budget (EUR 950 million) is implemented in direct management by the Commission (DG Taxation and Customs Union) through:

1. Procurement: regarding the European electronic systems expenditure; training activities; studies and other actions (e.g. communication activities, innovation activities such as proof-of-concepts and pilot projects). The procurement is initiated, managed and implemented by the Commission.

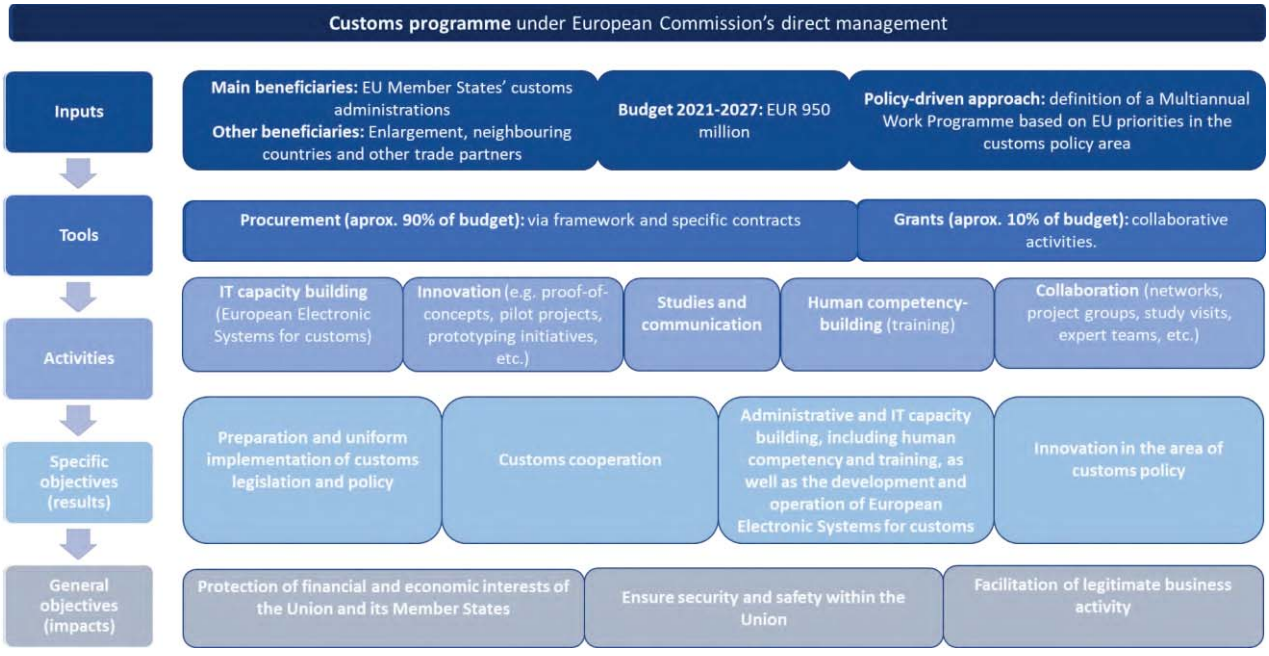
Over 90% of the financial capacity of the Programme is devoted to procurement for information technology capacity-building (e.g. development and operation of the European electronic systems for customs, including their design, specification, conformance testing, deployment, maintenance, evolution, modernisation, security, quality assurance and quality control). In 2023, this amounted to 94% of the Programme's budget commitments.

2. Grants with the participating countries: regarding collaborative actions including expert teams, workshops, project groups and similar activities. These are initiated and managed by the Commission and implemented by the grant beneficiaries being the participating countries' customs administrations. These activities provide fora for collaboration among the beneficiaries' customs authorities, in order to allow them to share knowledge, experience, and set guidelines and common working practices through programme activities. Besides, the Programme also facilitates collaboration with the Commission and with the key trade partners of the Union in the interest of the functioning of the customs union, including close cooperation with enlargement countries and key trade partners.

The legal base of the Customs programme is the regulation (EU) 2021/444 of the European Parliament and of the Council establishing the Customs programme for cooperation in the field of customs and repealing regulation (EU) No 1294/2013. The main beneficiaries of the Programme are the customs authorities of EU member states and other countries associated to the programme.

The multiannual work programmes (MAWP) constitute the implementing acts of the programme. These are defined on the basis of the Programme's objectives and DG Taxation and Cudtoms union policy priorities, as established in the multi-annual strategic plan for customs (MASP-C) for information technology projects and other strategic documents (e.g. strategic plans, communication on "Taking the customs union to the next level: a plan for action, etc.). MAWPs are established via comitology, in consultation with the customs programme committee.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The Customs programme is a continuation of its predecessor programme under the 2014-2020 multiannual financial framework, with more intensive cooperation, a larger number of electronic systems and greater openness to innovation.

FURTHER INFORMATION

Programme website: Customs programme

Impact assessment: The impact assessment of the Customs programme was carried out in 2018. For further information please consult: https://europa.eu/!pH79WJ

Relevant regulation: Regulation (EU) 2021/444 of the European Parliament and of the Council of 11 March 2021.

Evaluations

Customs 2020 final evaluation: Final Evaluation of Regulation (EU) No 1294/2013 of the European Parliament and of the Council of 11 December 2013 establishing an action programme for customs in the EU for the period 2014-2020 (Customs 2020) and repealing Decision No 624/2007/EC. Accompanying the document Report from the Commission to the European Parliament and the Council on the final evaluation of the Customs 2020 Programme (SWD/2022/363 final)

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	125.5	130.4	121.6	135.7	138.4	141.2	144.3	937.1
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities		0.1	3.5					3.6
Total	**125.5**	**130.5**	**125.1**	**135.7**	**138.4**	**141.2**	**144.3**	**940.8**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

- EUR 12.9 million (- 1%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	377.0	940.8	40.1%
Payments	229.7		24.4%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	125.5	126.9	21.9	25.3
2022	130.2	130.4	95.3	88.8
2023	121.2	133.1	112.4	115.2

(*) Voted appropriations (C1) only.

– The delayed adoption of the 2021-2027 multiannual financial framework resulted in the late adoption and launch of the Customs programme. Consequently, the signature of the new grant agreements and the implementation of general collaboration activities and expert team grants only started in December 2021.
– In 2023 there was no new grant agreement signed, but extensions of some ongoing grants.

– In 2023, there was a surplus of commitment appropriations of 11,5 million, returned to Commission's general budget, due to delays in import control system 2 (ICS2) projects.

– Below breakdown of commitment appropriations in 2023:

    - European electronic systems
      EUR 113.4 million
    - Collaboration activities grants (including expert teams)
      EUR 0 million
    - Other service contracts
      EUR 7.8 million

– The COVID-19 pandemic, the late adoption of the regulation and financing decision, the level of online collaboration and the streamlining exercise of the number of groups, impacted the financial programming of the new programme. While the impact is likely to be very limited for the expenditure on procurement – largely related to the maintenance and development of the information technology systems – it was more significant for expenditure on grants on collaborative actions, due to a lower number of face-to-face meetings. While in 2023 COVID-19 related travel restrictions are no longer limiting physical meetings, the online collaboration remains strong, with nearly half of the meetings taking place online, in line with greening objectives. In addition, a streamlining exercise took place in the DG in relation to the number of groups, also affecting the number of project groups under the Customs programme.

– These conditions led to under consumption of some grants under the new programme which were extended. For these reasons, some of the planned grants have been postponed and will be launched in 2024.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	0.1	4.1	0.1					4.2	0%
Biodiversity mainstreaming									
Clean air									

– In 2023, one action contributed directly to climate neutrality: EUR 0.055 million ([49]) was committed to support the implementation of the Carbon Border Adjustment Mechanism, whose

([49]) This amount reflects DG Taxation and Customs Union's commitments linked to the Carbon Border Adjustment Mechanism under the Customs programme's budget line. In addition, in 2023 various commitments were done under the specific Carbon Border Adjustment Mechanism budget line, i.e. independently from the Customs programme.

aim is to promote climate carbon neutrality by 2050, avoiding carbon leakage and ensuring that EU companies can compete on a level playing field.

– On 13 December 2022, the European Parliament and the Council reached a political agreement on the implementation of the new Carbon Border Adjustment Mechanism. Under the political agreement, the mechanism entered into force in its transitional phase on 1 October 2023 and its implementation is centralised at the Commission level, as opposed to implementation by the individual Member States. In addition, the programme continued supporting the contribution of customs to the Green Deal through the reinforced digitalisation of customs procedures, based on the union customs code legal package, cooperation actions and guidance documents playing a part in the EU's sustainability objectives ([50]).

– Following the entry into force of Regulation (EU) 2022/2399 establishing the **EU single window environment for customs** in December 2022, the related digital system financed by the Customs programme (the EU Customs single window certificates exchange system) directly contributed in 2023 to trade facilitation and customs greening, by allowing customs and non-customs authorities to automatically exchange and verify information on EU non-customs formalities accompanying customs declarations in the area of prohibitions and restrictions related to sustainability.

– In parallel, in 2023 the programme supported the development of a series of e-learning activities which contributed to green priorities:

    • One nanolearning session as an introduction to CBAM.

    • Seven e-learning modules on the Carbon Border Adjustment Mechanism: one on the general aspects of the mechanism, with an emphasis on its customs perspective, together with six sector-specific modules that explain the criteria for calculating Carbon Border Adjustment Mechanism emissions to mitigate greenhouse gas emissions and carbon leakage in each of the relevant sectors (fertilisers, aluminium, iron–steel, electricity, hydrogen and cement).

    • Ten Carbon Border Adjustment Mechanism webinars: six for each specific Carbon Border Adjustment Mechanism sector, one for national competent authorities and three for the declarant portal usage.

    • Two e-learning modules (one for customs officers and another for economic operators) on the use of the EU Customs single window certificates exchange system for controls of fluorinated greenhouse gases formalities. In particular, the training sessions described how these formalities and measures are integrated into TARIC (the integrated tariff of the EU, a multilingual database integrating all measures relating to EU customs tariffs and commercial and agricultural legislation), and how this integration impacts the process of filling in the customs declaration.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				
1				
0*	9.5	4.9	7.8	22.2
0	116.0	125.3	113.4	354.7

([50]) Commitments for these actions are not included in the table, as they were not tracked in accrual-based accounting. They are part of a cluster of activities, such as framework contracts or grants, that in its majority does not contribute to climate mainstreaming.

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Figures on female and male participants in 2023 can be provided only for a specific type of programme action under the score 0*: the 'general collaborative activities' (one grant that represents 1.1% of the total programme's implemented budget):

- 2 696 participants identified themselves as female and 2 950 as male ([51]).

The Customs programme's interventions are split relating to the gender equality score as follows:

- score 0 relates to information technology expenditure, in particular on the development and operation of European electronic systems, which does not target the promotion of gender equality;
- score 0* relates to the remaining types of expenditure, i.e. collaboration activities, training sessions, studies and communication, for which a potential to promote gender equality has been identified.

At the policy level, the programme's aim is to support customs cooperation across the EU and within the customs union. DG Taxation and Customs Union takes note of the potential relevance of gender equality in the customs policy domain, among others, in light of the different impacts, challenges and opportunities that customs and trade policies can have on people, and of the importance of diversity and inclusion regarding the performance and quality of service within customs administrations.

At the same time, the programme has implemented an internal tracking mechanism in its activity reporting tool, which enables the identification of collaborative activities with a link to gender equality.

Based on this tracking, it can be confirmed that no programme interventions took place in 2021, 2022 or 2023 regarding gender equality. For the time being, no interventions have been planned or identified for 2024.

Contribution to the digital transition (million EUR):

([51]) The main beneficiaries of the programme are the customs authorities in the participating countries. In particular for the collaborative activities grant, customs authorities decide at their own discretion to whom they delegate the specific programme events according to the activity's agenda and objectives. The figures relate to a specific type of the 0* activities in 2023, even if none of them were identified as having gender equality impact. The data reflects the information available in the activity reporting tool as of 3 February 2024.

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	116.6	125.3	113.4	355.3	94%

The programme allocates the majority of the budget to digital administration, defined as the top priority in the programme's regulation (recital 16). Among the information technology capacity-building actions supported by the programme, the top priority is given to the European electronic systems that are necessary for the implementation of the customs union and for customs authorities to carry out their mission. In that respect, the programme has strong synergies with the European Commission's horizontal priority on digital transition.

The amount above covers information technology procurement only, excluding collaborative activities on e-Customs given their minimal budget use.

In 2023, EUR 113.4 million was committed to information technology procurement from the Customs programme. This represents a decrease of roughly 9.5% in overall committed budget to information technology procurement under the programme compared to 2022, due to delays in planned Import Control System 2 projects.

The high inflation levels registered since the start of the current multiannual financial framework require close monitoring of the scheduled budget for 2023 and the remaining years, especially in terms of costs linked with ensuring the development and functioning of the European electronic systems for customs. In this context, the Commission assesses the actual information technology spending against initial information technology budget allocations.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target	Results	Assessment
Union law and policy application and implementation index – number of actions under the programme in this area	0	**14%** (***)	20 annually from 2022 to 2027	17 compared to a target of 20	Moderate progress
Learning index – number of customs officials trained by using common training material	0	**> 100%** (**)	186 140 in 2027	248 527 compared to a target of 186 140	Moderate progress
Use of key European electronic systems – number	0	**60%** (**)	20 billion in 2027	12 billion compared to a target of 20 billion	On track

of messages exchanged on the key European electronic systems/system components					
Use of key European electronic systems aimed at increasing interconnectivity and moving to a paper-free customs union – number of records consulted in key databases	0	**34%** (**)	1.2 billion by 2027	404 million compared to a target of 1.2 billion	On track
Union Customs Code completion rate	75%	**66 %** (*)	100% in 2025	91.45% compared to a target of 100%	On track
Best practices and guideline index – percentage of participants that made use of a working practice/guideline developed with the support of the programme	0%	**33%** (***)	75% annually from 2022 to 2027	Milestones achieved for 2022 and 2023	On track

(*) % of target achieved by the end of 2023: latest result compared to target.
(**) % of target achieved by the end of 2023: sum of results compared to target.
(***) % of target achieved by the end of 2023: proportion of years for which the results are higher or equal to the target.

– Throughout 2023, the programme continued supporting the customs union and customs authorities to work together as one. It also provided a platform for Member States and the Commission to discuss customs policy and its operational implementation on several fronts, such as the Russian war of aggression against Ukraine, the withdrawal of the United Kingdom from the EU, the Carbon Border Adjustment Mechanism, etc.

– Security remained a priority, with significant resources devoted to relevant information technology systems and the organisation of collaborative activities on risk management. In addition, through the accession of several countries to the programme, it could contribute to the EU enlargement process.

– Overall, experience with the programme has now resulted in updates to the targets for some performance indicators. For example, the number of actions in the area of EU law and policy is lower than the initial milestone set. This is because these targets were established based on the experience of the previous programme. The new programme's approach has changed and, compared to micro actions in the previous programme, the new approach favours more inclusive macro actions. Hence, fewer actions are established, while the actual volume of activity behind these actions is at a stable high level. A review of the milestones and targets has thus resulted in new figures reflective of a leaner, more efficient approach towards the rationalisation of resources. A similar exercise took place for online collaboration groups.

– Just as in 2022, the number of recommendations and guidelines continued to increase, indicating the clear benefit associated with the actions. Action managers providing feedback explained their difficulties to quantify the number of working practices/guidelines and recommendations, given the wide range of activities supported by the programme and their specificities. The numbers reported can thus be explained given the broad interpretation of the indicator.

– Following the easing of COVID-19 pandemic restrictions, an increased number of physical meetings took place in 2023, while online collaboration remained strong. The increasing proportion of physical meetings allowed closer human interaction and networking. This had a positive impact on the networking opportunities created by the programme: close to 80% of the participants in the various activities reported strong satisfaction with this aspect. With the programme in full swing, the collaboration activities bore a high number of outputs/recommendations that were reported as useful for national administrations.

– In 2023, support to the development of the European digital customs environment remained a focal point of the programme (67 systems supported), as well as a top priority in the customs union. In this respect, the availability of the operational European electronic systems supported by the programme remained close to 100%, thus ensuring the uninterrupted functioning of customs throughout the EU. In addition, the availability of the common communication networks (CCN and CCN2), serving as a platform for the digital systems for customs, remained exceptionally high in 2023 and even reaching 100% for CCN2.

– The high demand for the use of these networks and systems is confirmed by the number of messages and number of consultations handled by these applications. The number of messages increased in 2023, following several administrations opting for a more nuanced approach towards handling customs declarations and hence increasing the number of entries (primarily impacting the surveillance system). Equally, the number of consultations increased and reached beyond the estimated target, showing the high demand for these systems and their intensive use.

– The revision of the union customs code work programme in 2023 (52) led to an update in the milestones for the work remaining towards its completion. Progress on the development of the

(52) Commission Implementing Decision (EU) 2023/2879 of 15 December 2023 establishing the Work Programme relating to the development and deployment for the electronic systems provided for in the Union Customs Code.

information technology systems relevant for the union customs code has slowed down since 2021, which translated to a union customs code completion level of 5 percentage points under the 2022 scheduled values. Since most of the work remaining for the union customs code is for transitioning the systems into operations with national administrations, a linear progression is expected here. Based on these assumptions, the current planning to reach the final (legal) target of 100% delivery of the 17 union customs code systems by the end of 2025 is still within reach.

– In 2023, the programme continued to contribute to the Commission's overall communication efforts to reach out to the public at large and to economic operators impacted by new developments in customs law and policy, supporting business activities and facilitating legitimate trade. This notably included (i) disseminating information about the EU Customs Reform package, (ii) preparing the entry into force of the requirements related to the Carbon Border Adjustment Mechanism transitional application, and (iii) supporting the ongoing Import Control System 2 communication campaign, with the objective of informing economic operators involved in air transportation on adapting their digital systems to the Import Control System 2 release 2. Moreover, synergies between customs and taxation were actively fostered regarding value-added tax on import and the import of excisable goods (53).
– 248 527 customs officials were reported as having been trained in 2023. The figure includes the number of officials completing a course directly in the EU central training portal and the number of officials, as declared on the EU central portal by national administrations, to whom the downloaded courses are made available via the national distribution systems (e.g. national intranets, portals of the national training institutes, etc.) (54).
– The programme continued building synergies with and contributing to the European Commission's horizontal priorities.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		

(53) Such cross-cutting topics were addressed, for example, in the High-level Seminar on e-commerce, a specific meeting of the Risk Management Group targeting financial risk criteria, a working visit on special customs procedures applied to oil fuels in ports at the external border of the EU and another working visit on cooperation between tax and customs authorities and invalidation of the value-added tax number.

(54) These figures depend heavily on estimates provided by the end users at the time of download regarding the potential number of officials using the courses. For example, some administrations estimate fewer officials who will use individual training courses, others estimate higher numbers. The actual number of officers trained by the downloaded courses is not available. Obtaining this figure would require additional and disproportionate administrative burden, directly in contradiction with the Commission's effort to rationalise reporting obligations.

SDG3		
SDG4		
SDG5		
SDG6		
SDG7		
SDG8	YES (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)	The Programme’s contribution to the development of efficient, modern customs is an essential element to ensure a proper balance between effective controls and safety within the Single Market, and the facilitation of legitimate trade through paperless, efficient customs processes, a cornerstone for the economic prosperity of the EU. The programme secures this contribution through the support to digitalisation, efficiency of the EU customs union and operations, as well as at developing human competency and training for customs officials. As an example, 718 learning modules were used in 2023, 80 in English, and 638 in different languages. Extending the global reach of the training offered undoubtedly contributes towards the objectives of the programme, and ultimately, to the customs union’s performance.
SDG9	YES (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation)	94% of the Customs programme budget in 2023 was devoted to the development and operation of the common components of the European electronic systems, a key element in the digitalisation of public services in the area of customs to ensure the customs union can respond to 21st century challenges and protect the Single Market in a context of growing and complex international trade. Another example for 2023 is the contribution of the Programme to the development of the single window environment for customs, a framework whose objective is to facilitate trade by supporting quicker and more efficient sharing of electronic data between national customs administrations and EU regulatory authorities across policy domains (e.g. animal and plant health, product safety, protection of endangered species, dual-use goods, fluorinated greenhouse gases, times licenses, organic products, etc.).
SDG10		
SDG11		
SDG12		
SDG13		
SDG14		

SDG15
SDG16
SDG17

EU SPACE

EU SPACE PROGRAMME

Programme in a nutshell

Concrete examples of achievements

3.5 billion Galileo-enabled devices were in use in 2023, and this number is growing.	3 times better positioning accuracy performance has been achieved by Galileo compared to other global navigation satellite systems, combined with excellent availability.	2 new and innovative services entered into service worldwide in 2023 – the pioneering Galileo High Accuracy Service – or updated – the Galileo Open Service.	84 activations of the on-demand Copernicus rapid mapping and risk and recovery mapping services were reported in 2022.
260 000 registered users of the Copernicus climate change service had access to about 108 terabytes of quality-controlled climate data per day in 2023.	400 or more EU spacecraft were protected thanks to EU Space and Surveillance Tracking activities in 2023 (*).	EUR 1.1 billion was the total combined funding raised by Cassini-backed start-ups, with more than 200 start-ups participating in Cassini matchmaking events.	EUR 45 million in Copernicus contributing missions contracts was awarded to nine New Space companies.

(*) *Source:* STM_factsheet.

Budget for 2021-2027

(million EUR)

Financial programming	14 **390.0**
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	342.3
Total budget 2021-2027	**14 732.3**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The European Space Programme implements space activities in the fields of Earth Observation, Satellite Navigation, Connectivity, Space Research and Innovation. It encourages and supports innovation and competitiveness through investments in critical infrastructures and disruptive technologies.

While striving to strengthen European space assets and services, it also drives space entrepreneurship and innovative solutions based on space technologies, data and services with targeted investments towards European start-ups and SMEs via the development of initiatives such as CASSINI.

The EU Space Programme is backing the European space industry and research by bringing together existing stakeholders and contributing to the emergence of a European ‘New Space’ eco-system.

Furthermore, EU action for space research under Horizon Europe supports technological development, innovation and the competitiveness of European upstream and downstream space sectors, including support for space entrepreneurship.

CHALLENGE

Space technology, data and services are indispensable in the daily lives of Europeans, and key for Europe to reinforce autonomy in areas of strategic importance and for implementing the EU's political priorities such as the Green Deal and the digital strategies to tackle climate change, sustainability, safety and security. Thanks to major investment, the EU has a strong edge in space activities and the European space industry is one of the most competitive on the global stage. However, there are many new challenges and actors across the world.

The EU space programme brings together the financial and technical capacities of Member States and yields economies of scale for the public spending involved. Furthermore, the provision of data and services

throughout the Member States requires coordination at the EU level. Given the requirements in terms of security, all Member States must be involved.

MISSION

The EU space programme provides, maintains and promotes the use of space data, information and services to support the EU's political priorities. It also fosters the development of European space industry, enhances the security of the EU and its Member States, reinforces autonomy in areas of strategic importance and promotes the role of the EU as a strong global space actor.

OBJECTIVES

The EU space programme pursues the following objectives:

– to provide state-of-the-art, robust and secure positioning, navigation and timing services;

– to deliver accurate and reliable Earth observation data, information and services;

– to enhance space surveillance and tracking (SST) capabilities for purposes such as monitoring space objects and space debris and providing space weather services;

– to ensure the long-term availability of reliable, secure and cost-effective satellite communications services;

– to support an autonomous, secure and cost-efficient capability to access space;

to foster the development of a strong EU space economy by reinforcing competitiveness, innovation, entrepreneurship, skills and capacity building in all Member States, and in particular for small and medium-sized enterprises and start-ups.

ACTIONS

The EU space programme brings all existing and new space activities together under a single programme. The existing flagship programmes – Galileo, the EU's state-of-the-art global navigation satellite system, and the European Geostationary Navigation Overlay Service (EGNOS) for satellite navigation and Copernicus for Earth observation – are fully operational and deliver free and open data and services that benefit EU citizens, businesses and public authorities.

The new initiatives include the governmental satellite communications component (GOVSATCOM), which will provide reliable and secure satellite communication and the space situational awareness component (SSA) that will help to preserve assets of the EU space programme and to reinforce links and synergies between space, security and defence.

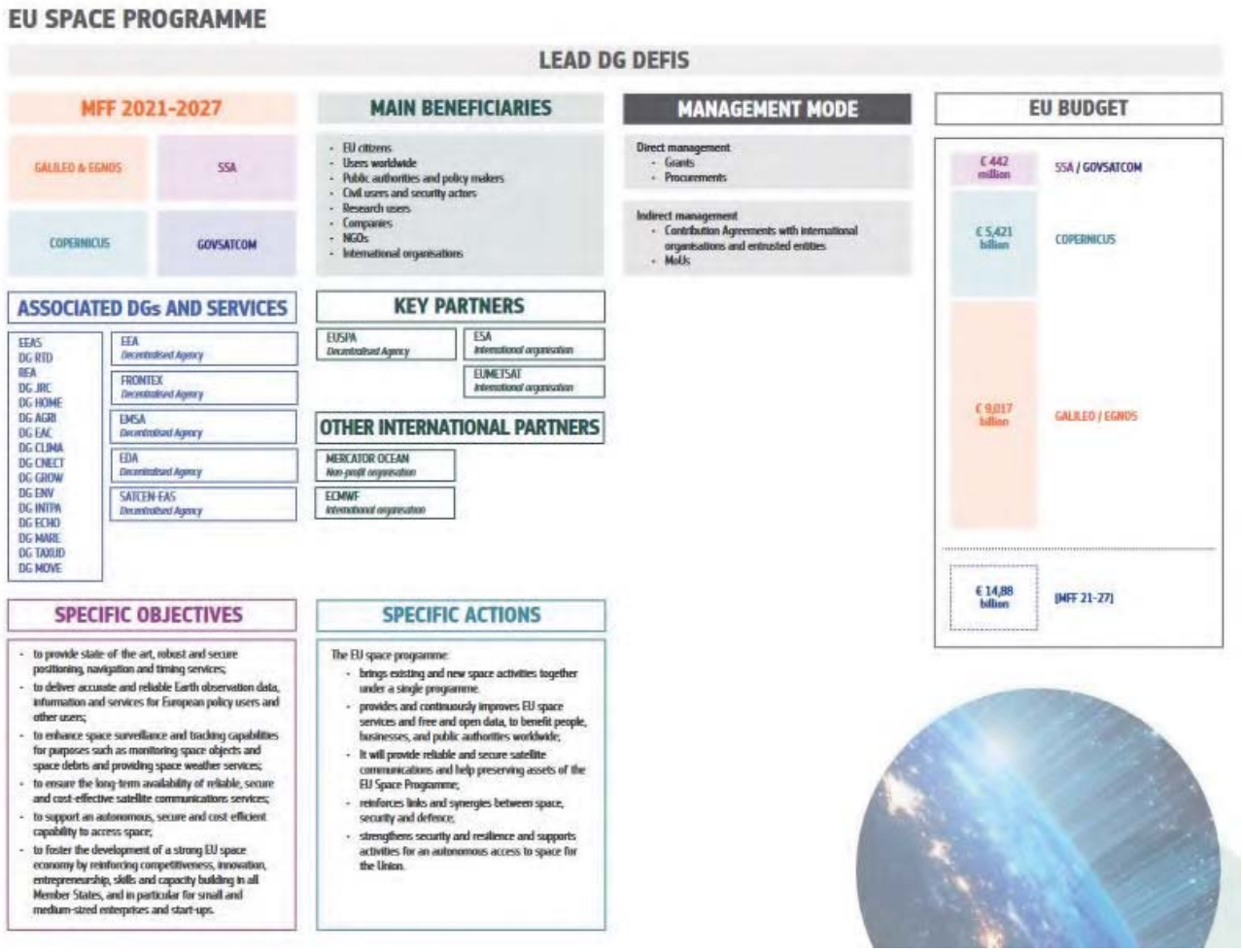
STRUCTURAL SET-UP OF THE PROGRAMME

DG Defence Industry and Space is the lead DG for the programme, which is implemented mainly through indirect management with the European Union Agency for the Space Programme, the European Space Agency and the European Organisation for the Exploitation of Meteorological Satellites as well as other entrusted entities. A small part of the budget is implemented through direct management by the Commission.

The legal basis of the Regulation establishing the EU Space Programme is Article 189 of the Treaty on the Functioning of the European Union. The EU space programme can support and transform many areas of EU

legislation, including in the fields of environment, civil protection, security, climate change, internal market, transport, energy, agriculture, cooperation with non-EU countries and humanitarian aid.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The EU space programme builds on the success of its predecessor programmes, namely Copernicus and EGNOS- Galileo, which will all continue with a greater focus on synergies with other EU policy areas. The EU space programme for 2021-2027 introduces a number of new features, including a strong emphasis on fostering a strong and innovative space industry in Europe and on maintaining Europe's autonomous access to space as well as a unified system of governance.

FURTHER INFORMATION

– Programme website: The EU space programme (europa.eu)

– Impact assessment:

  - The impact assessment of the EU space programme and the European Union Agency for the Space Programme was adopted in 2018. For further information please consult: SWD(2018)327

– Relevant regulation:
    - Regulation (EU) 2021/696 of the European Parliament and of the Council: https://eur-lex.europa.eu/eli/reg/2021/696/oj
– Evaluation:
    - The interim evaluation of Copernicus was carried out in 2017. For further information please consult: http://europa.eu/!GJ34Xr
    - The assessment of Copernicus's *ex ante* benefits was adopted in 2017. Please consult: https://www.copernicus.eu/sites/default/files/2018-10/Copernicus-Ex-Ante-Final-Report_0_0.pdf
    - The EGNOS and Galileo midterm review was carried out in 2017. For further information please consult: http://europa.eu/!KF39Uq

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	1 977.3	2 008.2	2 045.1	2 088.3	2 051.2	2 095.1	2 124.7	14 390.0
NextGenerationEU	0	0	0	0	0	0	0	0
Decommitments made available again (*)	N/A	N/A	N/A					0
Contributions from other countries and entities	123.4	103	115.9	0	0	0	0	342.3
Total	**2 100.8**	**2 111.3**	**2 161.0**	**2 088.3**	**2 051.2**	**2 095.1**	**2 124.7**	**14 732.3**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

- EUR 490.0 million (- 3%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

– The linearity of the financial programming of the space programme was defined when establishing the objectives of the space regulation. It is in accordance with the status of the two flagship programmes (Galileo and EGNOS for Space Navigation and Copernicus for Earth Observation) and with the planned enhancement of the capabilities of the new programmes SSA and Govsatcom. This linearity is key to provide a constant, state-of-the art quality of services together with the fostering of a strong union Space economy.
– The decrease of EUR 490 million compared to the legal basis is the result of two different factors. On the one hand, the global navigation satellite system programme contributed EUR 260 million to the new proposal of the IRIS^2 (secure connectivity) programme. The financial programming of IRIS^2 is not included in the above table figures. On the other hand, the space programme also contributed EUR 230 million to the European Union Agency for the Space Programme (EUSPA) in order to support and finance the additional tasks delegated to the agency in the frame of the new multiannual financial framework.
– The above financial programming includes also amounts received from third party countries (Norway, Iceland, United Kingdom, and Switzerland) in the form of assigned revenues.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	6 337.5	14 732.3	43.0%
Payments	5 238.2		35.6%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	1 977.3	1 997.4	1 518.4	806.5
2022	2 008.2	2 008.2	1 614.6	1 618.1
2023	2 045.1	2 045.1	1 930.8	1 870.0

(*) Voted appropriations (C1) only.

– The adoption of the EU space programme regulation in April 2021 was followed by a financial framework partnership agreement and contribution agreements concluded in June between the Commission, the European Space Agency and the European Union Agency for the Space Programme. Based on these agreements the Commission delegated the implementation of a wide range of tasks under the programme's components to these agencies and other entrusted entities.

– All of the components of the EU space programme are expected to fully consume the 2023 commitment appropriations.

– **EU satellite navigation component – Galileo and EGNOS.** In 2023, key priorities were 1) to ensure the continuity of Galileo and EGNOS services, 2) to continue preparations for the full operational capability of Galileo services, 3) to develop and test new innovative Galileo services, and 4) to promote the market uptake of Galileo and EGNOS services. Good progress was made on all these key priorities and services are being provided with excellent quality and continuity, despite the delays in the infrastructure deployment. The budget execution in terms of commitment and payment appropriations was excellent and close to 100%.

– **Galileo.** Activities focused on ensuring the continuity of provision of the Open Service, Public Regulated Service, Search and Rescue and High Accuracy Service and their related operations, while developing and testing new innovative services, such as the Galileo Emergency Warning Satellite Service, the Galileo Authentication Services (for the Navigation Message Data and the Signal encryption), the remote beacon activation and two-way communication functionalities of the Search and Rescue and the Galileo Timing Service. The Galileo High Accuracy Service was declared in January 2023 and excellent performance has been provided in 2023. New and improved features of the Galileo Open Service 'Signal in Space' were completed in 2023 with an update of the service commitments in November 2023. The Russian invasion of Ukraine led to severe disruptions in the planned launch schedule resulting in delays of key milestones, such as the Open Service's full operational capability and the improved Public Regulated Service's initial operational capability. In 2023, two alternative launches for 2024 were prepared. Notwithstanding these constraints, Galileo remains on track as the existing key services are being delivered according to expectations and measures have been identified to mitigate the impact of the delays on the end users.

– **EGNOS.** To guarantee the continuity of services, the EGNOS services were provided seamlessly, first with V2.4.2-A and then from November 2023 with the new evolution EGNOS V2.4.2-B which includes a station in Kuusamo (Finland) and adds robustness to the current demanding ionosphere conditions, improving the overall performance of EGNOS services, notably in the North of Europe. The development of a new EGNOS V3 generation continued with a Critical Design Review for the performance part of V3.1. EGNOS V3.1 will extend the current EGNOS services to all EU territories, have built-in security from the design phase and include the latest hardware and software technologies. An important contract change was signed in December 2023 to significantly reduce the EGNOS V3 risks.

– **EU Earth observation component – Copernicus.** Key priorities of the Copernicus programme components (space, services, in situ) were 1) to ensure the continuity of Copernicus satellite data and information services, 2) to continue the timely development of the additional satellite missions and 3) to promote the market uptake of Copernicus data and service information. Overall operations and service continued throughout 2023. All contribution agreements between the European Union and the various partners are in place and signed in 2023. The use of a new Dynamic Purchasing System has proven to successfully increase the agility of the contribution missions' scheme and reduce possible barriers for new European

market entrants, in particular new space companies. To further increase the uptake of Copernicus data and products and their use in machine learning and artificial intelligence applications the Copernicus Data Space Ecosystem was rolled out in 2023 bringing data access and exploitation to a new level. In 2023 we have concluded cooperation arrangements with Argentina, Japan and the Philippines. In 2024, the use of cooperation arrangements will be intensified for the benefit of the programme, such as with the UN Food and Agriculture Organization and the World Meteorological Organization.

– **Space situational awareness component.** This new component of the EU space programme adopts a holistic approach, including comprehensive knowledge and understanding of the main space hazards, such as collision between space objects and fragmentation and re-entry of space objects into the Earth's atmosphere. It covers three subcomponents: 1) space surveillance and tracking (SST), 2) space weather events, 3) near-Earth objects.

– The implementation of the EU approach on space traffic management (STM) ([55]) is actively pursued along ten actions in four areas : 1) specifying STM requirements of civil and military space operators; 2) enhancing STM operational capabilities, in particular SST services and assets in particular through the **'EU industry and start-ups forum on STM'** bringing together big players, small and medium-sized enterprises and start-ups; 3) developing regulatory aspects (such as standards, rules, and best practices, minimum legal requirements and a legislative proposal); and 4) enhancing the international dimension of STM to foster a common STM approach with regional and global partners.

– **Governmental satellite communications component.** The implementation of the GOVSATCOM component is conducted through: 1) a timely and appropriate level of adoption of the GOVSATCOM services, and 2) procurement of the GOVSATCOM ground segment infrastructure. These objectives are implemented through own resources and actions in direct and indirect management. The provision of initial GOVSATCOM services is expected by end 2024, following the deployment of the GOVSATCOM ground segment. These services will complement and become an integral part of the EU's new secure connectivity programme, IRIS^2.

– **Cassini.** Continuing its efforts to bolster the competitiveness of the EU's space sector, all Cassini actions were fully deployed in 2023. 1) Cassini Investment Facility: the European Investment Fund expanded its support by signing agreements with three new venture capital funds, bringing the total number of Cassini-backed funds to nine. 2) Eight Cassini matchmaking events were organized by the Commission, attracting over 200 start-ups, corporates, and investors. 3) The winners of the Cassini Maritime Prize were announced in November, with each of the winning projects receiving EUR 0.95 million. 4) Two Cassini hackathons were held in 2023, focusing on 'Space for Defence and Security', and 'International Development and Humanitarian Aid'. These events drew participation from over 600 individuals across 17 countries, with Ukraine serving as a guest local organiser for the final edition of the Cassini hackathons. 5) The Cassini Business Accelerator service was launched with the goal of boosting the commercial growth of space start-ups and scale-ups, and has already supported 40 companies. 6) The Commission continued to enable space technologies to be tested in orbit for free through the In Orbit Demonstration and Validation (IOD/IOV) programme. Notably, on October 9th, 2023, seven IOD/IOV experiments were successfully launched aboard a Vega VV23 rocket from the European Space Port in Kourou. 7) The Commission stepped up its role as an anchor customer. On the one hand, it launched the Flight Ticket Initiative together with ESA with the objective of stimulating new European launchers systems through open competition and access to procurement of launch services for European missions. On the

([55]) JOIN(2022) 4.

other, it awarded contracts of EUR 5 million each to 9 New Space companies to act as suppliers of Earth Observation data for Copernicus contributing missions.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	224.4	296.0	325.0	319.1	321.8	333.1	338.8	2 158.1	15%
Biodiversity mainstreaming	120.0	120.0	120.0	120.0	120.0	165.0	165.0	930.0	6%
Clean air									

– The EU space programme (and the EU secure connectivity programme) place great emphasis on the green transition and have a key role to play. On one hand, EU space data and services enable other sectors to achieve the ambitious Green Deal objectives and the green transition; on the other hand, the EU space industry sector itself must transform and adapt to comply with the Green Deal policies and legislation and hence improve its practices throughout its full value chain.

– Copernicus contributes significantly to the conception, implementation and monitoring of the EU's climate policy, both in terms of climate mitigation and climate adaptation. This includes the support of DG Climate Action in honouring the EU's international obligations, such as those under the United Nations Framework Convention on Climate Change. Copernicus' land monitoring, marine environment monitoring and atmosphere monitoring services notably contribute to this, and the climate change service is fully dedicated to supporting climate change policies and the transition to a carbon neutral society and economy.

– Remote sensing and the services offered by the Copernicus programme, in particular the land monitoring service, the climate change service and the marine environment monitoring service, have come to play an increasingly important role in supporting biodiversity conservation and restoration. Today, products and tools offered by these services contribute to monitoring changes in ecosystems and biodiversity loss, and are used in the context of the EU biodiversity strategy, the Convention on Biological Diversity and reporting on sustainable development goals.

– The ambient air directive encourages Member States to exploit, for monitoring purposes, information products and supplementary tools (e.g. regular evaluation and quality assessment reports, policy online applications) provided by the Earth observation component of the EU space programme, in particular the Copernicus atmosphere monitoring service.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				
1				
0*	0.3	2 008.2	2 045.1	4 053.6
0	1 977.1	0.0	0.0	1 977.1

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information:

- The European space industry is quite specific in terms of age and qualification structures. The industry maintains a rather stable age structure. About a fifth of space industry employees are women.
- Women accounted for roughly 23% of employment in the upstream segment in Europe in 2021, a share that has remained stable over the last decade.

Source: Eurospace, 2022 ([56]).

On gender equality, no dedicated budget expenditure occurred in 2023. The activities that were relevant to the promotion of gender equality were the following.

- Barriers to women's equal participation exist in the space sector, where women remain a minority. As part of the Pact for Skills, in April 2023 a large-scale skills partnership for the space sector was launched. The partnership will also pursue equal and inclusive access to training, in order to attract more people to the space sector labour market, in particular women and young people.
- In 2023, the Cassini space entrepreneurship programme, continued addressing gender equality and diversity in space by implementing various strategies such as inclusive communication, partnering with diverse stakeholders and ensuring balanced representation in events. Data from 2023 show that in its first year of activities with Cassini matchmaking, 18% of participants were female, a figure that will hopefully improve in the following years.
- In January 2023, middle and senior management at DG Defence Industry and Space signed the 'DEFIS ED&I Charter'.
- The participation of DG Defence Industry and Space in the UNOOSA Space 4 Women Expert Meeting in Montreal, Canada, co-organised with the Canadian Space Agency. This

([56]) https://eurospace.org/wp-content/uploads/2023/07/facts-figures-report-2022-web-release.pdf.

event aimed at addressing gender bias and uplifting women and girls in the space sector and science, technology, engineering and mathematics.

- At the EU Space Week held in Seville, Spain in early November, a special session on ‘EU Space for Skills and Inclusion’ gathered relevant figures from many EU organisations, businesses and academic entities to encourage strategic initiatives shaping a skilled but more gender diverse and inclusive EU workforce within the space sector.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	334.3	487.5	369.6	1 191.5	20%

– Copernicus provides a wide range of Earth observation data and related model products, ‘reanalyses’, that generate a seamless data product without gaps in spatial or temporal coverage. These models also allow for forecasts and predictions in certain thematic areas. These data are valuable content for a vast range of commercial applications, both in the professional and the consumer domains. The integrated data management of Copernicus covers, inter alia, harmonisation and interoperability with other EU programmes such as Digital Europe or other international organisations such as the European Space Agency and the European Organisation for the Exploitation of Meteorological Satellites. Some initial activities on complementing numerical modelling with artificial intelligence have been undertaken.

– The services that will be provided under the governmental satellite communications component of the EU space programme are expected to boost the digital transition in Europe and worldwide. Programme activities are aimed to facilitate the further development of high-speed broadband and seamless connectivity and secure and cost-effective satellite communications services for governmental satellite communications users.

– The programme’s contribution to the digital transition was estimated on the basis of the Recovery and Resilience Facility’s intervention fields methodology.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Number of EGNOS procedures published (both	690	**47%**	1 150 in 2027	935 compared to a target of 1 150	On track

APV-I(1) and LPV-200(2))					
EU user satisfaction with respect to Galileo services	80%	**30%**	90% in 2027	83% compared to a target of 90%	On track
EU user satisfaction with respect to EGNOS services	85%	**80%**	90% in 2027	89% compared to a target of 90%	On track
Share of Galileo-enabled receivers worldwide	64%	**50%**	70% in 2027	67% compared to a target of 70%	On track
Share of EGNOS-enabled receivers worldwide	63%	**< 0%**	65% in 2027	62% compared to a target of 65%	On track
EU user satisfaction with respect to Copernicus services and data and information access services	90%	**0%** (**)	98% in 2029	90% compared to a target of 98%	On track

(*) % of target achieved by the end of 2023.

(**) % of target achieved by the end of 2021.

EU satellite navigation component

– **Galileo.** No Galileo service disruptions occurred in 2023. The positioning and timing performance of the Galileo services is better than that of any other global navigation satellite system. The services are fully interoperable with the US Global Positioning System, and their combined use provides more accurate and reliable positioning for end users. The Galileo open service commitments have been updated in 2023 to improve the quality and availability of the service. Galileo also delivered excellent 'search and rescue' services, including the 'Return link' service. The Galileo High Accuracy Service was declared operational in 2023 and is delivering excellent performance, while the Galileo Open Service Navigation Message Authentication Initial Operational Capability was also declared operational in 2023. Galileo faces delays on key milestones relating to 1) the full operational capability of the Open Service, and 2) the improved Public Regulated Service. This is mainly due to the Russian invasion of Ukraine and the subsequent non-availability of two launch services with Soyuz launchers (two satellites per launch). The four satellites concerned are now planned to be launched in 2024. Nevertheless, Galileo continues to deliver high-quality services and very accurate signals through its operational satellites in orbit. In view of the improved Public Regulated Service milestone set for 2024, the Commission continued leading the dedicated work force with the institutional and industrial actors concerned to closely monitor and control the execution of the workplan, and is engaging with Member States on possible risks. The manufacturing of additional satellites to complete the constellation and provide spares continued. The production of Galileo-enabled receivers has further increased to ensure the provision of long-term, state-of-the-art and secure positioning, navigation and timing services. In 2023, Galileo adoption by receiver models worldwide continued to increase, with the key market segment being consumer devices (smartphones and tablets) continuing the rapid market uptake since 2016. The estimated number of Galileo-enabled devices in use worldwide was around 3.5 billion by the end of 2023.

– **EGNOS.** EGNOS is fully operational to monitor and correct open signals emitted by the Global Positioning System and, in the future, Galileo. By improving the accuracy to around 1 metre and the reliability of the Global Positioning System signal over Europe, EGNOS allows users in Europe to use Global Positioning System signals for safety-critical applications such as aircraft operations. EGNOS system evolutions are being prepared to solve major obsolescence issues

and improve the coverage of Member State territories. EGNOS is used by an ever-increasing number of airports in Europe (more than 930 procedures in 2023 compared to 373 in 2019), also due to the introduction of the mandatory publication of EGNOS procedures in all instrument runway ends before January 2024 (Regulation (EU) 2018/1048). EGNOS' market share has stabilised at around 63% of the total number of receiver models worldwide, because consumer solutions (e.g. mobile phones) are far less likely to be enabled for satellite-based augmentation systems, as such systems consume more energy due to continuous signal-in-space data reception. However, the low adoption rate in consumer solutions is compensated for by an almost 100% uptake in high-precision applications (such as agriculture and geomatics), while newer technologies such as drones also have a high level of uptake of satellite-based augmentation systems. Safety-of-life applications benefit the most from EGNOS implementation in other segments, such as the aviation, maritime, rail and road markets.

EU Earth observation component

– In 2021, a European Court of Auditors special report assessed the measures taken by the Commission since 2014 to promote the uptake of services derived from Galileo and Copernicus, aimed at achieving the expected economic and societal benefits. The Commission is working towards delivering on the court's four recommendations within the set timeline – the first one by 2023 and the rest by 2024.

– **Copernicus.** In 2023, Copernicus continued to successfully deliver on its general and specific objectives. Robust and reliable Earth observation and monitoring data and information were provided on a full, free and open basis. The lack of radar data, due to the unavailability of a launch service for the Sentinel-1C satellite, was partly compensated by adjusting the observation plan for Sentinel-1A and reinforcing the use of contributing missions, including from our international partners. The six Copernicus services (land, marine, atmosphere, climate change, emergency and security) continued their activities to provide continuous and reliable geo-information, as demonstrated by the respective key performance indicators. Copernicus reaches more than 1 200 000 registered users and achieves a high level of user satisfaction. The total amount of Copernicus Sentinel data products available by the end of Q3 2023 was 8 petabytes. Users can choose from a service portfolio of over 500 information products. Copernicus successfully embraced the big-data revolution by setting up the Copernicus data space ecosystem for data and information access, making Copernicus data and information available online, ready to be processed on demand, enabling machine learning or artificial intelligence. EUSPA's 2022 Earth observation and global navigation satellite system market report estimates that over the next decade, revenue is set to double from roughly EUR 2.8 billion to over EUR 5.5 billion, as the market for Earth observation applications is boosted by a large pool of added-value services. DG Defence Industry and Space worked closely with the Joint Research Centre to set up the knowledge centre for Earth observation. Both the centre and EUSPA ensure Copernicus' uptake by policy users within 17 Commission user services, cross-sectoral policy areas and the commercial markets, and by other users.

– Copernicus plays an important role in advancing both the green and digital priorities of the European Union. By harnessing satellite technology and Earth observation data, Copernicus contributes to environmental sustainability efforts by monitoring climate change, deforestation, air quality and natural disasters. Furthermore, Copernicus fosters digital innovation by providing access to vast datasets, empowering businesses, researchers and policymakers to develop digital solutions for a wide range of societal challenges, driving forward the EU's digital agenda.

Space situational awareness component

– In 2023, the Commission continued the implementation of actions to support the EU approach to STM in all four areas under this strategy. The **STM stakeholder mechanism** pursued the

development of a comprehensive set of STM requirements, the development and promotion of STM standards, rules and best practices, all while seeking to enable an exchange of ideas on a common STM approach on the regional and global levels. The STM stakeholder mechanism (the main group and its four subgroups) met on a regular basis to gather input, ideas and contributions. A feasibility study on an EU safe space label from 2022 progressed well, with final results expected in the first quarter of 2024.

– **SST subcomponent.** In 2023, the **EU SST partnership** was created, setting in place a new governance structure and organisational framework. The EU SST partnership includes 15 Member States that joined forces and networked their national assets in the EU SST capability to improve EU SST's performance and autonomy in the SSA domain and to deliver operational public SST services to users. The first activities started on 1 July 2023 when the EU SST Partnership took over the provision of SST services from its forerunner, the EU SST consortium (whose grant was extended until 30 June 2023). At the same time, the operation of the SST Front Desk, managing the SST Portal and acting as the user interface for the provision of EU SST services, was formally transferred from the European Union Satellite Centre to EUSPA. The initial data on the related performance indicators were made available. More specifically, data on the number of users were set out for each of the three services which are provided, i.e. collision avoidance, re-entry and fragmentation services, along with data on the availability of these services, showing excellent services performance in line with technical expectations.

– **Space weather subcomponent.** To deliver an EU operational space weather service by 2025, preparatory activities focused on assessing space-weather user needs. In 2023, a socioeconomic study was continued to provide an analysis on the impacts of the potential services and their technological readiness.

– **Near-Earth objects subcomponent.** Member States' capacities to detect and monitor near-Earth objects were mapped. To increase preparedness and responsiveness, the most likely deflection missions are being studied. A European catalogue for the physical properties of near-Earth objects is being prepared and should be ready in 2024.

Governmental satellite communications component.

In 2023, the priority for consolidating the programmatic framework for governmental satellite communications was largely completed through the adoption of implementing acts, notably to define the governmental satellite communications service portfolio and the operational and general security requirements. Work was also initiated to determine the location of the ground segment infrastructure, subject to the final adoption of a Commission decision in 2024. The second priority involved the supervision of the public procurement of the governmental satellite communications hubs, run by EUSPA and finalised by the end of 2023. The provision of initial governmental satellite communications services is expected by the end of 2024, as planned, and will complement the EU secure connectivity programme. Data for the performance on the number and type of governmental satellite communications users, and on the availability of services should be available in 2024. In parallel, downstream research for governmental satellite communications service uptake and upstream technology continue to be carried out by EUSPA and the European Space Agency.

Cassini

All Cassini actions were successfully launched in accordance with the plans and budgetary limits. A review of the qualitative impact on the space industry and the ecosystem shows that the Cassini initiative's contributions exceeded expectations in 2021, 2022 and 2023. This can be explained by a positive reception by many stakeholders and a very good coordination of activities between the Commission, the European Investment Bank, the European Investment Fund, the European Union Agency for the Space Programme, the European Space Agency and national authorities. The collaborative efforts have not only facilitated the smooth execution of Cassini initiatives, but also fostered a synergistic environment conducive to innovation and growth within the European space sector, with significant growth in private space investment and a record number of deals.

Green budgeting priorities

– To reduce the environmental impact of space activities, DG Defence Industry and Space worked on the preparation of a European Parliament-backed pilot project that will be rolled out in 2024, aimed at developing a sector-specific life cycle assessment method – product environmental footprint category rules – for the space sector. Also, preparations for launching a call for tender were undertaken in 2023, which is expected to be launched in 2024. The contract will support the formulation of environmental strategic and policy aspects for the future development of the EU space programmes and the greenhouse gas emission reporting activities.

– Under Cassini, all four Cassini hackathons so far have partially focused on green technology and green solutions. The Cassini Maritime Challenge aims at solving plastic pollution, in line with the green deal. Many start-ups in Cassini Matchmaking have products aimed at improving sustainability or reducing the consumption of raw materials, although the ratio is hard to measure due to methodological challenges. The Cassini Investment Facility (implemented by the European Investment Fund) also considers sustainability when selecting venture capital funds.

Digital transition

– All Cassini actions are fully in line with the objectives of the digital transition and will support companies, institutions and citizens to adopt new digital solutions.

Equality, diversity and inclusion

– Efforts are continuously made to seize all relevant opportunities identified. For instance, by organising side events/workshops or including gender equality aspects in communication activities and events on various matters related to the EU space components, when promoting the competitiveness and innovation of the EU space industry or when promoting the market uptake of relevant space-based applications.

– One major event, the EU Space Week ([57]), which took place in Seville, Spain during the first week of November 2023, had a dedicated session covering skills and diversity in the space sector. This session attracted many participants.

– Cassini is actively promoting gender equality and diversity of backgrounds and skills. All Cassini activities aim at increasing female participation in entrepreneurship and investments, which historically has been very low in this sector. For the first year of activities with Cassini Matchmaking, 18% of entrepreneur participants were females, a figure that will hopefully improve in the following years. The Cassini Investment Facility (implemented by the European Investment Fund) will feature metrics on gender when the *ex post* reporting is delivered in 2023-2027.

([57]) https://www.euspaceweek.eu/.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2	YES	The EU space programme is providing innovative solutions with huge potential of making agriculture more productive and sustainable. For example, Earth Observation data provided by the Copernicus Land Monitoring Service (CLMS) help national institutions in monitoring crop conditions, providing early warnings on failing crops and predicting crop yields. This enables a considerable improvement in the use of fertilizers, fuel and pesticides resulting in healthier food and a reduced environmental impact. Galileo and EGNOS, in turn link data to specific geographical coordinates and provide geolocation, tracking and positioning.

SDG3	YES	EU space services provided by Galileo and Copernicus are key for the development of smart health apps benefiting users worldwide. For example, there are numerous consumer apps for checking daily sport and fitness activity and performance levels, encouraging a healthy lifestyle. There are apps used for patients monitoring like for instance for localising patients with Alzheimer's disease, to oversee patients with cardiac conditions and help with issuing emergency call warnings if needed, or apps used for guidance to support for instance the visually impaired. The Copernicus Atmosphere Monitoring Service issues daily air quality forecasts at global scale accounting for pollutants' emissions or the consequences of events such as large wildfires or volcanic eruptions. This is valuable and reliable information for assessing health impacts. The eCall initiative helps to save lifes by speeding up the emergency response times in case of a road accident. This initiative requires all new car types sold in the European Union to be fitted with eCall devices that are using space data from Galileo and EGNOS. eCall devices automatically dial the European emergency number 112 to alert rescue services in the event of an accident while also communicating their accurate and exact location. It is estimated that eCall, in its first 10 years of operation, will save more than 2 000 lives in Europe, avoid almost 20 000 severe injuries and significantly reduce the severity of injuries in 15% of all accidents involving damage to health.
SDG4		
SDG5	YES	During the EU Space Week in Seville (November 2023), a dedicate session on skills & diversity in the space sector was organised, which attracted a lot of attention.
SDG6	YES	EU space technologies play a crucial role in optimising potable water processing operations to achieve higher quality. For example, the Copernicus Land Monitoring Service (CLMS) systematically provides real time information on the state of global inland water bodies and their seasonal replenishment, lake and river water levels, temperature, turbidity and trophic state, including potential water availability from snow and ice cover. Better information and forecasts help a broad range of water managers adapt their strategies when dealing with water allocation, flood management, ecological status and industrial water use to mitigate the effects of climate change.

SDG7	YES	EU space data is improving the production of renewable energies while providing valuable insights about the energy potential of natural resources like sun and wind. Galileo supports the implementation of smart grids to improve overall energy efficiency through its precise timing synchronization services that are essential for adjusting demand to distribution across a wide geographical area. In addition, Galileo authentication services trigger the concept of authenticated timing, eliminating the danger of using inaccurate signals in such critical infrastructure. Copernicus, the EU's Earth observation system, supports the implementation and operation of renewable energy infrastructure by ensuring efficient placement and predicting energy generation through weather forecasting and monitoring. The Copernicus Climate Change Service provides climate indicators of electricity consumption, alongside estimates of the combined production from all renewable sources at national and sub-national level in Europe. These two sets of indicators help planners and policy makers identify the pros and cons of different energy mix options and optimise investment decisions accordingly. Copernicus supports the International M ethane Emissions Observatory (IMEO) in order to curb methane emissions of the energy sector and make it cleaner.
SDG8		
SDG9	YES	The EU space-based technologies are key enablers for smart and sustainable transport and, in particular, for the connected and autonomous driving. In road transport, using navigation and positioning services by Galileo lead to a range of innovative applications that enable smart mobility and multi-mode transport digitalisation with optimised travel routes, in turn allowing for a reduction of CO_2 emissions. In air transport, using EGNOS for efficient definition of flight routes permits reduced fuel burn and reduced CO_2 emissions. Copernicus data and information will be used to assess the energy efficiency of residential areas and to monitor the impact of the energy efficiency policies.
SDG10		

SDG11	YES	EU space services provided under the EU space programme are key enablers for smart cities, making urban planning more efficient. By using Galileo and EGNOS for navigation, positioning and timing, city services that are essential for instance for operating and managing public transportation, power supply, connectivity, waste management, and much more, can be considerably improved and at a lower cost. Copernicus provides valuable satellite images and insights about urban areas. These include information about land use and land cover classification, urban growth and urban green areas that policymakers use to improve life in cities. The Copernicus Climate Change Service provides information on city-scale climate helping city planners to mitigate the effect of heat waves for their citizens. The Copernicus Emergency Management Service (CEMS) provides information for emergency response in relation to different types of disasters, including floods, as well as related prevention, preparedness, response and recovery activities.
SDG12		
SDG13	YES	The Copernicus Climate Change Service routinely monitors the Earth's climate and its evolution. It provides routine access to key indicators on a number of Essential Climate Variables (temperature, sea-ice, CO_2, etc.) and is therefore a powerful tool to monitor the success of the implementation of the Paris Agreement. The Copernicus Atmosphere Service provides already today information on greenhouse gas concentrations and on sources. Both services contributed to the preparation of UN Framework Convention on Climate Change first global stocktake in 2023.
SDG14	YES	Copernicus is helping governments in identifying the sources of oil pollution. It is also a powerful tool used by fisheries control administrations from across the EU, for making maritime surveillance more effective. The combined use of Copernicus satellite images with vessel positioning information provided by Galileo reinforce the monitoring activities and help authorities to detect and track movement and activity in restricted fishing grounds. The Copernicus Marine Service reported to EUROSTAT on Sustainable Development Goal 14 ('Life below water') on the impact of climate on waters acidification and eutrophication of direct impact on marine ecosystems.

SDG15	YES	The EU space programme provides reliable services and reports supporting the formulation, implementation and monitoring of policies to protect natural environments and biodiversity (EU biodiversity strategy for 2030). Benefiting users worldwide, the Copernicus Climate Change Service develops tailored information products on key indicators such as temperature, sea ice and CO_2 levels. In addition, the Copernicus Atmosphere Monitoring Service uses near-real-time observations of the location and intensity of active wildfires to estimate the emissions of pollutants that may impact biodiversity in the affected areas.
SDG16		
SDG17	YES	The EU space programme provides reliable services and reports supporting the formulation, implementation and monitoring of policies to protect biodiversity (EU biodiversity strategy for 2030). Benefiting users worldwide, the Copernicus Climate Change Service develops tailored information products on key indicators such as temperature, sea ice and CO_2 levels. In addition, the Copernicus Atmosphere Monitoring Service uses near-real-time observations of the location and intensity of active wildfires to estimate the emissions of pollutants that may impact biodiversity in the affected areas.

SECURE CONNECTIVITY

EU SECURE CONNECTIVITY PROGRAMME

Programme in a nutshell

Concrete examples of achievements

The EU secure connectivity programme was in its first year of implementation in 2023, with no data available for presenting key achievements.

3	1	1	1
implementing acts were adopted to clarify the services portfolio and to set out the general security requirements and the 2023-2027 work programme of the Infrastructure for Resilience, Interconnectivity and Security by Satellite (IRIS²).	call for tender for a main concession contract for the implementation of the programme was published on 16 March 2023.	contribution agreement was signed on 21 September 2023 with the European Space Agency, supporting the Commission in developing and validating the IRIS² system.	call of expression of interest to Member States for the hosting of the IRIS² control centres was launched on 24 April 2023.

Budget for 2021-2027

(million EUR)

Financial programming	1 367.9
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.0
Total budget 2021-2027	**1 367.9**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Union secure connectivity programme will provide enhanced satellite communication capacities to governmental users, businesses and citizens. It aims to deploy an EU satellite constellation – IRIS² (infrastructure for resilience, interconnectivity and security by satellite) – to support a wide variety of governmental applications, mainly in the domains of situational awareness (e.g. border surveillance), crisis management (e.g. humanitarian aid) and the connection and protection of key infrastructures (e.g. secure communications for EU embassies).

On the commercial side, it will enable mass-market applications, including mobile and fixed broadband satellite access, satellite access for transportation, reinforced networks by satellite, and satellite broadband and cloud-based services.

CHALLENGE

The functioning of our economy and our security are increasingly dependent on secure and resilient connectivity. Digital hyperconnectivity and technological transformation are prompting an unprecedented increase in the demand for services that depend on edge technologies. At the same time, there is a growing demand by EU governmental actors for secure and reliable satellite communication services, particularly because they are the only viable option in situations where ground-based communication systems are non-existent, disrupted or unreliable. Affordable and cost-effective access to satellite-based communication is also indispensable in remote regions, on the high seas and in airspace.

The EU's sovereignty and security must be safeguarded by providing resilient, global, guaranteed and flexible satellite communication solutions built on an EU technological and industrial base. To that end, on 15 March 2023, the European Parliament and the Council of the European Union adopted Regulation (EU) 2023/588 establishing the Union secure connectivity programme.

MISSION

The Union secure connectivity programme aims to provide for an EU satellite-based, multi-orbital communication infrastructure for governmental use, while integrating and complementing existing and future national and European capacities within the framework of the European Union governmental satellite communications component of the Union space programme. The programme will also further develop and gradually integrate the European quantum communication infrastructure initiative to allow for the quantum distribution of cryptographic keys.

The general objectives of the Union secure connectivity programme are as follows.

- To ensure the provision and long-term availability, within the EU's territory and worldwide, of uninterrupted access to secure, autonomous, high-quality, reliable and-cost effective satellite governmental communication services to government-authorised users. This will be done by establishing a multi-orbital, secure connectivity system under civil control.
- To enable the provision of commercial services, or services offered to government-authorised users based on commercial infrastructure at market conditions, which is entirely financed by the private sector in accordance with the EU's applicable competition law. The aims are to facilitate, where and as necessary, the further

development through private investment of worldwide high-speed broadband and seamless connectivity; to remove communication dead zones; and to increase cohesion across the territories of the Member States.

OBJECTIVES

The specific objectives of the Union secure connectivity programme are to:

1. complement and integrate the existing and future capacities of the governmental satellite communications component into the secure connectivity system;
2. improve the resilience, security and autonomy of the EU's and Member States' communication services;
3. further develop and gradually integrate the European quantum communication infrastructure into the secure connectivity system;
4. ensure the right of use of orbital slots and relevant frequencies;
5. increase the robustness of the EU's and Member States' communication services and the cyber resilience of the EU by developing redundancy, developing passive, proactive and reactive cyber protection and operational cybersecurity, and implementing protective measures against cyber threats and other measures against electromagnetic threats;
6. enable, where possible, the development of communication and additional non-communication services, in particular by improving the components of the Union space programme to create synergies between them and expand their capabilities and services, and to enable the development of non-communication services to be provided to Member States by hosting additional satellite subsystems, including payloads;
7. encourage innovation, efficiency and the development and use of disruptive technologies and innovative business models throughout the European space ecosystem, including new space actors, new entrants, start-ups and small- and medium-sized enterprises, in order to strengthen the competitiveness of the EU space sector;
8. improve secure connectivity over geographical areas of strategic interest, such as Africa, the Arctic, the Baltic, the Black Sea, Mediterranean regions and the Atlantic;
9. enhance the safety and sustainability of outer-space activities by implementing appropriate measures to ensure and to promote responsible behaviour in space when implementing the programme, including by seeking to prevent the proliferation of space debris.

ACTIONS

The main activities of the Union secure connectivity programme include actions on the definition, design, development and validation of the programme. These actions will be implemented in direct management by the Commission. The Commission intends to procure, award and sign contracts for deploying and operating the space and ground infrastructure to provide secure governmental services.

The Commission, working closely with the Member States, other EU institutions, the European Union Agency for the Space Programme and the European Space Agency, will gradually roll out exploitation activities to ensure the operation, maintenance, continuous improvement and protection of space and ground infrastructure, including replenishment and obsolescence management and the future evolution of governmental services.

In line with Article 22 of the regulation establishing the Union secure connectivity programme, eligibility and participation conditions will apply to the award procedures where necessary and appropriate in order to preserve the security, integrity and resilience of the operational EU systems.

Provided that the interests of the EU are protected, the Commission will entrust the European Space Agency with tasks relating to the supervision of the development, the validation and the related deployment activities for the construction of the space and ground infrastructure required to provide governmental services. Furthermore, provided that the interests of the EU are protected, the Commission will pursue the development and deployment of the European quantum communication infrastructure for gradual integration into the secure connectivity system, and will entrust to the European Space Agency tasks relating to the space and related ground segment of the European quantum communication infrastructure.

The activities of the Commission financed under the Union secure connectivity programme will be complemented by additional financing from Horizon Europe for development and validation activities and from the European Space Agency programme relating to secure connectivity.

STRUCTURAL SET-UP OF THE PROGRAMME

The Directorate-General for Defence Industry and Space is the lead DG for the programme. The programme is implemented mainly through direct management by the Commission and will be complemented, provided that the interests of the EU are protected, by actions implemented under indirect management by the European Space Agency mainly relating to supervision of development and validation and to the European quantum communication infrastructure.

In the future, some of the activities relating to operational management of the governmental infrastructure of the programme may be entrusted to the European Union Agency for the Space Programme subject to its operational readiness.

The legal basis of the regulation establishing the programme i Article 189 of the Treaty on the Functioning of the European Union.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP

EU SECURE CONNECTIVITY PROGRAMME

LEAD DG DEFIS

MFF 2021-2027

IRIS²

MAIN BENEFICIARIES

- Governmental users
- Public authorities and policy makers
- Civil users and security actors
- Companies
- International organisations
- EU citizens
- Users worldwide

EU BUDGET

€ 1,387,90 million	EU Secure Connectivity
€ 380 million	Horizon Europe
€ 222,10 million	EU Space
€ 170 million	DEP
€ 150 million	NDICI
€ 90 million	CEF Digital
€ 2.4 billion	[MFF 21-27]

ASSOCIATED DGs

EEAS, DG INTPA, DG RTD, DG JRC, DG CNECT, DG NEAR

KEY PARTNERS

EUSPA — *Decentralised Agency*

ESA — *International organisation*

MANAGEMENT MODE

Direct management
- Procurements

Indirect management
- Contribution Agreement with European Space Agency

SPECIFIC OBJECTIVES

The provision of the **governmental services** shall be ensured through the following phased activities, which shall complement and integrate the GOVSATCOM component into the secure connectivity system:

- the definition, design, development, validation and related deployment activities of the space and ground infrastructure to provide first governmental services by 2024;
- gradual deployment activities to complete the space and ground infrastructure required to provide advanced governmental services to meet as soon as possible the needs of the governmental users, leading to full operational capability aimed by 2027;
- the development and deployment of EuroQCI for gradual integration into the secure connectivity system;
- deployment activities to complete the space and ground infrastructure required to provide governmental services;
- exploitation activities for the provision of governmental services, comprising the operation, maintenance, continuous improvement and protection of the space and ground infrastructure, including replenishment and obsolescence management;
- development of future generations of the space and ground infrastructure and the evolution of the governmental services.

The provision **of commercial services** are a viable business opportunity for the private sector to provide worldwide high-speed broadband and seamless connectivity. These services will be ensured by the private sector.

SPECIFIC ACTIONS

- Development and validation activities, comprising the construction and launch of the initial space and ground infrastructure required to provide governmental services;
- development and integration of the space and related ground segment of the European Quantum Communication Infrastructure into the space and ground infrastructure of the secure connectivity system;
- deployment activities to complete the space and ground infrastructure required to provide governmental services;
- exploitation activities for the provision of governmental services, comprising the operation, maintenance, continuous improvement and protection of the space and ground infrastructure, including replenishment and obsolescence management;
- development of future generations of the space and ground infrastructure and the evolution of the governmental services.



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

Not applicable

FURTHER INFORMATION

– Programme website:

- IRIS²: the new EU secure satellite constellation.

Impact assessment:

the impact assessment of the EU secure connectivity programme was adopted in 2020. For further information please consult: SWD(2022) 30 final (impact assessment).

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	0.0	0.0	186.3	213.4	357.4	320.7	290.2	1 367.9
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**0.0**	**0.0**	**186.3**	**213.4**	**357.4**	**320.7**	**290.2**	**1 367.9**

(*) Only Article 15(3) of the financial regulation.

Union secure connectivity programme								
	2021	2022	2023	2024	2025	2026	2027	Total
Union secure connecivity H1 (04.0101 and 04.0301)			158,3	120,2	200,2	155,2	104,1	737,9
Union secure connecivity H5 (13.0501)			30,0	96,0	111,0	121,0	142,0	500,0
Union secure connecivity H6 (14.0801)					50,0	50,0	50,0	150,0
Grant Total implementation Union secure connectivity programme			**188,3**	**216,2**	**361,2**	**326,2**	**296,1**	**1387,9**

Operational appropriations reallocated within other programmes								
	2021	2022	2023	2024	2025	2026	2027	Total
CEF-Digital		90						90,0
DEP	154	16						170,0
Space (04.0203)	20,7	25,2	39,8	42,1	40,7	27,0	26,6	222,1
Horizon Europe (01.020240)			86,0	86,0	86,0	86,0	36,0	380,0
NDICI Global Europe (14.02)					50,0	50,0	50,0	150,0
Grant Total earmarking	**174,7**	**131,2**	**125,8**	**128,1**	**176,7**	**163,0**	**112,6**	**1012,1**

Total initiative secure connectivity	**174,7**	**131,2**	**314,0**	**344,3**	**537,9**	**489,2**	**408,6**	**2400,0**

The financial envelope for the implementation of the programme until 31 December 2027 is EUR 2.4 billion in current prices. This relates to the implementation of the programme and the

associated risks covering the technical, security, programmatic, financial, contractual and governance aspects.

The total budget is composed of the programme budget (EUR 1 387.9 million), and it is complemented by the budgets of other EU programmes (EUR 1 012.1 million), the objectives of which are consistent with and complementary to the objectives of the programme. The following should be noted in particular.

- Horizon Europe, established by Regulation (EU) 2021/695 of the European Parliament and of the Council and Council Decision (EU) 2021/7649, will allocate a dedicated share of the components of its 'Digital, industry and space' cluster to research and innovation activities relating to developing and validating the secure connectivity system, including the potential technologies that would be developed under the space ecosystem, including new space.
- The Neighbourhood, Development and International Cooperation Instrument – Global Europe, established by Regulation (EU) 2021/947 of the European Parliament and of the Council, will allocate a dedicated share of its Global Europe funds to activities relating to the operation of the secure connectivity system and the worldwide provision of services that will make it possible to offer an array of services to international partners.
- The Union space programme, established by Regulation (EU) 2021/696 of the European Parliament and of the Council, will allocate a dedicated share of its governmental satellite communications component to activities relating to the development of the EU Governmental Satellite Communications Hub, which will form part of the ground infrastructure of the secure connectivity system.

The funding stemming from these programmes will be implemented in accordance with the rules of these programmes.

In addition, in 2021 and 2022, the Commission brought forward the implementation of some of the activities linked to secure connectivity, in particular relating to the European quantum communication infrastructure, which could be sustained under the existing legal acts and which require an intensive development phase, in particular under the Connecting Europe Facility and the digital Europe programme.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	186.3	1 367.9	13.6%
Payments	0.0		0.0%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	Initial voted budget	Voted budget implementation	Initial voted budget
2021	0.0	0.0	0.0	0.0
2022	0.0	0.0	0.0	0.0
2023	186.3	136.3	0.0	128.6

(*) Voted appropriations (C1) only.

The programme activities were rolled out in March 2023, when the Commission published an invitation to tender to procure a concession contract ([58]). The public–private partnership between the Commission and the private sector will ensure common investment in the design, development, deployment and operation of governmental and commercial infrastructure, its use and exploitation.

At the time of the report, the procurement process for the concession contract was still on-going. The tight working schedule was respected, as planned, in view of signing the main contract for the implementation of the Union Secure Connectivity Programme in 2024, subject to a positive outcome of the ongoing procurement.

Governmental services will be provided using a phased approach. Initial services will be provided by 2024, followed by gradual deployment activities to complete the space and ground infrastructure, aiming to meet the needs of governmental users and to achieve full operational capability by 2027.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	N/A	N/A	N/A					N/A	
Biodiversity mainstreaming	N/A	N/A	N/A					N/A	
Clean air	N/A	N/A	N/A					N/A	

The EU secure connectivity programme (and the EU space programme) place great emphasis on the green transition and have a key role to play. On one hand, EU space data and services enable other sectors to achieve the ambitious Green Deal objectives and the green transition; on the other

([58]) European Commission, Tenders Electronic Daily – Services – 173193-2023.

hand, the EU space industry sector itself must transform and adapt to comply with the Green Deal policies and legislation and hence improve its practices throughout its full value chain.

Contribution to gender equality (million EUR) (*)**:**

Gender Score	2021	2022	2023	Total
0*	0	0	186.3	186.3

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

The regulation establishing the programme states that the programme should contribute to the development of advanced skills in space-related fields and support education and training activities, along with promoting equal opportunities, gender equality and women's empowerment, in order to realise the full potential of EU citizens in that area. In this respect, following the roll-out of the activities in March 2023, the Commission will promote and encourage increased participation of women and establish equality and inclusion goals in the tender documentation. The Commission will also support initiatives to raise awareness of gender equality in the area of space. The gender score for 2023 should be 0*.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	0	0	186.3	186.3	100%

The services that will be provided under the programme are expected to boost the digital transition in Europe and worldwide. The programme was adopted in 2023 and the first activities were rolled out in March 2023, with the publication of an invitation to tender to procure a concession contract. A contract is expected to be signed in the first half of 2024 to support and facilitate the further development of worldwide high-speed broadband and seamless connectivity under the IRIS² programme.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Member State governments and EU institutions, bodies, offices and agencies can access a set of first governmental services in 2024	N/A	**N/A**	N/A	N/A	N/A
Member State governments and EU institutions, bodies, offices and agencies can access full operational capability that meets the user needs and demand determined in the service portfolio in 2027	N/A	**N/A**	N/A	N/A	N/A
Percentage of geographical availability of all deployed governmental services within Member State territories	N/A	**N/A**	N/A	N/A	N/A
Programme participants and number of non-EU countries and international organisations participating in the programme in accordance with Article 39	N/A	**N/A**	N/A	N/A	N/A
Programme participants participating in the programme in accordance with Article 11	N/A	**N/A**	N/A	N/A	N/A
Number of non-EU countries and international	N/A	**N/A**	N/A	N/A	N/A

organisations participating in the programme in accordance with Article 39					
Number of in-orbit and functional satellites needed for the functioning of the European quantum communication infrastructure	N/A	**N/A**	N/A	N/A	N/A
Ensure the right of use of orbital slots and relevant frequencies	N/A	**N/A**	N/A	N/A	N/A

(*) % of target achieved by the end of 2023.

– The programme will be monitored closely on the basis of a set of indicators intended to measure the extent to which the specific objectives of the programme have been achieved and with a view to minimising administrative burdens and costs. To that end, the annex to Regulation (EU) 2023/588 establishes a set of key performance indicators. In addition, the service definition document applicable to the programme will define more detailed key performance indicators with minimum performance levels, once available. The programme has yet to be implemented, as the regulation only entered into force on 20 March 2023.

– In 2023 and, following the adoption of the regulation establishing the programme, the focus was on further specifying the legislative framework of the programme. Several implementing acts were adopted i.e., on the operational requirements for the governmental services provided under the programme and its service portfolio, on the general security requirements of the programme and on the setting out of the rules on the sharing and prioritisation of satellite communication capacities, services and user equipment. In addition, a Commission implementing act was adopted, entrusting budget implementation tasks to the European Space Agency, with a contribution agreement signed on 21 September 2023.

– To ensure close cooperation with Members States and field experts, two working groups were set up under the competent committee of the programme – the governmental satellite communications configuration of the EU space programme committee – which also serves as the programme committee of the EU Secure Connectivity Programme/IRIS²: the working group to support the development and deployment of the European quantum communication infrastructure within IRIS² and to provide recommendations, and the working group to advise on technical matters and aspects relating to the use of governmental satellite communication services, the needs and requirements of governmental users and the satellite communication user technology.

– With regard to the ground infrastructure, a call for expression of interest to determine the location of the IRIS² sites and the sites of the EU governmental satellite communications hubs was launched in 2023. A commission decision is expected in 2024.

– Initial governmental services are expected by the end of 2024, building on the governmental satellite communications component of the EU space programme, which constitutes the first building block of IRIS².

– As regards the market uptake activities, initial works for starting a preparatory action to develop innovative user terminals for European secure satellite communication services were explored, enabling production and market penetration with the use of open standards.

– Negotiations with third parties were pursued, with formal requests received from Iceland and Norway to open negotiations for their participation to the governmental satellite communications and IRIS² programmes. A negotiation mandate for the approval of the Council in view of establishing an international agreement is to be proposed in the first half of 2024.

Green budgeting priorities

– To reduce the environmental impact of space activities, DG Defence Industry and Space worked on the preparation of a European Parliament-backed pilot project that will be rolled out in 2024, aimed at developing a sector-specific life cycle assessment method – product environmental footprint category rules – for the space sector. Also, preparations for launching a call for tender in 2024 were undertaken in 2023. The contract will support the formulation of environmental strategic and policy aspects for the future development of the EU space programmes and the greenhouse gas emissions reporting activities.

– The activities were rolled out in March 2023 and, in line with the objectives of the European Green Deal, the programme should minimise its environmental impact as far as possible. While

the space-based assets do not themselves emit greenhouse gases while in use, their manufacturing and associated ground facilities do have an environmental impact.

– To that end, the procurement procedures and contracts should include principles and measures on environmental and space sustainability. These should include provisions to minimise and offset the greenhouse gas emissions generated by the development, production and deployment of the infrastructure and provisions establishing a scheme to offset the remaining greenhouse gas emissions. Carbon offsetting should be preferably done via carbon removal, applying consensus methods on accounting for greenhouse gas removal as soon as they are available (preferably the EU regulatory framework, if available at the start of the activities). The contracts should also include provisions on measures to prevent light pollution, the use of appropriate collision-avoidance technologies for spacecraft and the submission and implementation of a comprehensive debris mitigation plan to ensure the avoidance of debris by the satellites of the constellation.

Sustainable development goals

Contribution to the sustainable development goals

The services that will be provided under the EU secure connectivity programme (once operational) are expected to contribute to several goals of sustainable development by connecting remote areas and areas with limited terrestrial connectivity infrastructure.

Green procurement principles will be pursued to set in place the infrastructure that will be providing communication through space and avoiding the deployment of ground networks, submarine cables, high power cables or fibres (buried in the ground or above the ground). No significant harm will therefore be done to the sustainable use and protection of water and marine resources.

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3		
SDG4		
SDG5	X	The Commission will promote and encourage increased participation of women and establish equality and inclusion goals in the tender documentation.
SDG6		
SDG7		
SDG8		

SDG9	X	The services that will be provided under the EU secure connectivity programme are expected to contribute to several goals of sustainable development by connecting remote areas and areas with limited terrestrial connectivity infrastructure. A major programme objective is to improve secure connectivity over geographical areas of strategic interest of the EU, in particular Africa and the Arctic, and support the sustainable development and social cohesion in these regions. Ensuring environmental and space sustainability is another key programmatic focus where the new European constellation will satisfy space sustainability criteria and be an example of good practices in space traffic management and in space surveillance and tracking promoting responsible behaviour in space.
SDG10		
SDG11		
SDG12		
SDG13		
SDG14		
SDG15		
SDG16		
SDG17		

REGIONAL POLICY

COHESION FUND AND EUROPEAN REGIONAL DEVELOPMENT FUND

Programme in a nutshell

Concrete examples of achievements (*)

2.5 million businesses received support through grants, equity, loans, guarantees and advice between 2014 and 2022.	**7.9 million** additional households had broadband access of at least 30 megabits per second between 2014 and 2022.	**370 000** jobs were directly created in supported enterprises between 2014 and 2022.	**68 million** people benefited from new or modernised health services between 2014 and 2022.
643 000 additional energy users connected to smart electricity grids between 2014 and 2022.	**29 million** citizens benefited from flood protection between 2014 and 2022.	**31.7 million people** lived in areas that developed integrated urban development strategies between 2014 and 2022.	

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	**264 185.4**
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	234.7
Total budget 2021-2027	**264 420.1**

(*) Only Article 15(3) of the financial regulation.

Recovery Assistance for Cohesion and the Territories of Europe initiative (REACT-EU) (million EUR):

(million EUR)

Financial programming	0.0
NextGenerationEU	30 006.6
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.0
Total budget 2021-2027	**30 006.6**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

Cohesion policy programmes contribute to strengthening the economic, social and territorial cohesion in the EU. They aim to correct imbalances between countries and regions and deliver on the EU's political priorities, especially the green and digital transition.

CHALLENGE

Disparities show a generally decreasing trend among EU regions. Since 2001, there has been a substantial reduction of the GDP per capita gap. High growth rates have been fuelled by structural transformation, notably a shift to higher value-added sectors. However, the consequences of COVID-19 pandemic and the Russian war of aggression against Ukraine may exacerbate disparities which jeopardise cohesion, the long-term sustainability of the EU and hinder the

deployment of its full potential. To avoid a development trap in the future, REGIO will boost education and training, increase investments in research and innovation and improve the quality of institutions in many regions.

Tackling these challenges at the EU level is more effective than leaving it to the sole responsibility of Member States. First, EU-level action supports EU-wide priorities, such as ensuring that the recovery is geared to the green and digital transitions. Second, it incentivises closer application of EU legislation and critical structural reforms by Member States, in line with the country-specific recommendations stemming from the EU's economic surveillance (European semester). Through its multiannual programming framework, the EU also provides stability, certainty and sustainability for investment plans, reducing their vulnerability across economic and political cycles and improving prospects for implementation on the ground. The EU can also support more intensive investments in less-developed and transition regions – which would otherwise not happen – generating spillovers to the rest of Europe, notably via increased connectivity and trade, thus supporting the development of the single market. Finally, EU action feeds on and promotes interregional cooperation and the exchange of experience both across borders and across the EU.

MISSION

The Cohesion Fund (CF) and the European Regional Development Fund (ERDF), along with the Just Transition Fund, constitute the EU's regional policy. Together with the European Social Fund Plus (ESF+), they constitute the EU's cohesion policy. The CF and the ERDF aim to strengthen the economic, social, and territorial cohesion of the EU by promoting sustainable development, particularly in less-developed regions.

The CF provides support to Member States with a gross national income per inhabitant below 90% of the EU average, notably by contributing to projects in the fields of environment and trans-European transport infrastructure networks.

The place-based approach of the ERDF allows for the identification of specific development needs and, as a consequence, the definition of appropriate investment strategies aligned with both EU priorities and regional conditions.

The funds channelled by the policy are a primary source of public investment in many Member States. The policy also operates as a catalyst for public and private funding.

OBJECTIVES

The programmes have five EU high-level policy objectives:

1. A more competitive and smarter Europe, by promoting innovative and smart economic transformation and regional information and communications technology connectivity.
2. A greener, low-carbon transition towards a net zero carbon economy and resilient Europe, by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management and sustainable urban mobility.
3. A more connected Europe by enhancing mobility.
4. A more social and inclusive Europe, by implementing the European Pillar of Social Rights.
5. A Europe closer to citizens, by fostering the sustainable and integrated development of all types of territories and local initiatives.

All five policy objectives are applicable to the ERDF, while for the CF only policy objectives 2 and 3 are applicable

STRUCTURAL SET-UP OF THE PROGRAMME

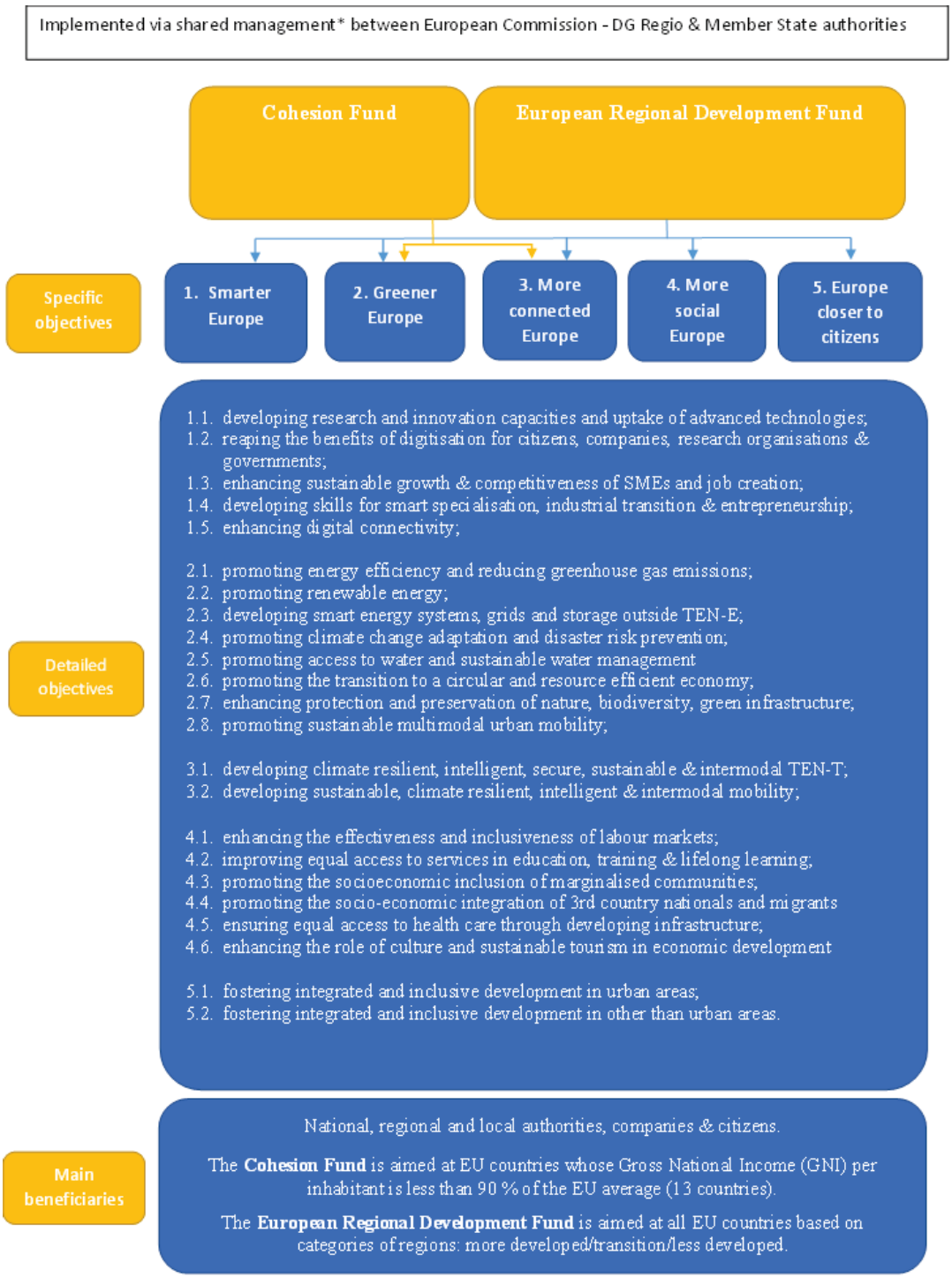
Cohesion policy funds are delivered through shared management. Under this mode, the co-legislators fix the legal framework and the overall funding and determine the allocations by Member States and category of region. The Commission adopts the programmes. As regards implementation, the Commission cooperates with Member States' administrations (at national and regional level), which are in charge of the operational implementation. DG Regional and Urban Policy leads on the Commission’s side.

The ERDF is supporting all Member States and is implemented through national, regional and interregional (Interreg) programmes. The CF covers 15 Member States - those with a gross national income per inhabitant below 90% of the EU average.

The ERDF and CF, together with the JTF and the ESF+, are the budgetary instruments of the EU’s cohesion policy. Article 174 of the Treaty on the Functioning of the European Union establishes cohesion policy and describes its objectives.

According to Article 175 of the Treaty on the Functioning of the European Union, the formulation and implementation of the EU’s policies and actions and the implementation of the internal market shall consider the objectives of cohesion policy and shall contribute to their achievement.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

For 2021-2027, the general approach of the 2014-2020 multiannual financial framework was maintained, however, with simplifications aimed at facilitating implementation. New and more ambitious objectives and features include: adjusted policy priorities, increased climate targets, increased flexibility during reprogramming and midterm review, and updated co-financing rates, stratified along the different types of regions (from 40% in more developed regions to 85% in the less developed regions).

FURTHER INFORMATION

– Programme website:
    - ERDF
    - Cohesion Fund
    - Cohesion Open Data Platform
– Impact assessment:
    - The impact assessment of the CF and the ERDF was carried out in 2018.
    - For further information, please consult: https://europa.eu/!nG34XX.
– Relevant regulation: Regulation (EU) 2021/1060 of the European Parliament and of the Council.
– Evaluations: The Commission is currently carrying out the ex-post evaluation of the ERDF and CF for the period 2014-2020. More information on the process is available here.

ACTIONS

The ERDF, delivers through approximately 280 national, regional and interregional programmes, supports investments in infrastructure, productive investments in enterprises and public policies across a range of themes.

The CF which is delivered in 15 Member States, mainly funds capital-intensive environmental and transport investments, predominantly through grants.

Cohesion policy provides stable and predictable support to Member State investments while retaining the appropriate flexibility. This was e.g. demonstrated during the COVID-19 crisis, where the instruments were adapted via the coronavirus response investment initiatives CRII(+) mobilising much-needed support to the worst-affected sectors with unprecedented speed and flexibility, but also the ensuing migratory and energy challenges following the Russian aggression against Ukraine with the Cohesion's Action for Refugees in Europe (CARE), Flexible Assistance to Territories (FAST CARE) and Supporting Affordable Energy (SAFE).

Budget implementation and performance

Budget programming

Budget programming of regional policy (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	255.2	43 571.6	44 863.5	46 093.4	47 404.4	40 300.7	41 696.6	264 185.4

	2021	2022	2023	2024	2025	2026	2027	Total
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	234.7	0.0	0.0	0.0	0.0	234.7
Total	**255.2**	**43 571.6**	**45 098.2**	**46 093.4**	**47 404.4**	**40 300.7**	**41 696.6**	**264 420.1**

(*) Only Article 15(3) of the financial regulation.

Budget programming of REACT-EU (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NextGenerationEU (**)	24 038.4	5 968.2	38.4					30 006.6
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**24 038.4**	**5 968.2**	**38.4**	**0.0**	**0.0**	**0.0**	**0.0**	**30 006.6**

(*) Only Article 15(3) of the financial regulation.

(**) The total amount of Recovery Assistance for Cohesion and the Territories of Europe initiative (REACT-EU) represents an estimate.

– When kick-starting the implementation of 2021-2027, the Member States faced delays due to challenges linked to COVID-19, the war of aggression against Ukraine, the energy crisis and the final stages of implementation of 2014-2020 programmes as well as the need to deliver on RRF. Administrative capacity was an issue as a result as the Member States had to spread their resources, under difficult circumstances.



Financial programming:

- EUR 9 635.5 million (- 4%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

Budget implementation

Cumulative implementation rate of Regional Policy at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	87 002.3	264 420.1	33.6%
Payments	8 934.8		3.4%

Multiannual cumulative implementation rate of REACT-EU under regional policy at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	29 981.5	30 006.6	99.9%
Payments	20 946.3		69.8%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	255.2	33 942.5	37.6	1 483.9
2022	43 571.6	35 044.8	4 149.8	2 693.7

	Commitments		Payments	
	Voted budget implementation	Initial voted budget	Voted budget implementation	Initial voted budget
2023	44 863.5	44 457.2	4 712.3	4 553.7

(*) Voted appropriations (C1) only.

– In view of the eligibility end dates of REACT-EU and RRF coming up sooner (2023 and 2026), the Member States' efforts were diverted towards the implementation of these two instruments. However, in comparison with 2014-2020 programmes and based on comparison of the selection and payment rates for ERDF and CF between the two periods, the delay is about half a year for the former and three months for the latter.

– The whole 2021 allocation (EUR 34.9 billion) was reprogrammed in four equal tranches for the years 2022-2025.

– In the 2023 budget, the allocation for ERDF and CF together was EUR 44.7 billion[59] for mainstream programmes (EUR 38.1 billion for ERDF, EUR 6.6 billion for CF) in commitment appropriations. Out of this amount, EUR 43.7 billion have been committed representing 98.2% of the total allocation. The remaining amount corresponded to the decommitments made on the HU programmes (EUR 1 billion).

– As of end 2023, Member States have selected operations[60] amounting to 9.6% of their ERDF and CF allocation (including Interreg), EUR 30.8 bn under ERDF and EUR 5.4 bn under CF. As of 8 February 2024, total net payments (including pre-financing) of EUR 8.6 bn were paid out (3.3% of the ERDF and CF allocation).

– The REACT-EU NextGenerationEU commitments in 2021 and 2022 were allocated to the 2014-2020 programmes and those commitments are reported along with the 2014-2020 programmes. Following the carry-over of commitment appropriations, an amount of EUR 17 million was committed in 2023.

– As regards REACT EU payments, in 2023 EUR 7.3 billion were paid for mainstream programmes (NGEU credits). At the end of 2023 ERDF/REACT-EU reached an implementation rate of 69,9% (up from 46% at the end of 2022).

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelop e

([59]) This amount refers to operational expenditure, administrative and technical expenditure is not included.

([60]) Based on data submitted by the Member States in January 2024. Some programmes are still missing and the plausibility has not yet been checked.

Climate mainstreaming	38.7	15 092.2	15 448.3	16 524.6	16 993.1	14 444.0	14 943.7	93 484.5	31%
Climate mainstreaming ReactEU	5 035.4	1 274.8	107.9	0.0	0.0	0.0	0.0	6 418.1	21%
Biodiversity mainstreaming	0.0	2 644.8	2 737.5	2 797.9	2 877.4	2 446.3	2 531.0	16 034.8	5%
Biodiversity mainstreaming ReactEU	0.9	37.7		0.0	0.0	0.0	0.0	38.5	0.1%
Clean air	0.0	6 923.5	7 166.1	7 324.2	7 532.6	6 403.8	6 625.6	41 975.8	14%

- Cohesion policy uses a ‘categorisation’ to capture the information of the thematic content of the 2021-2027 programmes. These multiannual thematic allocations are used to calculate the indicative share of investments under each annual commitment as set above. There are several tracking tools (e.g. climate, biodiversity, clean air, gender, digital).
- The legislation set up minimum thresholds for two of the tracking mechanisms: the climate and the biodiversity mainstreaming.
- For climate mainstreaming, the European Regional Development Fund (ERDF) and the Cohesion Fund (CF) shall contribute 30% and 37% respectively of the EU contribution. Based on the adopted 2021-2027 programmes, the planned targets have been largely exceeded, reaching 33% for the ERDF and 56% for the CF.
- For biodiversity, the ambition is to provide 7.5% of annual spending under the multiannual financial framework to the funds governed by the common provisions regulation. Based on the adopted programmes, 6% has been earmarked so far for activities tackling the loss of biodiversity. For the 2021-2027 period, the biodiversity tracking data story available on the Cohesion Open Data Platform presents in more detail the cohesion policy investments benefiting biodiversity.
- For clean air, based on the adopted 2021-2027 programmes, close to 16% of the planned EU amounts will be used to support interventions with as main objective improving air quality, or with a substantial co-benefit for improving air quality..
- The calculation of the climate mainstreaming amounts is based on coefficients set out in the table on intervention fields in Annex 1 to the common provisions regulation; the amounts calculated for the other horizontal priorities are based on the assessment by Commission services of the relevance of planned thematic allocations.
- The allocations to the different green budgeting objectives overlap to some extent. The amounts for each priority should not be directly aggregated, as that would result in double counting. Data stories on the Cohesion Open Data platform present the data and the methods for tracking in more detail; see for example the climate tracking tool 2014-2020 or the biodiversity tracking tool 2014-2020.
- For the 2021-2027 period, the climate tracking data story available on the Cohesion Open Data Platform presents in more detail the cohesion policy support to climate action.
- In relation to the taxonomy for sustainable activities, the cohesion policy funds system of 182 intervention fields, referred to above, have undergone an alignment analysis with the taxonomy in the context of NextGenerationEU green bond reporting. Resulting from that analysis, groups of intervention fields were assessed as ‘fully aligned’, ‘substantially aligned’, ‘partially aligned’ or ‘not covered’. This system is used under cohesion policy shared management as an

alternative to project-based analysis, not least because of the burden of assessing more than 600 000 projects during a programming period.

– According to the planned values from the adopted cohesion policy programmes and from the taxonomy perspective, around EUR 79.6 billion was assessed as being fully aligned, EUR 37 4 billion as partially aligned and substantially aligned, while EUR 147 billion was assessed as not covered.

– Under the climate tracking methodology, both mitigation and adaptation measures are supported. Mitigation measures include significant investments in renewable energies, energy efficiency and clean urban transport measures. Adaptation includes risk prevention linked to adjusting to the current and future effects of climate change. However, no explicit assignment of the different intervention fields to mitigation or adaptation has been made and there is some overlapping. Finally, there is likely to be an under-reporting of adaptation measures where they are linked to infrastructures that bear a 0% climate coefficient.

– In addition to climate tracking, the 'do no significant harm' principle was also applied by the national authorities in the assessment of the investment priorities contained in the programmes before adoption. Member States are responsible for the implementation of this principle throughout the programming period. As part of programme implementation, managing authorities can define specific criteria for selecting operations to ensure compliance with the principle.

– As concerns REACT-EU and its climate contribution, according to Regulation (EU) 2020/2221 and its amendment Regulation (EU) 2022/613, the climate target of 25% was not binding for REACT-EU programmes but rather a political ambition. Even though programmes have allocated significant amounts to climate targeted action, in the post-COVID context other thematic investments have been prioritised, such as actions to support Member State health care systems and the development of small and medium-sized enterprises. For these reasons, ERDF/REACT-EU-funded programmes will not reach the target of 25% mentioned in the regulation. More information is available in the REACT-EU data story on the Cohesion Open Data Platform.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2	0.0	3 938.1	4 076.0	8 014.1
1	0.0	348.9	361.2	710.1
0*				
0	0.0	39 284.6	40 661.0	79 945.6

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information: there is no information available, as the data is not disaggregated by gender. The gender tracking data story on the Open Data Platform can be seen here.

– Cohesion policy uses a 'categorisation' information system, which specifically focuses on the gender equality dimension to capture information on the gender contribution of the 2021-2027 programmes. These multiannual thematic allocations are used to calculate the indicative share of investments under each annual commitment as set above.
– Based on the adopted programmes, close to 10% of the planned EU amounts will be used to support interventions the principal objective of which is to improve gender equality or interventions that have gender equality as an objective.
– For the 2021-2027 period, the gender tracking data story available on the Cohesion Open Data Platform presents in more detail the cohesion policy support to gender equality.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	0.0	5 117.5	5 296.8	10 414.4	12%

– Based on the adopted programmes, close to 12% of the planned EU amounts will be used to finance interventions that support the digital transition.
– The calculation of the amount for the digital transition is based on coefficients applied to the intervention fields in Annex 1 to the common provisions regulation. In the case of digital tracking, the amounts calculated are based on the assessment by Commission services of the relevance of planned thematic allocations.
– For the 2021-2027 period, the digital tracking data story available on the Cohesion Open Data Platform presents in more detail the cohesion policy support to the digital transition.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Enterprises supported to innovate	0	Actual results: 0% Selected operations: 17%	148 094 in 2029	0 (Selected operations: 24 544 enterprises) compared to a target of 148 094	No data
Small and medium-sized enterprises supported to enhance growth	0	Actual results: 0% Selected operations: 20%	450 822 in 2029	0 (Selected operations: 90 363 small and medium-sized enterprises)	No data

and competitiveness				compared to a target of 450 822	
Additional dwellings and enterprises with broadband access of very high capacity	0	Actual results: 0% Selected operations: 31%	3.5 million dwellings in 2029	0 (Selected operations: 1.07 million dwellings) compared to a target of 3.5 million	No data
Savings in annual primary energy consumption	0	0%	345 million MWh/year in 2029	No results	No data
Additional production capacity for renewable energy	0	Actual results: 0% Selected operations: 61%	9 555 MW in 2029	0 (Selected operations: 6 098 MW) compared to a target of 9 555 MW	No data
New, upgraded, reconstructed or modernised railways	0	0%	5 856 Km in 2029	No results	No data
New or modernised capacity for health care facilities	0	0%	60.3 million people per year in 2029	No results	No data
Population covered by strategies for integrated territorial development	0	Actual results: 0% Selected operations: 12%	111.4 million people in 2029	0 (Selected operations: 13.4 million people) compared to a target of 111.4 million people	No data

(*) % of target achieved by the end of 2023.

– It is too early to comment on the established targets for cohesion policy by the end of 2023. However, at this point in the implementation cycle, since there is enough time to catch up, there is no reason to expect that the targets will not be met.

– The midterm review in early 2025 will be an occasion for the programmes to re-examine the allocations and targets..

– The indicators listed above are a selection of the corporate output indicators (Annex 2 of the ERDF/CF regulation) across the five policy objectives. Corporate result indicators will be reported after 2025, when values are expected to be achieved. All common indicator values are published on the Cohesion Open data Platform.

– The 2021-2027 programmes have faced delays in negotiation and implementation. Due to this, performance information on targets will be provided in 2024 for the first time.

– In addition to disruptions due to the pandemic, Russia’s unprovoked war against Ukraine and the energy crisis and the need to implement the crisis and recovery instruments, and the stretched administrative capacity of the Member States, several factors played into the programmes’ delays.

  • The expenditure period under the 2014-2020 ERDF/CF programmes ran until the end of 2023 (*n* + 3 rule). The rule will also apply to most of the 2021-2027 period. It reduces pressure on national and regional programmes to implement promptly and leads to a long overlap in programme periods.

  • The delayed agreement on the 2021-2027 multiannual financial framework and resulting delayed adoption of the legislative proposals for ERDF/CF meant that the Member State

partnership agreements and programmes could only be officially submitted as from mid-2021.

- Recovery instruments supported by NextGenerationEU – in particular the most prominent financial instrument, the Recovery and Resilience Facility and the 2021-2022 REACT-EU allocations under 2014-2020 cohesion policy – and their shorter spending horizons have often led to decisions at the national level to prioritise these resources over the 2021-2027 cohesion policy programmes (including ERDF/CF).
- These extra resources for 2014-2020, the short negotiation window and the ambitious implementation timeline have had an impact on the preparation of the new 2021-2027 cohesion policy programmes. While the Commission provides guidance and support for the coherent implementation of the two instruments, it will be mainly up to the Member States to ensure that both the NextGenerationEU resources and the cohesion policy funds are deployed in a timely and effective way.
- While the RRF supported National Reform Plans continue to be implemented as a priority in 2024 and 2025, the 2021-2027 cohesion policy programmes are expected to see accelerating levels of implementation from 2024 onwards.

– When setting up the targets for performance indicators for the 2021-2027 programmes, a series of assumptions were made, and risks were taken into consideration. As the targets for performance indicators are mostly based on past implementation experience, managing authorities took a view on inflation and included an assumed rate of inflation in the calculations of indicator targets. As increased energy prices are a significant part of the inflation index, they have been implicitly considered when setting up the targets at the beginning of the programming period. However, the scale and duration of high inflation is uncertain and could be taken into consideration again during the midterm review planned for 2025. The 2021-2027 programmes were adopted by the end of 2022 (except for a few in carry over and the new Hungary–Croatia Interreg programme, which was submitted in 2023). The Member States will report on the first full year of activity in early 2024.

– DG Regional and Urban Policy systematically follows up the accepted (14) recommendations issued by the European Court of Auditors since 2020. For example, as REACT-EU adds a significant resources to be used in a relatively short period of time and overlaps with the implementation of the RRF, REGIO will monitor closely the progression of REACT-EU absorption to identify programmes encountering spending difficulties. It will provide targeted support so that the co-financed operations effectively contribute to the achievement of objectives and performance targets.

2014-2020 multiannual financial framework – Regional Policy

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	262 530.3	262 533.4	100.0%
Payments	243 839.4		92.9%

– At the end of December 2023, the overall implementation of the EU budget for the 2014-2020 period stood at 97% for CF and 90% for the ERDF. The speed of investment was influenced by the following factors:
  - the nature of cohesion policy investments, which have a long start-up phase (planning, programming, authorisations) without significant financial execution;
  - the regulatory provisions of the 2014-2020 period (e.g. the level of pre-financing, the *n + 3* decommitment rule), which did not provide incentives for a fast implementation in Member States.
– In addition to the CRII(+) measures, the Commission proposed additional financing under REACT-EU. Over 2021-2023, the original 2014-2020 EU financing was topped up with EUR 50.6 billion under REACT-EU to finance crisis repair measures. This contributes to a green, digital and resilient recovery of the economy by adding fresh additional resources to existing cohesion policy programmes.
– In 2023, the economic impact of the COVID-19 pandemic and the parallel implementation of other instruments (e.g. REACT-EU and the start of the 2021-2027 period) have continued to affect implementation. The addition of the REACT-EU resources during 2021 and 2022, in the ongoing 2014-2020 programmes, has had a dilution effect on the relative pace of financial implementation due to the increased total amount.
– The Russian aggression against Ukraine in 2022 has further affected the implementation of the programmes. Supported by the Commission, Member States have been adapting their programmes to adjust to the fast-changing environment and to tackle the emerging challenges. The Cohesion's Action for Refugees in Europe initiative (CARE) proposed by the Commission in March 2022 and adopted in April 2022, provided additional flexibility in cohesion policy funding to support Member States hosting people fleeing the war. The most common measures under CARE are the inclusion of war refugees in mainstream social integration programmes, provision of healthcare, food, basic assistance and guidance for the job market. Such measures often also include language courses, education, social services and childcare. Similar support will continue from the 2021-2027 programmes, which also encourage integration actions.

In addition, the Commission also contributed to tackle the ongoing energy crisis through the SAFE instrument (Supporting Affordable Energy). SAFE addresses the consequences of high energy prices. It allows further redirection of unspent funds so that they can be used to support SMEs and vulnerable households particularly affected by the high energy prices and to finance short-time work schemes to keep people in jobs. Since its entry into force on 28 February 2023, SAFE triggered the release of around EUR 4 billion of cohesion policy funds in 11 Member States.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Researchers working in improved research infrastructure facilities	0	69% Estimated: > 100%	105 327 in 2023	72 956 (estimated result: 125 133) compared to a target of 105 327	On track
Enterprises receiving support	0	> 100%	2.2 million in 2023	2.5 million (estimated result: 2.9 million) compared to a target of 2.2 million	Achieved
Additional employment (jobs created) in supported enterprises	0	98% Estimated: > 100%	376 537 in 2023	370 674 (estimated result: 533 463) compared to a target of 376 537	On track
Population covered by improved health services	0	75% Estimated: > 100%	91.9 million in 2023	68.5 million (estimated result: 140.7 million) compared to a target of 91.9 million	On track
Additional capacity of renewable energy production (ERDF + CF)	0	67% Estimated: > 100%	8 944 in 2023	6 012 (estimated result: 12 817) compared to a target of 8 944	On track
Population benefiting from forest fire protection measures (ERDF + CF)	0	62% Estimated: 88%	38.1 million in 2023	23.8 million (estimated result: 33.6 million) compared to a target of 38.1 million	Moderate progress
Households with an improved energy consumption classification (ERDF + CF)	0	90% Estimated: > 100%	626 249 in 2023	562 306 (estimated result: 772 716) compared to a target of 626 249	On track
Trans-European transport networks – total length of new and reconstructed railway lines (ERDF + CF)	0	46% Estimated: > 100%	3 236 in 2023	1 495 km (estimated result: 4 711) compared to a target of 3 236	On track

Total length of new or improved tram and metro lines (ERDF + CF)	0	47% Estimated: > 100%	543 in 2023	257 (estimated result: 625) compared to a target of 543	On track

(*) % of target achieved by the end of 2022.

Generally, the reported values show a strong upward trend in 2014-2020 implementation by the end of 2022 and a plausible relationship between the indicator targets and values from selected projects. This means that most indicator targets set for 2023 will likely be met, thanks to projects that are already in the pipeline.

Two indicators have already been achieved or are very close to the target, respectivley the one relating to the number of enterprises supported and the one relating to job creation.

Two indicators on which there was moderate progress are those linked to large infrastructure projects in trans-European transport networks and new or improved tram and metro lines. The implementation of the 2014-2020 period lasts until 2023, so the 2022 achievement values refer to the situation at the eight year of a 10-year implementation cycle. Experience from 2007-2013 shows that many infrastructure investments are fully implemented only by the end of the period.

Some large infrastructure projects normally take significant time to be finalised (such as building a new metro line), sometimes more than the duration of a funding cycle. In some sectors, public institutions are challenged to design and deliver complex projects. In these cases, managing authorities can phase certain large projects over two funding periods and adapt their targets accordingly, thus ensuring that they can be finalised successfully and that the objectives are met.

For some indicators with more important gaps between the decided and implemented values, the forecast indicator values from selected projects are close to or exceed the target values, raising the prospect that the targets could still be achieved. In many of these cases, the high level of project selection is expected to translate into achieved outputs only late in the period. This phenomenon of late achievement of indicator values was demonstrated by the previous programming period. The 2022 reporting exercise suggested that many of the 2023 targets for those indicators could still be achieved. The final data will only become available once the programmes are closed in 2025.

EU legislation allows for programme amendments during the implementation period. Target values are mainly driven by changes in national or regional needs, changing economic conditions, variability in demand for different supports and the reallocation of funding within and across themes.

In response to the COVID-19 pandemic, the EU has adopted the largest recovery package to date, to emerge more resilient from the crisis and to support Europe’s digital and green transformation, including the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU) as well as the Recovery and Resilience Facility, as the largest funding element under NextGenerationEU. In 2022, the second tranche of REACT-EU, worth EUR 11 billion, was made available. By the end of 2022, the full amount of EUR 50.6 billion had been programmed through the ERDF and the ESF. By the end of September 2023, EUR 26.2 billion had been paid out through the programmes.

Financing has gone to medical institutions, researchers, business owners, employees and vulnerable people, enabling the purchase of 3.7 billion items of personal protective equipment and around 12 500 ventilators, along with supporting more than 920 000 enterprises (this information is available on the COVID-19 dashboard on the Cohesion Open Data Platform).

As of September 2023, EUR 8.7 billion was allocated to green investments under REACT-EU (of which EUR 6.6 billion to climate actions) and EUR 3.1 billion to the digital economy; EUR 8.7 billion was allocated to enterprises and business support; EUR 8.8 billion to the health sector and EUR 12.7 billion to labour market measures.

The indicators used for the ERDF and CF performance assessment provide a subset of the indicators used by the programmes. For more in-depth information, the cohesion policy programmes report on their results through the Open Data Platform at https://cohesiondata.ec.europa.eu/.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	Yes	In Spain, EU funding has helped the Valencian Institute of Finance create a line of credit through which participative loans are offered to support the growth and development of start-ups in the Spanish autonomous community of Valencia. Priority is given to companies that demonstrate a high degree of innovation. One example of a company supported through loans is FoodRation4All, which is dedicated to actions with a social impact in the food sector. The company's main project is called 'Nadie sin su ración diaria' (No-one without their daily ration). It consists of an app that makes donations to food banks easier and thus supports the social inclusion of people who rely on them. Total amount planned for this SDG: EUR 25.2 billion
SDG2	No	
SDG3	Yes	The regional Italian ERDF-Sicily programme has contributed EUR 7.5 million to supporting the research infrastructure for the Mediterranean Institute for Transplantation and Advanced Specialised Therapies (ISMETT). A transplant centre of excellence and a reference hospital for the entire Mediterranean area, ISMETT is involved in important research projects to provide patients with the most advanced therapies for end-stage vital organ failure. Total amount planned for this SDG: EUR 24.5 billion
SDG4	Yes	The Pelgulinna state gymnasium in Tallinn was opened in September 2023. The building followed the principles of sustainable architecture (New European Bauhaus) and the main building material used was local wood. The school has a modern and innovative learning environment and has capacity for around 330 pupils. The ERDF provided EUR 28 million in funding (the total budget was EUR 33 million). Total amount planned for this SDG: EUR 37.2 billion

SDG5	Yes	An ERDF-funded project supported women in Northern Ireland and the Republic of Ireland’s border counties to address gender inequality by developing ideas, building communities and entering politics. The Next Chapter project set up 10 local hubs, or chapters, to tackle gender inequality and limited opportunities for minority communities. In total, around 400 women met on a monthly basis to influence social policy development and to work on community projects. Equality, cohesion and inclusivity are improving through their contribution in a region that has experienced conflict and is becoming ever more diverse thanks to immigration. No amount available as no mapping for SDG 5
SDG6	Yes	The DESAL+ project was implemented in the Canary Islands as well as in Madeira and the Azores islands. Its aim was to increase excellence in R&D in water desalination and in knowledge of the desalinated water-energy nexus. The ERDF co-financed the ERDF as part of the Interreg Madeira-Azores-Canary Islands Territorial Cooperation Programme. Total amount planned for this SDG: EUR 14.6 billion
SDG7	Yes	The biggest geothermal heating system in the EU was inaugurated in Szeged in southern Hungary in 2023. The EU has contributed with EUR 23 million to provide clean, renewable and affordable energy to over 28 000 households and over 400 public buildings in the area. This will reduce energy costs and the city’s greenhouse gas emissions by 60%. The fact that more than 25% of the EU’s population lives in areas with sufficient geothermal resource means that many other EU regions can use renewable energy to transition away from dependency on Russian gas. Total amount planned for this SDG: EUR 27.4 billion
SDG8	Yes	The ERDF has provided support to the CYENS Centre of Excellence in Nicosia. The Centre is an integrator of academic research and industrial innovation with the aim of promoting sustainable scientific, technological and economic growth. It facilitates the exploitation of research outcomes and supports innovative start-ups in fields such as interactive media, intelligent systems, emerging technologies (e.g. artificial intelligence and 5G) and art and technology. The Centre promotes measures that benefit both Greek and Turkish Cypriots. Total amount planned for this SDG: EUR 105.5 billion

SDG9	Yes	The renovated railway network in South Moravia was one of the biggest cohesion policy investments in Czechia. The renovation of this line also involved the acquisition of 37 new electric trains. It will contribute to the decongestion of traffic during peak hours in the busy South Moravian railway, which carries approximately 22 million passengers every year. This project benefited from EUR 223 million of cohesion policy funding (the total project budget was EUR 265 million).Total amount planned for this SDG: EUR 107.8 billion
SDG10	No	
SDG11	Yes	The previously abandoned Wintercircus in Ghent has been transformed into a hub for culture, entrepreneurship and innovation by an ERDF-funded project. With total floor space of over 6 000 m², it houses an underground concert hall with 500 seats and 4 300 m² of co-working and office facilities for creative and technology start-ups and scale-ups. The 1 200 m² former circus arena is the centrepiece of the structure, which also contains a cafe, a restaurant, a terrace bar and a shop. Total amount planned for this SDG: EUR 5.7 billion
SDG12	Yes	The Sustainable Bottom Line 2.0 project received EUR 1.8 million from the ERDF to help SMEs in the capital region of Denmark with green and circular business development. Around 100 enterprises received a circular potential assessment and around 80 enterprises developed green and circular business models that led to energy and resource efficiency, improved competitiveness and enhanced growth potential. This led to a reduction of almost 7 000 tonnes in greenhouse gas emissions (GHG), almost 100 000 gigajoules (GJ) reduction in energy consumption and a reduction of almost 2 000 tonnes in material consumption. Total amount planned for this SDG: EUR 6.5 billion
SDG13	Yes	The French Réunion Island has set up a system of vouchers to enable the setting-up of photovoltaic solar installations in private households connected to the public electricity distribution system. The ERDF contributed EUR 5.7 million to the implementation of this project (almost 85% of the project's total budget). The project is helping to reduce the carbon footprint and develop a local model of green electricity generation, and meets the needs of individuals, encouraging them to take an active role in Réunion's energy transition. Total amount planned for this SDG: EUR 7.2 billion
SDG14	No	

SDG15	Yes	Early detection of forest fires in the regions of Apulia in Italy and Epirus in Greece is now possible thanks to a network of cameras, sensors and weather stations. The ERDF-financed OFIDIA2 project is helping to save property and lives threatened by an increasing number of forest fires in the Mediterranean region’s hot and dry summer months. A network of high-definition cameras, sensors and weather stations connected to control rooms covers 100 hectares of forest in Apulia. In Greece, cameras, drones and two off-road vehicles watch over more than 15 000 km2 of forest in Epirus. Total amount planned for this SDG: EUR 7.3 billion
SDG16	No	
SDG17	No	

TURKISH CYPRIOT COMMUNITY

EU AID PROGRAMME FOR THE TURKISH CYPRIOT COMMUNITY

Programme in a nutshell

Concrete examples of achievements

263	2 966	2 150	104
kilometres of water supply distribution networks had been renovated by 2023.	Small and medium-sized enterprises, agricultural businesses and educational entities had received grants by 2023.	Turkish Cypriots had been given educational opportunities in Member States through EU scholarships by 2023.	Turkish Cypriot and bi-communal civil society organisations had received grants by 2023.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	241.0
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.0
Total budget 2021-2027	**241.0**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The programme aims to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community.

CHALLENGE

The application of the *acquis* is suspended in those areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control.

The programme aims to facilitate the reunification of Cyprus through socioeconomic and confidence-building measures. It supports economic integration, improved living standards and the preparation of the Turkish Cypriot community to introduce and implement the EU *acquis* in the eventual lifting of this suspension.

Due to legal and political difficulties in dealing with the *de facto* divided island, individual EU Member States can only provide very limited support to Turkish Cypriots, who are EU citizens. Hence the importance of EU action in this area. Consistent with the special circumstances on the ground, this assistance programme is of an exceptional, transitional and temporary nature. The programme can only be revised if reunification is achieved during the multiannual financial framework period. The appointment of the Personal Envoy of the UN Secretary-General on Cyprus in January 2024 brought a new momentum to the settlement process, however the practical implications of this development are still to be assessed in the upcoming period.

MISSION

The programme is the only EU fund for the Turkish Cypriots, who are EU citizens. Provision of any other assistance is challenging, due to the unique legal and political circumstances in the *de facto* divided island.

The programme supports reunification efforts and prepares the Turkish Cypriots for the lifting of the suspension of the application of the *acquis* in those areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control.

The EU contribution in supporting the political process, economic integration and improved living standards is vital, including the economic development of the Turkish Cypriot community in order to facilitate the reunification of Cyprus.

OBJECTIVES

The programme has the following specific objectives set out in the Council Regulation (EC) No 389/2006:

- developing and restructuring of infrastructure (objective 1);
- promoting social and economic development (objective 2);
- fostering reconciliation, confidence-building measures and support to civil society (objective 3);
- bringing the Turkish Cypriot community closer to the EU (objective 4);
- preparing the Turkish Cypriot community to introduce and implement the *acquis*, in view of lifting its suspension in accordance with Article 1 of Protocol No 10 to the act of accession (objectives 5 and 6).

ACTIONS

The actions implemented by the programme are directly linked to the six objectives. Below we provide a non-exhaustive list of examples.

The actions under objective 1 – 'developing and restructuring of infrastructure' include the 'Local Infrastructure Facility' implemented through indirect management by the United Nations Development Programme, activities under the action-heading 'Capacity-building for the environment' including supplies and services, and a flagship action related to the transition to digital broadcasting.

Objective 2 comprises of a multitude of actions promoting social and economic development, such as the pivotal package of support measures for Hellim/Halloumi cheese, actions aiming at improving the food safety standards, the 'Curriculum development in vocational education' project, as well as the economic monitoring studies implemented by the World Bank.

Under objective 3, the programme aims at fostering reconciliation, confidence-building measures and support to civil society through the support to the bi-communal Technical Committees, the Committee on Missing Persons, and the Committee on Cultural Heritage. In addition, the United World Colleges receive a grant for the Cyprus peace education programme. Under this objective, the Commission also manages calls for proposals to support civil society.

The actions related to objective 4 – 'Bringing the Turkish Cypriot community closer to the EU' include the EU Info-point project, the renowned EU Scholarship programme, managed by Goethe Institute, allowing Turkish Cypriots to receive university education or training in other EU Member States, as well as a scholarship programme for exceptional Turkish Cypriots to study at College of Europe.

Finally, support on the Technical Assistance and Information Exchange instrument is mobilised for the implementation of objectives 5/6: preparing the Turkish Cypriot community to introduce and implement the *acquis* and provides continuous support for trade across the Green Line. Support under the instrument also assists with the creation of relevant synergies with EU funded projects under the aid programme, thus maximising their practical impact for local beneficiaries in the Turkish Cypriot community.

All actions under the programme are for the benefit of the Turkish Cypriot community

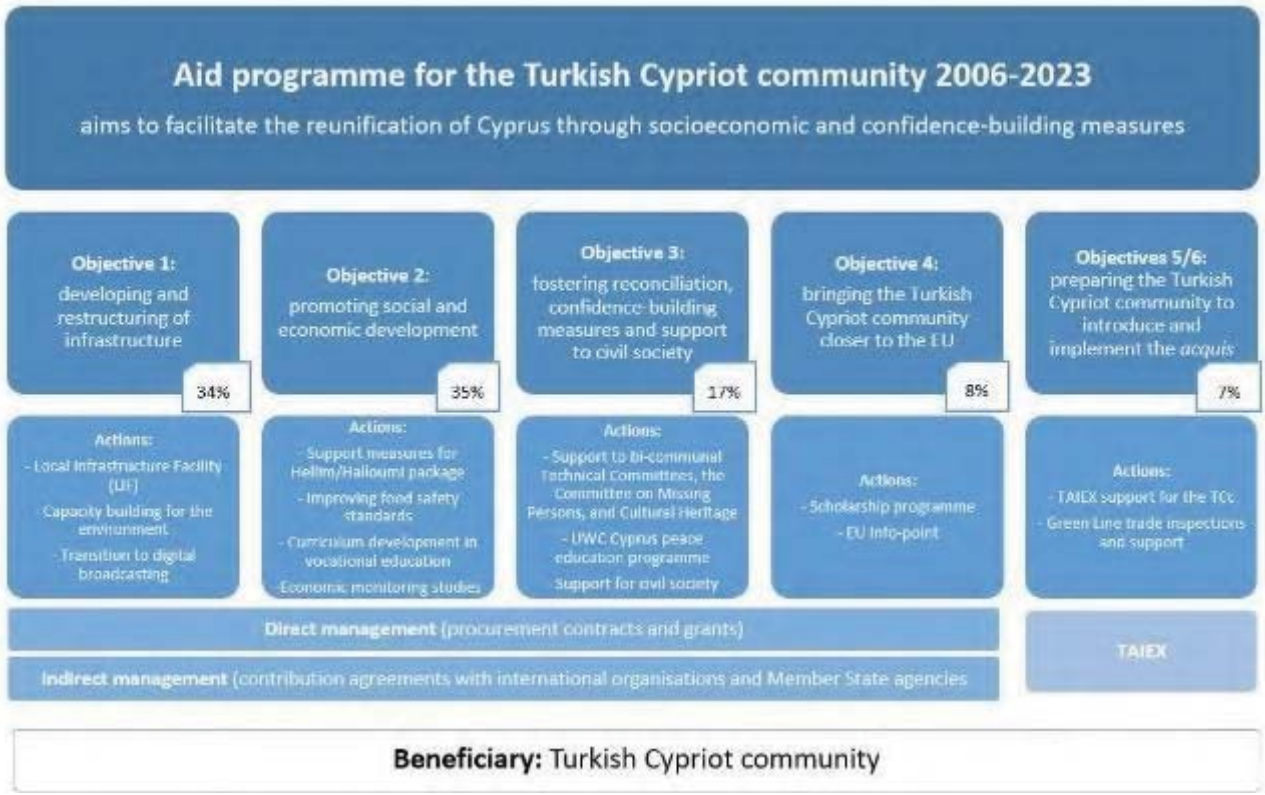
STRUCTURAL SET-UP OF THE PROGRAMME

The aid programme for the Turkish Cypriot community is implemented through direct management (procurement contracts and grants) and indirect management (contribution agreements with international organisations and Member State agencies). The actions contribute to the six objectives set out in Council Regulation (EC) No 389/2006, which forms the legal base for the programme.

DG Structural Reform Support is in the lead for the programme implementation. Objectives 1, 2, 3 and 4, related to the socio-economic development of the Turkish Cypriot community and confidence-building measures, are implemented through a mix of service contracts, supply contracts, grants and contribution agreements. Objectives 5 and 6 of the aid programme are implemented through the Technical Assistance and Information Exchange instrument. While the operational aspects of the latter are managed within DG Structural Reform Support, the financial and logistical arrangements are managed by DG Neighbourhood and Enlargement Negotiations via a service-level agreement.

Amidst major difficulties due to the unique diplomatic, legal and political context, the programme remains ready to accommodate developments in the settlement process and to finance confidence-building measures resulting from this process.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The programme is based on Council Regulation (EC) No 389/2006, the objectives of which remain unchanged.

FURTHER INFORMATION

– Programme website:
  - Turkish Cypriot community.
– Impact assessment: N/A.
– Relevant regulation:
  - Council Regulation (EC) No 389/2006 (aid regulation);
  - Council Regulation (EC) No 866/2004 (Green Line regulation).

Relevant reports:

Annual report for 2022 on the implementation of the aid regulation for the Turkish Cypriot community.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	32.0	34.3	33.6	34.3	35.0	35.7	36.2	241.0
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**32.0**	**34.3**	**33.6**	**34.3**	**35.0**	**35.7**	**36.2**	**241.0**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 48.0 million (+ 25%)

compared to the legal basis (*).

(*) Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	99.8	241.0	41.4%
Payments	25.8		10.7%

Voted budget implementation (million EUR) ([1]):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	32.0	32.0	3.9	4.9
2022	34.2	34.3	6.8	6.9
2023	33.6	33.6	14.4	11.9

([1]) Voted appropriations (C1) only.

– The assistance programme is of an exceptional, transitional and temporary nature, aiming to facilitate the reunification of Cyprus. The aid regulation reflects this particularity: it was adopted in 2006 and remains in force until a comprehensive settlement of the Cyprus problem has been achieved.

– The programming of financial assistance under the Aid programme is based on a number of established criteria such as project maturity, policy relevance and track record of past implementation. The underlying aim is to bring more tangible and visible impact in the priority areas through an annual programming that results in a streamlined and compact set of actions. It also helps ensure that projects selected for funding are in line with the Commission's priorities and that they are successfully tendered, implemented and maintained.

– Under the programming approach, the beneficiary is involved at an early stage, which includes the submission of 1-page project outlines and a series of direct exchanges with the beneficiary community. Continuing efforts are being made to instil more ownership in the process from the beneficiary coordinating body, the EU coordination centre, which has taken a more active role in prioritisation and self-assessment of projects.

– The 2021-2027 multiannual financial framework sets the funding at EUR 241 million. The 2023 annual action programme was adopted on 12 September 2023 and the Commission has already contracted over EUR 7.5 million out of the total envelope of EUR 31.7 million ([61]). This shows very positive progress, provided the $n + 3$ principle which means that the funds for the annual programme should be committed within 3 years following the date of validation of the budgetary commitment. The commitments signed in the calendar year 2023 across active annual programmes were over EUR 35 million, exceeding the set target.

– The programme's context often hinders proper implementation due to the difficult political and social situation on the ground. Throughout the previous multiannual financial framework, successful strategies were developed to address this issue, which helps with more effective implementation during the 2021-2027 multiannual financial framework

([61]) As of 9 February 2023.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	0.0	0.7	0.0					0.7	0%
Biodiversity mainstreaming	0.0	0.0	1.7					1.7	1%
Clean air	0.4	0.4	0.0					0.8	0%

The aid programme, governed by Council Regulation (EC) No 389/2006, is strictly related to the reunification of Cyprus and operates in relation to six fixed objectives. Green priorities are not covered by these objectives and the legal basis does not have green-specific indicators. The programme does not operate on the basis of multiannual programmes due to its temporary nature; the programmes are annual. Therefore, the programme does not have a logframe with the indicators enumerated above for the multiannual financial framework.

Even so, the programme has contributed to green priorities through the following initiatives, which were mainly committed during the 2014-2020 multiannual financial framework and implemented up to 2023.

– The installation of 13.5 kilometres of sewage networks in Nicosia to replace septic tanks that often leaked and contaminated groundwater.

– The replacement of 45 kilometres of sewage networks in Famagusta to correct all the defects in the system that led to the city being plagued with foul smells for years, thus preventing contamination of groundwater and of the wetlands surrounding the city;

– The extension of the Morphou wastewater treatment plant to meet needs beyond 2030, when the estimated population would reach 28 000 people.

– The provision of 10 air quality monitoring network stations, which form an integrated network measuring air quality across the Turkish Cypriot community, with the aim of monitoring air pollution and taking measures to improve air quality. Based on the results, measures were taken to reduce sulphur levels near two oil-fired power plants and dust from construction works. Water sampling equipment was also provided.

– The rehabilitation of the Koukla water reservoir and wetlands was completed in 2023. This will increase the water supply for irrigation and better protect the natural environment and biodiversity;.

– The Koutsoventis/Güngör landfill – the only sanitary landfill in the Turkish Cypriot community – was expanded with the completion of the second waste disposal cell and the establishment of a gas collection system with energy recovery and a leachate treatment facility. These facilities are still very poorly managed and operated by the Turkish Cypriot community, resulting in damage to the assets, but remedial actions are underway.

– The Lapithos/Lapta composting facility , the first in the Turkish Cypriot community, was completed. It aims to compost green waste.

The Agios Epiktitos/Çatalköy transfer station for municipal solid waste was completed, serving local communities in the area.

Various actions promoted the use of renewable energy, including the introduction of energy-efficiency measures in Lefka/Lefke and in Kyrenia, both designed in 2023 and partially contracted.

Finally, a pre-feasibility study for the development of a bi-communal solar power plant was completed.

– Grants were made to civil-society organisations, including the following.

    • 'Sustainable Vasileia/Karșiyaka' is a project that started in 2021 and aims to contribute to the socioeconomic development of Vasileia/Karșiyaka by achieving zero-waste carbon neutrality by 2030 through increased lobbying and advocacy to persuade the local community to modify their garbage collection practices and a policy to accommodate a recycling programme for Vasileia/Karșiyaka; the reduction of solid waste from Vasileia/Karșiyaka village by 50% within 2 years while reducing municipal costs and generating income from recycling practices; and the integration of an environmental education programme with a focus on climate change and recycling at the village school.

    • 'Environmental education: a path to sustainable development' is an ongoing project that started in 2021 and aims to improve the environmental literacy level of students and teachers in the Famagusta region by contributing to their environmental education. This includes creating and piloting sustainable environmental education models and mechanisms and increasing the number of volunteers and individuals engaged in environmental activism in the Famagusta region.

    'Impact of terrestrial-used pesticides on the marine environment' is an ongoing project that started in 2023 and aims to reduce the use of pesticides by improving knowledge of pesticide pollution in the Cyprus marine environment, strengthening the regulatory framework and improving public perceptions and attitudes.

– The 'Capacity-building on environment' project was contracted in 2023 with a budget of almost EUR 1.5 million. It aims to improve and strengthen the capacity of the Turkish Cypriot community to manage environmental projects throughout their life cycle, with the purpose of protecting the environment and building a green economy. Similarly, the 'Capacity-building on air quality' project, contracted in January 2023, aims to improve and strengthen the capacity of the Turkish Cypriot community to manage and monitor air quality in accordance with EU standards.

The aid programme for the Turkish Cypriot community has as its first objective the development and restructuring of infrastructure, in particular in the areas of energy and transport, the environment, telecommunications and water supply. This means that the infrastructure investments of the aid programme are limited to those sectors, which is due in part to political sensitivities around the Cyprus question. The development and restructuring of infrastructure has been the major component of the aid programme, with a third of total resources allocated to this objective in the instrument's lifetime.

The most visible projects that the Commission has funded in the Turkish Cypriot community are the wastewater treatment plants in Nicosia, Famagusta and Morphou, along with the sewerage network in Famagusta and the various phases of the landfill in Koutsoventis/Güngör. One important aspect of these investments is the production of studies and the provision of capacity-building services to local stakeholders.

The investments that have been made by the European Commission since the establishment of the taxonomy, which are aligned with the specific objectives of Regulation (EC) No 389/2006, are listed in the table below (for 2022 and 2023).

Climate change mitigation	EUR 857 855.00
Climate change adaptation	EUR 0.00
Sustainable use and protection of water and marine resources	EUR 461 800.00
Transition to a circular economy	EUR 241 300.40
Pollution prevention and control	EUR 1 690 601.80
Protection of biodiversity and ecosystems	EUR 627 700.00

The amounts in the table above come from different apportionment levels to the specific objectives of the total investment values. The apportionment factors for these projects were assigned when projects make a substantial contribution to the specific objectives, do not harm others and comply with the minimum safeguards and technical criteria.

The projects funded in 2022 were the establishment of a capacity-building programme on the environment and air quality, environmental inspection and monitoring supplies, the production of a geochemical agent map in the western part of Cyprus and measures to increase energy efficiency in local communities. In 2023 an additional investment was made to bolster local energy-efficiency strategies and energy communities. In total, five projects were screened for the 2022 programme and two projects for the 2023 programme.

The principles established in the taxonomy are taken into account at the following stages in the project management cycle.

1. At the time of programming and drafting for the financing decision.
2. At the time of commitment (when certain amendments are inevitable, or more specificity is needed in terms of objective and targets).
3. When catering for all reporting needs (before, during and after project implementation).

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2				
1	0.5	0.3	0.3	1.1
0*	31.5	34.0	33.3	98.8
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender-disaggregated information.

- In view of the nature and specifics of the aid programme, along with the envisaged outcomes and overall scope of EU assistance provided in the context of Cyprus settlement process, the projects do not target gender-specific indicators, thus it is not feasible to provide gender-disaggregated data.

The aid programme, governed by Council Regulation (EC) No 389/2006, is strictly related to the reunification of Cyprus and operates in relation to six fixed objectives. Gender priorities are not covered by the objectives and the legal basis does not have gender-specific indicators. The programme does not operate on the basis of multiannual programmes due to its temporary nature; the programmes are annual. Therefore, the programme does not have a logframe with the indicators enumerated above for the multiannual financial framework.

However, the programme contributes to gender equality in the following ways:

– promoting the inclusion of women in social and economic life;

– promoting EU values and inclusiveness, particularly in schools;

– promoting the sustainable development goals;

– supporting the development of rural/remote areas;

– supporting the drafting of legal texts on equality issues (lesbian, gay, bisexual, transgender and intersex issues, anti-trafficking, domestic violence, patients' rights);

– providing direct support (via grants) to civil-society organisations addressing equality issues (including women, young people, older people, people with disabilities, lesbian, gay, bisexual, transgender and intersex people, vulnerable groups);

– promoting gender equality education, prevention of domestic violence and sexual health education in schools.

Gender equality is considered for aid programme interventions, particularly for the civil-society projects, which include a number of specific actions to achieve this goal and various activities where this fundamental human right is mainstreamed. Some examples are as follows: 'Equal rights for all: improving employee rights', where the capacity-building activities and assistance also focus on women's associations and female employees; the Human Rights Platform, focusing on several thematic areas that also have a gender equality dimension, such as anti-human trafficking, refugee rights and LGBTI+ rights; and 'Girl scouts leading the future', which focuses on women's personal development. With the project 'Girl scouts leading the future', implemented between October 2021 and October 2023, 177 women were involved in community activities and 47 trained during the leadership programme.

Furthermore, civil-society grants signed in 2023 cover two grants with a particular focus on gender equality: 'Partnership for improving women's access to productive resources' and 'Increasing women economic inclusion and women economic partnership across the Green Line', pursuing the economic empowerment of women.

Despite these undertakings, because of the mandate and the nature of the aid programme, the short- and medium-term impact of these projects in producing positive and irreversible structural changes at the societal level is not measured. Therefore, the score for the programme would be 0*.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	1.0	2.9	0.0	3.9	4%

The aid programme, governed by Council Regulation (EC) No 389/2006, is strictly related to the reunification of Cyprus and operates in relation to six fixed objectives. Digital priorities are not covered by the objectives and the legal basis does not have digital-specific indicators. The programme does not operate on the basis of multiannual programmes due to its temporary nature; the programmes are annual. Therefore, the programme does not have a logframe with the indicators enumerated above for the multiannual financial framework.

Even so, the programme contributes to digital transition through the following projects.

– The Commission is funding the digitisation and online accessibility of the cultural heritage of Cyprus within the framework of 'Support to cultural heritage monuments of great importance for Cyprus', a project implemented by the United Nations Development Programme. This includes a three-dimensional point cloud, 360° virtual tours, a multiplayer game, virtual tours of the Othello Tower and virtual tours of a further 15 sites. An online platform has been developed to host this work, which is publicly accessible at www.cyprusdigitalheritage.org. The total value of this digital work is EUR 174 232. An additional nine virtual tours and three-dimensional reconstructions of cultural sites are planned to be completed by May 2024.

– Information technology infrastructure for the Statistics Institute in the Turkish Cypriot community (a supply contract for EUR 552 056.00 coupled with a service contract for technical assistance amounting to EUR 299 579, signed in 2021). This investment by the EU in building the information technology infrastructure of the Statistics Institute included supplying the required computing and server infrastructure, including 31 personal computers, 31 monitors, specialised software, firewalls, cables, printers, cabinets and switches. To complement this infrastructure support, the technical assistance aimed to develop an information technology system and, through this, to improve the management, coordination and systematic digital transmission of administrative data to be used for statistical purposes.

– Transition to digital broadcasting and freeing the 700 megahertz frequency band in Cyprus – technical assistance of EUR 207 740 to facilitate the transition and a supply contract for EUR 2 383 878.91 (signed in 2022). The project upgraded the digital terrestrial television infrastructure of the main public television channel in the Turkish Cypriot community. This included the procurement and installation of television transmission and broadcasting supplies. The project contributed to the increased digitalisation of television in the Turkish Cypriot community, bringing improvements in the efficient use of the bandwidth, the quality of the image and audio, capacity for more channels and compatibility with computers and the internet, among other things.

– Technical assistance for deploying an island-wide animal identification and registration database in Cyprus (EUR 186 400.00) signed in 2022. The objective of this contract is to provide the European Commission with assistance in the preparation of tender documents to procure the necessary supplies and ancillary services that will allow the deployment of an animal identification and registration system that is compatible across communities.

– The EU innovative entrepreneurship project, funded from the 2017-2020 annual programmes, contributed to the digital transition by promoting the use of digital technology at the level of individual companies and entrepreneurs, institutional stakeholders and secondary school students. A total of 111

training activities focusing on digital marketing, the use of state-of-the art software and website development were carried out at the level of individual companies. Additionally, the EU funded the development of a comprehensive digital member management system for business-support organisations. Lastly, secondary school students were targeted with an education initiative (EU CodeWeek) to teach them coding skills and encourage their use in practice in their own projects (i.e. developing a digital application). A total of 370 students were trained by the end of 2023. The digital transition was further supported by the Into Digital Forum in May 2023, which brought together a total of 333 attendees, 20 booth exhibitors and 18 speakers (businesses, industry experts and civil-society organisations) to share companies' success stories on the latest trends in digital transformation.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target	Results	Assessment
Cross-Green Line trade volume in process of progressive increase	0	**33% (**)**	EUR 9.0 million in 2029	Milestones achieved in 2021, 2022 and 2023	On track
Number of civil-society organisations having received EU support in the form of a grant	0	**58% (*)**	52 in 2029	30 organisations compared to a target of 52	On track
Number of individuals having benefited from a scholarship	0	**33% (**)**	145 annually from 2027	Milestones achieved in 2021, 2022 and 2023	On track

(*) % of target achieved by the end of 2023.

(**) % of years for which the milestone or target has been achieved during the 2021-2029 period.

– The aid programme is implemented in a territory whose existence is not recognised internationally (with the exception of Türkiye) and whose 'institutions' should therefore not be strengthened. This means that the Commission is operating with perennially weak partners, and this negatively affects the efficiency and effectiveness of its intervention.

– The paradox is that such 'institutions' often have an important role in implementing the policies required for closer integration with the EU *acquis*, particularly in areas such as animal health and food safety. This unique situation has a certain number of consequences when it comes to programme implementation, including the following.

    • Property rights have to be respected when it comes to works contracts. This limits the scope of our intervention in terms of geographic areas. In addition, the procedure for property clearance (via the Ministry of Foreign Affairs of Cyprus) is long and cumbersome, and is delaying the implementation of our works contracts.

    • For almost 10 years, the EU has supported the Turkish Cypriot community with a number of projects relating to improving solid waste management, with an overall investment amount exceeding EUR 30 million. However, major problems remain. The sector is poorly managed and is still not socially, financially and environmentally sustainable. Accordingly, the Commission is conducting an overall independent and critical assessment of the past performance of all EU-funded interventions in the waste sector in the Turkish Cypriot community. Depending on the results of this evaluation, the Commission may decide to adopt a more conservative approach with regard to financing future interventions in the field of waste.

    • In the animal health and food safety policy area, progress in the practical implementation of EU standards relies on the prior enforcement of relevant legal texts. These, however, are not prioritised in the adoption plan of legal texts by the Turkish Cypriot community, hindering progress and resulting in long delays. Via relevant support tools, including expertise in the Technical Assistance and Information Exchange instrument, significant assistance has been provided to local bodies in the Turkish Cypriot community in this respect.

– In an attempt to overcome the challenges explained above, the programme choices reflect a renewed approach to ensuring a more tangible and visible impact in the priority areas. The overarching aim is that the proposals that are presented follow a strategic approach based on the key programming principles. The programming discussions for the 2024 aid programme have shown the effectiveness of this approach, being more targeted and tailored towards addressing the priority needs of the community.

– The modifications will address an improvement in political priority and ownership, finalising projects (i.e. project maturity) through good track records on implementation, and sequencing and streamlining the project pipeline appropriately.

– Since the first projects under the 2021-2027 multiannual financial framework for the programme began to be implemented only in 2022, it is too early to make a meaningful performance assessment. The majority of funds committed from the 2021-2022 annual programmes were allocated for the continuation of projects where a positive impact has been established. The Commission's staff working document on the results of the evaluation of the aid programme was published in 2022 ([62]). This evaluation provided an independent assessment and evidence of the progress made during 2013-2018 towards the objectives set out in the underlying aid regulation (Council Regulation (EC) No 389/2006). The evaluation concluded that the aid programme is

([62]) Commission staff working document – Evaluation of the aid programme for the Turkish Cypriot community (2013-2018).

highly relevant and that overall, given the specific circumstances of the Turkish Cypriot community context, it is a successful initiative and of high added value.

– The key monitoring indicators have been amended for the 2021-2027 period to better target the achievements of the programme, notably in order to render them as tangible and concrete as possible.

Key performance indicators

– The programme is on track in all areas of intervention. However, its ultimate success will depend on the will of both communities in the Cyprus dispute to arrive at a settlement. This is an essential condition for success. The programme assumes that such a willingness to arrive at a solution exists and is building the capacity of the Turkish Cypriot community to integrate in a bi-communal and bi-zonal federation, with the adoption of the EU *acquis*.

– As a particular achievement, the programme succeeded in its efforts to register 'Χαλλούμι (Halloumi)/Hellim' as a product of protected designation of origin (PDO) and laying down the conditions for the movement of this product over the Green Line through two measures adopted in April 2021. Considering that the *acquis* is suspended in the Turkish Cypriot community, the assistance is being directed through a comprehensive package of various interventions supporting the setting up and functioning of the food safety system in the Turkish Cypriot community. It includes, among other items:

    - technical assistance to Turkish Cypriot community local bodies to set up and improve food-safety-related standards implementation, with its focus on the dairy sector and milk quality, especially regarding hygiene;
    - technical assistance and supplies to enable the control of animal diseases, including the eradication activities and provision of veterinary medicinal products approved by the European Medicines Agency;
    - grant support for farmers and food business operators in upgrading their production practices to meet EU standards;
    - expert assistance in drafting local legal texts in accordance with EU legislation;
    - supplies and technical assistance for setting up / upgrading laboratory capacity and an animal identification and registration system.

– Within this context, dedicated technical experts supported farmers, food business operators and local bodies in charge of controls throughout the food production chain to help them meet the requirements of the PDO scheme.

– As a result, in March 2023, the first Halloumi/Hellim produced in the Turkish Cypriot community was certified as PDO compliant. By the end of 2023, three Halloumi/Hellim cheese producers and 15 farms in the Turkish Cypriot community had respectively been certified and attested under the PDO scheme. Targeted support will continue to help Turkish Cypriots in the implementation of upgrades to meet EU sanitary and phytosanitary standards in the food production value chain and in animal health, including with a view to enabling the Green Line trade of PDO-compliant Turkish Cypriot community-produced Halloumi/Hellim. The implementation of the PDO scheme continued to be accompanied by meetings of the bi-communal EU Informal Working Group on Halloumi/Hellim, which held four meetings in 2023.

– The Commission's financial support for the implementation of the Halloumi/Hellim package in the Turkish Cypriot community entails an allocation of up to EUR 40 million over the 2021-2024 financial years, with EUR 7.5 million already allocated under the 2021 programme, EUR 7.7 million under the 2022 programme and EUR 10 million under the 2023 programme. This funding is on top of the EUR 35 million spent by 2020 to improve food safety and animal health in the dairy sector, including by ameliorating milk quality and milk collection, registering all farmed

ruminants (mainly cattle, sheep and goats), eradicating animal diseases, strengthening the veterinary service, setting up a laboratory, improving farming operations and adapting legal texts to comply with the relevant EU *acquis* and standards.

– The Halloumi/Hellim package is a confidence-building measure that requires a massive technical upgrade of the Turkish Cypriot community animal health and food safety capacity, from legal texts, to animal testing and sampling, to inspections and the implementation of standards at farms and the food business operator level. The end target of the confidence-building measure is access (and continued access) by Turkish Cypriot Hellim producers to EU market, which has not been yet achieved. The scope is first to create a system whereby access is possible and, once available, to assess how to maintain the system without the implementation of key tasks by the Commission. The aid programme is about bringing the communities together, thus specifically for the Halloumi)/Hellim package this is a continuous process that includes evolving elements, due in part to the sensitive political climate.

– For objective 1, 'Developing and restructuring of infrastructure', 263 kilometres of new water supply networks have been financed through the programme, providing high-quality drinking water without traces of rust or asbestos fibres, and 125 kilometres of sewerage pipes were laid to replace septic tanks that often leaked and contaminated groundwater. The new 52-kilometre sewage network in Morphou has protected a large groundwater reserve that serves most of the Cypriot population. Three wastewater treatment plants were constructed at a cost of almost EUR 20 million for Nicosia, Famagusta and Morphou, and the remedial works for the Famagusta sewerage network have been finalised. The replacement of the 45-kilometre sewage network in Famagusta has helped correct all the defects in the system, which had led to the city being plagued with foul smells for years, thereby preventing contamination of groundwater and of the wetlands surrounding the city. Ten air quality monitoring network stations were provided, which form an integrated network measuring air quality across the Turkish Cypriot community. A shelter for survivors of domestic violence was constructed in Nicosia and handed over in 2022, providing a safe space for up to 12 women and their children. A community centre worth EUR 1 million was constructed in the Maronite village of Kormakitis to serve as a multicultural event venue for all Cypriot communities. Opened in March 2023, it hosts educational and youth activities, conferences, meetings and cultural events. The centre offers basic accommodation facilities and catering for around 70 people.

Furthermore, a pre-feasibility study for a bi-communal solar power plant in the buffer zone was near delivery by the end of 2023.

As part of objective 2, 'Promoting social and economic development', the programme assisted the Turkish Cypriot community in implementing upgrades to meet EU standards in the areas of food safety and animal health, and in the prevention, detection and elimination of animal diseases. The prevalence of brucellosis among cattle, sheep and goats reduced through animal disease eradication projects from over 10% in 2016 to below 1% in the 2023 testing campaign. Tuberculosis and foot-and-mouth disease have already been eradicated. The Turkish Cypriot community is supported in its activities relating to the prevention, monitoring, reporting and eradication of animal diseases under the aid programme. Given its economic importance, support for the Turkish Cypriot community agricultural sector continued with the implementation of farm advisory services targeting farmers and farmer organisations. Also, 53 rural development grants were successfully finalised, producing visible results in modernising agricultural practices. Technical assistance in the form of tailored advisory services and training has been granted to farmers and rural people, resulting in the development of a robust network of committed stakeholders, an overall improvement in agricultural practices and the greater awareness of the challenges faced by the sector both locally and globally. More than 350 people received vocational education and training on issues ranging from farm management and organic agriculture to dairy cattle and beekeeping practices, among other areas. Support has been mobilised under the Technical Assistance and Information Exchange instrument to adapt legal texts in line with EU

standards. This combination of financial, technical and regulatory support has helped create a support network for the sector, which results in improved living conditions for a specific rural population.

– The Commission continued to implement economic support packages for small and medium-sized enterprises. Grants worth EUR 10 million were disbursed during 2020-2022 to help 2 400 businesses cope with the economic repercussions of the COVID-19 crisis. This includes 2 300 micro and small businesses – from cafes and hairdressers to small and medium-sized enterprises active in business-to-business services, manufacturing and industry – which received grants of EUR 1 500–2 000 to stay afloat. In addition, nearly 100 businesses received grants, resulting in the creation of more than 200 new jobs, the introduction of EU quality standards and support for the digital transformation. The EU into business programme reached more than 1 150 entrepreneurs, culminating in the creation of 36 new businesses. The EU Incubator Hive was launched, driving high-value start-ups.

– Overall, EUR 55 million has been invested since 2006 to support small and medium-sized enterprises, which dominate the Turkish Cypriot economy. More than 160 grants worth EUR 18 million have been disbursed since 2008 to small and medium-sized enterprises and start-ups to support innovation and competitiveness, the green and digital transitions and compliance with EU standards, with recent grants amounting to an average of EUR 185 000.

– Under objective 3, 'Fostering reconciliation, confidence-building measures and support to civil society', more than 150 cultural heritage sites have been conserved, structurally supported, physically protected or restored across the island with EU funding. The programme supports strengthening civil society as a key factor in developing a culture of dialogue, participation in community life and promotion of the values of tolerance, peace and active citizenship – along with reconciliation, a closer relationship and trust between the Turkish Cypriot and Greek Cypriot communities. Close to EUR 38.5 million was provided during 2006-2023 to the bi-communal Committee on Missing Persons and more than EUR 27.5 million in support was given in 2011-2023 to the bi-communal Technical Committee on Cultural Heritage (representing around 80% of its budget).

– Under objective 4, the programme supported a significant number of researchers and students with grants and scholarships to attend universities in EU Member States, and the second Turkish Cypriot with an EU scholarship was admitted to the College of Europe in 2022/2023. By the end of 2023, more than 2 150 scholarships for Turkish Cypriots had been financed to the amount of over EUR 38 million, allowing them to study at university or do an internship in a Member State. Alumni Connect Digital, an online platform, was also launched for the enhanced engagement of scholarship alumni. The EU scholarship programme for Cypriot youth with the United World Colleges was launched in 2019. It has so far provided 46 young Turkish Cypriots and Greek Cypriots with scholarships to complete a 2-year International Baccalaureate course at one of the United World Colleges, which aim to unite people for peace and a sustainable future. More than 210 other young Turkish Cypriots and Greek Cypriots have participated in online and residential United World Colleges courses, youth engagement activities and short courses in Cyprus aimed at developing leadership and interpersonal skills. To date, the United World Colleges programme for young Cypriots has reached over 1 000 young Cypriot and international people, along with an extended community of parents, educators and other collaborators on the island.

– Under objectives 5 and 6, the Technical Assistance and Information Exchange instrument continues to provide an important contribution to the aid programme, with more than 250 experts from Member States mobilised to support Turkish Cypriot beneficiaries in drafting legal texts in line with EU standards, provide assessments and produce studies, raise awareness about the EU *acquis* and steer the organisation of study visits for Turkish Cypriots to Member States. This support was provided through a combination of online and on-site missions and study visits

across 12 thematic areas or sectors of the EU *acquis*, to facilitate the reunification of Cyprus. The EU also provided assistance for the short-term needs of the beneficiaries to address requirements in various sectors (health, free movement of goods, energy, etc). Experts in the Technical Assistance and Information Exchange instrument have a crucial role in Green Line trade, as they certify products from the Turkish Cypriot community intended to be traded across the Green Line and ensure they are in line with EU standards.

– In 2023, the value of Green Line trade amounted to EUR 16 million, up from EUR 14.6 million the previous year. In addition to the six types of processed foods of non-animal origin that were permitted for Green Line trade for the first time in 2022 (namely olive oil, tahini, halva, carob syrup, jams and fruit juice), materials that come in contact with food and two new processed food products of non-animal origin were admitted for trade, namely table olives and various fruit juices. Experts in the Technical Assistance and Information Exchange instrument continued to ensure that EU standards for the traded food products were met, including by providing phytosanitary inspections and certificates for all traded fruits and vegetables. As a result, there was a high level of interest in the business community in support to increase compliance with EU standards. To further facilitate Green Line trade, DG Structural Reform Support launched the EU One-Stop Shop, which provides knowledge, support and networking opportunities to businesses and traders interested or engaged in such trade.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	No	

SDG2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Yes	Through objective 2 of the aid programme, technical assistance projects of total value of EUR 29.5 million supported between 2021 and 2023: - animal disease eradication (animal testing and sampling through mobilised private veterinarians); - animal identification and registration (preparation of technical specifications for AIR database); - veterinary services (to improve prevention, surveillance, control and eradication of animal diseases); - food safety (upgrading food safety standards); - farm advisory services (preparing and implementation of a farm advisory services strategy and increasing local capacity for the provision of advice for farmers); - more efficient agricultural production via supplies in view of supporting the quality of seedlings and plant breeding materials. The support has had a positive impact on food safety and public health; it has reduced animal diseases prevalence and improved the quality of dairy farms. In addition, grants to farmers amounting to EUR 13.6 million contributed to introducing new technologies in farm management and improving farm hygiene and animal welfare. The Commission has also played a crucial role in facilitating trade of fresh fish, fruits, and vegetables, notably potatoes, tomatoes, strawberries, kolokasi, watermelon, citrus fruits and other crops between the Greek Cypriot and Turkish Cypriot communities, through Green Line trade. Since 2022 the Commission has been implementing a pilot scheme to inspect food business operators producing processed food products and food contact materials against hazard analysis and critical control point (hygiene standards and traceability) and EU rules**.** If the product is admitted, the compliant companies can trade across the Green Line. Besides facilitating Green Line trade, this measure is also supporting food safety standards in the local market in the Turkish Cypriot community as the companies are improving their practices, based on the experts' feedback, in line with EU rules. Since 2022, 10 expert missions have been conducted and there are 5 olive oil producers, 1 tahini producer and 2 food contact material producers who are compliant and eligible for Green Line trade. There are also three companies producing beer, coffee and table water which are compliant, however, not yet admitted for Green Line trade. All inspected and re-inspected companies (including the non-compliant ones) have made major improvements regarding the food safety standards of their products, thanks to the experts' feedback and advice.

SDG3 Ensure healthy lives and promote well-being for all at all ages	Yes	A series of grants promoting health and well-being funded under the aid programme were completed, including: - 'The elderly rights movement' (EU budget EUR 59 983.24) which prepared a new legal text on nursing homes, delivered specialised training to their staff to improve their care services, carried out an awareness-raising campaign, advocacy, and fund-raising activities. - 'Think positive' (EU budget EUR 56 893.84) which prepared a legal text on abolishing discrimination based on HIV/AIDS status, advocated for the creation of an anonymous test centre in Famagusta hospital and obtaining the relevant medication for distribution, and delivered trainings to persons infected with HIV/AIDS. - Currently there are also on-going grants to promote patient rights, health and wellness of children, empower people with disabilities, research on dysmenorrhea effect on women's quality of life in Cyprus. A series of activities funded under the Technical Assistance and Information Exchange instrument were organised to continue the support in the area of Communicable Diseases, whose outcomes included: - The Turkish Cypriot community is better protected against any possible outbreak, similar to Covid-19. - Experts presented the EC Council Recommendations for combating antimicrobial resistance, shared EU recommendations for the surveillance of respiratory infections, introduced a basic protocol for the surveillance of acute respiratory infection (ARI) and severe acute respiratory infection (SARI), and brought primary and secondary legal texts in line with EU regulations. - Recently, support on tobacco and non-communicable diseases started, bringing their legal text and implementation in line with EU regulations.
SDG4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Yes	The aid programme has provided support for curriculum reform, continuous professional development of teachers and for the modernisation of vocational education and training, as well as improved labour market practices. It has also provided equipment for schools, including science laboratories and a mobile laboratory in the form of a science lab bus. In addition, since 2007, the aid programme has provided more than 2150 scholarships (with a total investment of EUR 38 million) for scholars to study, train, and intern in EU Member States through the EU Scholarship programme for the Turkish Cypriot community. Educational opportunities also include the bi-communal EU scholarship programme for the Cypriot youth to study at UWC at high school level. This programme started in 2019 and 46 young Cypriots have been awarded this scholarship, with a total investment of EUR 5.3 million.

SDG5 Achieve gender equality and empower all women and girls	Yes	All the actions that the technical assistance for civil society (Civic Space) supports, including via its active citizenship component, promote gender equality and encourage gender mainstreaming. The project ‘Girl scouts leading the future’ implemented between October 2021-October 2023 focused on increasing the number of women in leadership roles, with 177 of women involved in community activities and 47 trained during the leadership programme. Furthermore, there are two on-going grant projects (signed in 2023), with a particular focus on gender equality; ‘Partnership for Improving Women’s Access to Productive Resources’ and ‘Increasing women economic inclusion and women economic partnership across the Green Line’ pursuing the economic empowerment of women.
SDG6 Ensure availability and sustainable management of water and sanitation for all	Yes	Through objective 1 of the aid programme, the upgrade of water treatment, distribution and sanitation infrastructure has been a priority. Between 2014 and 2020, the European Commission has allocated approximately EUR 38.6 million for water-related project, accounting for approximately 19% of the total investment of the aid programme in that period. The most relevant projects in this field are the construction of the North Nicosia Trunk Sewerage pipe and the Famagusta Sewerage Remedial Works, which were further funded in 2023 for completion. In addition, the extension works of the wastewater treatment plant of Morphou, worth about EUR 3.4 million, started in 2022 and were completed in 2023. Two other contracts were signed in the 2021-2022 period, a supply of water sampling and monitoring equipment for the Turkish Cypriot community for EUR 15 400.00 and Technical Assistance and Supervision of the new northern Nicosia trunk sewer for EUR 105 695.00.
SDG7 Ensure access to affordable, reliable, sustainable and modern energy for all	Yes	The aid programme has supported an increased uptake of renewable energies by local businesses, farmers and solid-waste facilities for up to 1.6 MW of installed solar power. New energy efficiency measures regarding water and wastewater pumping in Lefka/Lefke and Kyrenia were also designed and the implementation started in 2023. Finally, a pre-feasibility study for the development of a bi-communal solar power plant started in 2023.

SDG8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Yes	In terms of economic development, the aid programme continued its cooperation with the World Bank on macroeconomic monitoring and integration of risk management practices for the facilitation of trade across the Green Line. Additionally, it provided technical support in the statistics area to improve collection and analysis of data as well as development of analytical tools with special focus on formation of input/output tables. In relation to private sector development, the safeguarding and creating employment small and medium-sized enterprise grant scheme was delivered targeting sectors including industry and manufacturing, business to business and services sectors. In Phase I around 800 small and medium-sized enterprises were granted EUR 1 500 each as an immediate response for relief from COVID-19 pandemic. For phase II, 96 businesses received grants worth EUR 4.6 million, resulting in the creation of more than 200 new jobs, introduction of EU quality standards, and support to digital transformation. The EU Into Business project reached more than 1 150 entrepreneurs, culminating in the creation of 36 new businesses. The EU Incubator Hive was launched in 2023, driving the creation and development of high value start-ups. Given its relevance in terms of sustainable economic growth, support to the Turkish Cypriot community agricultural sector continued with the implementation of farm advisory services targeting farmers and farmer organisations. To the moment, more than 350 persons received vocational education training on issues ranging from farm management and organic agriculture to dairy cattle and beekeeping practices, among others. A pilot research and demonstration programme in agriculture was launched to overcome the gap between science, needs and practice in identified four pilot themes, including the Halloumi/Hellim PDO scheme. A network of agricultural and rural development practitioners was developed and supported several awareness raising activities implemented, including the publishing of a farm advisory service magazine and educational videos. In addition, 53 rural development grants proceeded to the final stage of implementation. The grant scheme produced visible results in modernising agricultural practices and achieving results such as decrease in water consumption, reduction of farm production costs (fuel, feed, electricity, labour), and increase in overall levels of farm yields.

SDG9 Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	Yes	The aid programme has assisted through objective 1 in providing solid waste disposal sites compliant with EU standards as well as tackling the problem of disposal of animal by-products. In addition, the European Commission has supported local communities with the provision of up to 23 waste collection trucks and increased the capacity of the landfill in Koutsoventis/Güngör to 2.3 million cubic metres. The EU innovative entrepreneurship programme (IE) contributed to the development of an entrepreneurship ecosystem and improved innovation culture in the Turkish Cypriot community conducive to the establishment and growth of more innovative, young businesses by strengthening business support organisations. During the course of 4 years, four sessions of a start-up competition were organised which were accompanied by a series of workshops with 10-20 start-ups participating each year, from both Turkish Cypriot and Greek Cypriot communities. The IE programme enhanced linkages between the research and business communities, allowing the Turkish Cypriot community to benefit from and link up to complementary projects in Nicosia and the EU, such as CYENS Centre of Excellence in Nicosia. The total contracted value is EUR 16.6 million and will continue until March 2024.
SDG10	No	

SDG11 Make cities and human settlements inclusive, safe, resilient and sustainable	Yes	The aid programme has supported projects to monitor, check and control environmental quality in urban environments with the objective to improve living conditions. Through the annual activity programmes of 2017 and 2018, the air quality monitoring network has been expanded and strengthened. This was further supported with a supply contract of EUR 361 200 contracted in January 2023 to contribute to the improvement in the air quality sector, In addition, further monitoring capabilities have been provided to the relevant control bodies to check on the quality of fuels being sold for residential combustion and transport, as well as to better manage the quality of water. The bi-communal Technical Committee on Cultural Heritage which contributes specifically to SDG 11.4 ‘Strengthen efforts to protect and safeguard the world’s cultural and natural heritage’, has received EUR 27.5 million in support in the 2011-2023 period (representing around 80% of their budget). The Local Infrastructure Facility funded under the aid programme is undertaking a feasibility study to assess the current public services within the boundaries of the Nicosia Walled City and prepare actions for improvement. The aim is to make the walled city of Nicosia more resilient and sustainable benefitting the entire population of Nicosia (200 000 people). The value of the action is about EUR 410 000; and started in September 2022. ‘Environmental education: a path to sustainable development’ (EU budget EUR 319 093.3) is an on-going project started in November 2021 which aims to improve the environmental literacy level of students and teachers of Famagusta region via contributing to their environmental education by creating and piloting sustainable environmental education models and mechanisms and to increase the number of volunteers and individuals engaged in environmental activism in Famagusta region. In the first year of the project, an Environmental Literacy Curriculum has been developed and 32 trainings were delivered for 240 students aged between 9-11 years old from two schools.
SDG12 Ensure sustainable consumption and production patterns	Yes	The small and medium-sized enterprise 4 grant scheme permitted companies to benefit from EU support, enabling them to improve their competitiveness and to upgrade and improve their production patterns. More than 160 grants worth EUR 18 million have been disbursed since 2008 to small and medium-sized enterprises and start-ups to support innovation and competitiveness, digital and green transition, sustainable practices and EU standards, with the scheme providing grants amounting to EUR 185 000 on average. Following up on the small and medium-sized enterprise 4 scheme, the safeguarding and creating employment scheme delivered grants to 40 beneficiaries, helping them obtain ISO certificates comprising environmental management, quality, hygiene, health and safety and/or further standards. These grants amounted to a total of EUR 259 000.
SDG13	No	

SDG14 Conserve and sustainably use the oceans, seas and marine resources	Yes	In line with the interventions described under SDG 11, the Commission has supported in 2020 a project intended to procure water sampling and monitoring equipment for the relevant control body in the Turkish Cypriot community. The equipment allowed the control body to gauge the quality parameters of waters of coastal waters with the objective to take corrective action in the presence of pollution.
SDG15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Yes	The Commission financed a grant in 2014 aimed at strengthening conservation of bird species nesting in the Koukla water reservoir, increasing awareness amongst locals, and registering relevant environmental conditions. In 2023, works for about EUR 1.7 million were also completed to repair the Koukla water reservoir and protect the nearby wetland, aiming at an improved conservation of bird species nesting in the area.

SDG16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Yes	The aid programme is supporting bi-communal projects which promote confidence building and reconciliation between the two communities on the island. It aims at contributing to developing a more just, equitable, democratic, and inclusive society in the Turkish Cypriot community. It also supports grants that help address discrimination against LGBTIQ and immigrants, combat racism and hate crime, hate speech, violence and harmful practices. Under the March 2022 EU grant scheme Cypriot Civil Society in Action VIII, 17 projects were selected for funding (EUR 2.46 million), out of which 11 are bi-communal (EUR 1.44 million). The projects started in February/March 2023 and support bi-communal dialogue and civic engagement in the area of confidence building, human rights protection, and anti-discrimination, fighting human trafficking, health, environment, culture and sports. The aid programme has specifically targeted the problem of human trafficking and awarded grants to organisations working on both awareness-raising and legal changes. Thanks to the support, human trafficking has been categorised as crime in the local legal text, a first conviction was issued, and potential victims have received assistance. The 'Human Rights Platform' grant (EU contribution EUR 700 000) implemented until December 2023 was focused on five thematic areas: anti-human trafficking, refugee rights, LGBTI+ rights, democratic participation in decision-making, detention conditions and freedom from torture. 14 capacity-building sessions for 23 CSOs and 5 for local bodies were delivered to 344 participants. 53 lobbying activities were carried out, 5 legal recommendations were drafted in the field of human rights and 5 litigation cases were filed. 175 complaints were received, legal aid was provided to 65 people for human rights violations which led to 23 registered investigations. As a result, there was a first conviction in a human trafficking case and the 'court' released from custody a transgender person on the grounds of discriminatory treatment. 220 000 people were reached through public awareness raising activities related to the above-mentioned topics. A new direct grant for another 27 months was signed in December 2023 (EU contribution EUR 700 000). In addition, the aid programme provides support to a series of confidence building measures that support reconciliation, peacebuilding and intercommunal dialogue: the support to the Technical Committee on Cultural Heritage, the support to the Committee on Missing Persons and the Facility to support the work of the bicommunal Technical Committees.
SDG17	No	

RRF

RECOVERY AND RESILIENCE FACILITY

Programme in a nutshell

Concrete examples of achievements (*)

28 282 262 MWh/year of reduction in annual energy consumption was achieved with RRF support by mid-2023.	8 976 469 people benefited from protection measures against floods, wildfires and other climate-related natural disasters thanks to the RRF by mid-2023.	5 605 735 dwellings gained access to very high-capacity internet networks, including 5G networks and gigabit speeds, through measures under the RRF by mid-2023.	308 728 697 users were using new and improved public digital services, products and processes thanks to RRF support by mid-2023 ([63]).
1 959 338 enterprises had received support – whether monetary or in kind – under the RRF by mid-2023.	8 701 973 people had participated in education and training due to support received through RRF measures by mid-2023.	45 788 233 patients was the annual capacity of new or modernised health care facilities supported by the RRF by mid-2023.	5 779 581 young people aged 15–29 had received support, whether monetary or in kind (i.e. education, training and employment support), through the RRF by mid-2023.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

([63]) The same person can use the service multiple times, in which case they would be counted multiple times.

Budget for 2021-2027

(million EUR)

Financial programming	0.0
NextGenerationEU grants	339 046.6
NextGenerationEU loans	290 900.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities (additional grants)	20 000.0
Total budget 2021-2027	**649 946.6**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Recovery and Resilience Facility is a funding programme with the objective to promote cohesion by mitigating the economic and social impact of the COVID-19 crisis and make EU economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions.

In addition, following the Russian aggression against Ukraine and the consecutive energy crisis, on 18 May 2022 the European Commission proposed the REPowerEU package which inter alia modifies the Recovery and Resilience Facility regulation and other legislative acts. The legislative change allows Member States to add a REPowerEU chapter to their national recovery and resilience plans (RRPs) to finance key investments and reforms to diversify energy supplies and reduce dependence on Russian fossil fuels. A political agreement was reached between the Council and the European Parliament in December 2022, and the legal text entered into force on 1 March 2023.In 2023, Member States amended their recovery and resilience plans to adjust to the updated maximum financial contribution, request additional loan support, take into account the impact of objective circumstances and to add a new REPowerEU chapter.

CHALLENGE

The COVID-19 pandemic necessitated an urgent and coordinated response both at the EU level and the national level, in order to respond to the enormous economic and social consequences (as well as asymmetrical effects) for the Member States, which would have led to higher divergences and inequalities in the EU.

NextGenerationEU, the EU recovery instrument, supports the EU’s recovery from the COVID-19 crisis and strengthens resilience against future shocks. The Recovery and Resilience Facility is its centrepiece as an

unprecedented EU programme for an unprecedented time. The Recovery and Resilience Facility provides a mid- to long-term response to help the recovery and build institutional capacity through reforms and investments to be implemented by the Member States until 2026, with an impact lasting well beyond this period.

The crisis is likely to have different long-term effects on Member States, depending on their starting position, the severity of their pandemic situations, their economic resilience and their ability to take adequate measures on their own. The medium- and long-term consequences of the COVID-19 crisis critically depend on how quickly Member State economies and societies recover from the COVID-19 crisis, which in turn depends on the available fiscal space of Member States to take measures to mitigate the social and economic impact of the crisis – and on the resilience of their economies and social structures.

Sustainable and growth-enhancing reforms and investments are essential to set the Member State economies back on track and reduce inequalities and divergences in the EU.

An initiative of the scale of the Recovery and Resilience Facility must be forward looking: the Recovery and Resilience Facility aims not just to rebuild the EU economy and strengthen resilience, but also to ensure a sustainable recovery that mitigates the economic and social impact of the crisis and advances the green and digital transitions, all while fostering economic convergence and resilience.

In response to recent events such as high energy prices, disruption of supply chains, or the socioeconomic consequences of Russia's aggression against Ukraine, the Commission proposed a REPowerEU plan with the objective to rapidly reduce the EU's dependence on Russian fossil fuels by fast forwarding the clean energy transition and joining forces to achieve a more resilient energy system and a true Energy Union.

The RRF plays an important role in the funding of this plan. The Facility supports Member States in putting forward additional reforms and investments or in scaling up existing measures.

MISSION

As the centrepiece of the NextGenerationEU, the Recovery and Resilience Facility promotes economic, social and territorial cohesion,job creation and sustainable growth, as well as resilience and preparedness for the future. It offers large-scale financial support for public investments and reforms across the fields of public policy signified by the six pillars of article 3 of the Recovery and Resilience Facility regulation: green transition; digital transformation; smart, sustainable and inclusive growth; social and territorial cohesion;health, and economic, social and institutional resilience; and policies for the next generation, children and youth. Indirectly, the Recovery and Resilience Facility also provides funding for private investments, channelled through public schemes.

Crucially, at least 37% and 20% of the financial allocation of each Member State should respectively support climate and digital investment and reforms.

The Recovery and Resilience Facility is financed through EU borrowing as set out in Regulation (EU) 2020/2094 (the 'EURI regulation'). Payments to Member States can take place up to 31 December 2026 for both non-repayable financial support and loan support. Budgetary commitments are made upon approval of the plans by the Council and the signature of the financing and (where relevant) loan agreements, as well as an operational arrangement detailing monitoring mechanisms, with the respective Member State. Payments will be made once the Member State satisfactorily fulfils the related milestones and targets and can be disbursed up to twice per year.

OBJECTIVES

The general objective of the Facility is to promote the EU's economic, social and territorial cohesion byimproving the resilience, crisis preparedness, adjustment capacity and growth potential of the Member

States. To this end, the Facility aims at mitigating the social and economic impact of the COVID-19 crisis, in particular on women, by contributing to the implementation of the European Pillar of Social Rights, by supporting the green and digital transition, thereby contributing to the upward economic and social convergence, restoring and promoting sustainable growth and the integration of the economies of the EU, fostering high quality employment creation, and contributing to the strategic autonomy of the EU alongside an open economy and generating European added value.

The specific objective of the Recovery and Resilience Facility is to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments set out in recovery and resilience plans.

Each Member State submitted a recovery and resilience plan detailing reforms and investments it plans to implement. Each disbursement is subject to the Member State's satisfactory fulfilment of a set of milestones and targets, which in turn capture the progress made in the implementation of the specific reforms and investments set out in the recovery and resilience plan.

With the REPowerEU plan, the amending Regulation COM(2022)231 final introduced six additional objectives for the RRF. Through the addition of REPowerEU chapters to their national recovery and resilience plans, Member States put forward additional reforms and investments or scaled up existing measures to meet the objectives of the REPowerEU plan.

REPowerEU reforms and investments contribute to i) improving energy infrastructure and facilities, ii) boosting energy efficiency, iii) addressing energy poverty, iv) incentivising the reduction of energy demand, v) addressing internal and cross-border energy transmission and distribution bottlenecks, and vi) supporting an accelerated requalification of the workforce towards green and related digital skills.

In 2023, 23 Member States included a REPowerEU chapter in their revised RRPs. Bulgaria, Germany, Ireland and Luxembourg did not submit a REPowerEU chapter in 2023.

ACTIONS

The Recovery and Resilience Facility provides non-repayable financial support (grants) as well as repayable financial support (loans) to Member States to support the public investments and reforms set out in the national recovery and resilience plans.

STRUCTURAL SET-UP OF THE PROGRAMME

The Facility allows the Commission to disburse funds to support the Member States to implement reforms and investments which contribute to the COVID-19 recovery, and build resilience. These must be in line with the EU's priorities and address the challenges identified in country-specific recommendations under the European Semester framework of economic and social policy coordination. The structural set-up consists in the provision of grants and loans to Member States. More precisely, the Facility makes available EUR 723.8 billion (in 2022 prices) in loans (EUR 385.8 billion) and grants (EUR 338 billion). In terms of funds committed, RRPs initially amounted to EUR 500.5 billion. Following the 2023 revisions, EUR 647.7 billion have been committed. The revised recovery and resilience plans include EUR 356.8 bilion in grant and EUR 290.9 billion in loan support.

Additionally, the amended RRF Regulation made available EUR 20 billion in Emissions Trading System (ETS) auctioning revenues and up to EUR 5.4 billion in voluntary transfers from the Brexit Adjustment Reserve (BAR) to fund the measures included in the new REPowerEU chapters. By the end of 2023, 23 REPowerEU chapters were approved (excluding Bulgaria, Germany, Ireland and Luxembourg). The total allocation of ETS auctioning revenues and voluntary BAR transfers to REPowerEU chapters committed by the end of 2023 amounts to EUR 17 284 865 135 in ETS auctioning revenues and EUR 1 585 231 692 in BAR transfers. Once

the outstanding REPowerEU chapters are adopted, the remaining funds from ETS auctions and the BAR will be committed.

The Recovery and Resilience Facility is implemented by the Commission in direct management in accordance with the financial regulation. DG Economic and Financial Affairs and the Recovery and Resilience Task Force (SG-RECOVER) work in close cooperation to steer the design and implementation of the Recovery and Resilience Facility.

While coordinating the implementation of the Facility jointly with SG-RECOVER, DG Economic and Financial Affairs is also the Authorising Officer for paying out loans and grants within the Facility. Therefore, DG Economic and Financial Affairs has to give reasonable assurance on the Recovery and Resilience Facility funds paid to the Member States and is responsible for applying any financial corrections if necessary, following ex post audit work.

Moreover, the Commission decision of July 2020 set up the Steering Board chaired by the President and composed of the three Executive Vice-Presidents, the Member of the Commission responsible for the Economy, the Secretary-General, and representatives of the Legal Services, DG Economic and Financial Affairs and SG RECOVER. This Steering Board has been involved in the validation of the assessment of all recovery and resilience plans, prior to the adoption of the proposals for Council Implementing Decisions by the Commission.

All payment requests are subject to two Commission-wide interservice consultations, underpinning the collegiality of this process, one on the preliminary assessment, a second on the Commission decision on payment. The Economic and Financial Committee (EFC) expresses an opinion on the Commission's preliminary assessment. Furthermore, as provided under Article 35 of the regulation establishing the Recovery and Resilience Facility, a Recovery and Resilience Facility Committee (composed of representatives of all Member States) was established, to discuss the draft Commission implementing decisions concerning Member States' payment requests. The Parliament is thoroughly informed and kept abreast of the implementation of the Recovery and Resilience Facility, notably through regular Recovery and Resilience Dialogues as established by the RRF regulation, and a dedicated RRF Working Group established by the Parliament. Documentation is transmitted on equal terms to Parliament and Council and all key documents are also published.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP

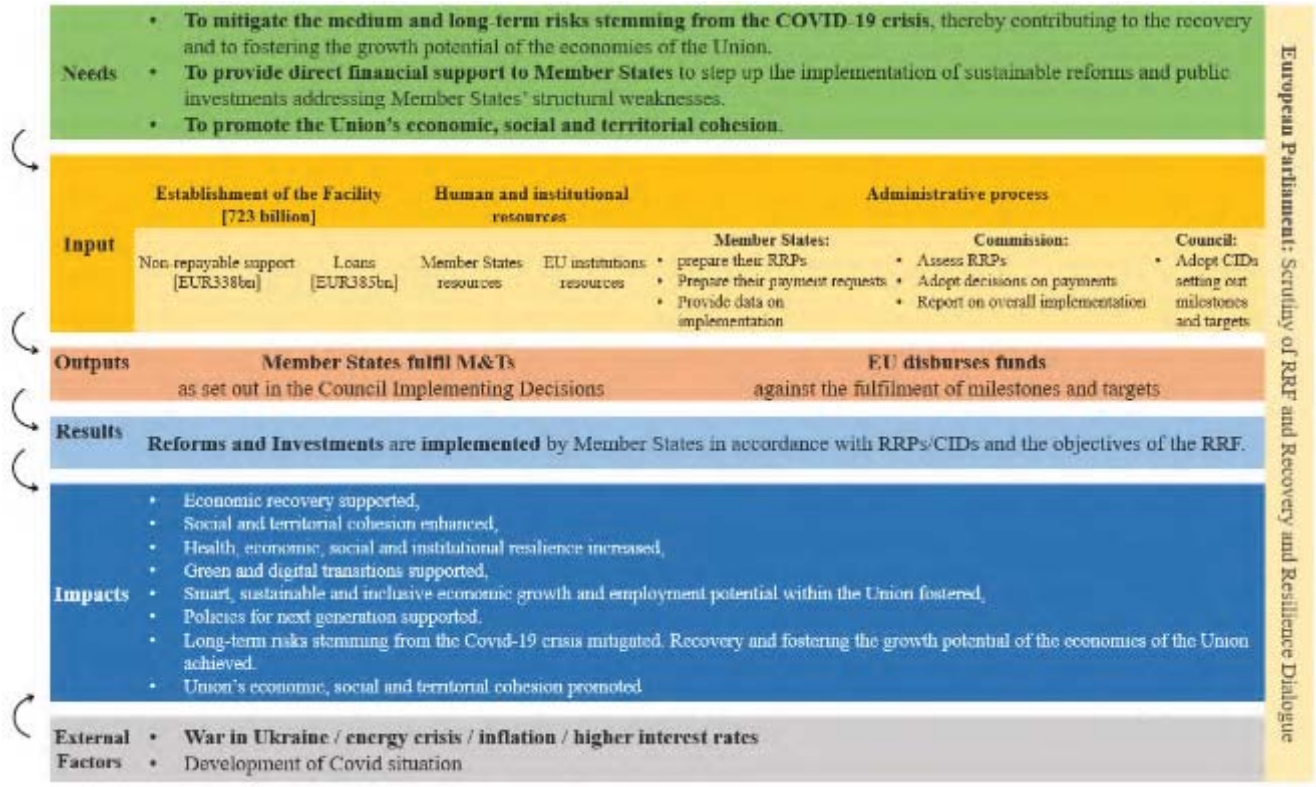


Source: European Commission

The intervention logic (see figure below), comprises the following elements:

1) **Needs** as described in the RRF Regulation (e.g. recital 6). The extent to which the RRF is addressing the needs is assessed under the **relevance** criterion.
2) **Objectives** as stated in Article 4 of the RRF Regulation. The extent of the RRF's contribution to these objectives is assessed under the **effectiveness** criterion, while the relation of the RRF objectives/measures to other instruments (e.g. Cohesion Policy financing and national instruments) is reviewed under the **coherence** criterion.
3) **Inputs** refer to the financial inputs (non-repayable financial support and loans) as well as the human resources and administrative processed needed to manage and implement the RRF. Issues related to the disbursements are included in the **effectiveness** analysis, while cost and administrative issues are covered in the **efficiency** analysis.
4) **Outputs** are defined as the disbursements performed and the achievements of milestones and targets. These are the first elements that are assessed under **effectiveness**.
5) **Results** are emanating from the reforms and investments implemented by Member States, in accordance with the plans and the objectives of the RRF. They are discussed in the analysis of **effectiveness** and **coherence** (e.g. on the reinforcement of investments and reforms).
6) **Impacts** of the RRF are expected to be as wide as the identified objectives and needs. Given that this mid-term evaluation is performed early in the implementation of the RRF, impacts cannot be expected to have significantly materialised yet. The analysis on **effectiveness** includes considerations on the contribution of the RRF to the expected impacts.

7) **External factors** have also affected the implementation of the RRF and are captured in this mid-term evaluation.



Source: European Commission

LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The Recovery and Resilience Facility is a novel instrument – indeed, a historic one. There are no precursors for it in the 2014-2020 multiannual financial framework.

FURTHER INFORMATION

– Programme website:
  - RRF
  - Recovery and Resilience Scoreboard
– Relevant regulation:
  - Regulation (EU) 2021/241 of the European Parliament and of the Council.
  - Commission Delegated Regulations (EU) 2021/2105 and (EU) 2021/2106 supplementing Regulation (EU) 2021/241.
  - COM(2022) 231 final, 18 May 2022: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2021/241 as regards REPowerEU chapters in RRPs and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814]

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NextGenerationEU grants	98 034.0	136 389.6	104 552.6	34 171.5	14 235.3	11 500	10 350	339 046.6
NextGenerationEU loans (*)	153 876.2	12 211.9	123 911.9	0.0	0.0	0.0	0.0	290 900.0
Decommitments made available again (**)	N/A	N/A	N/A					0.0
Contributions from other countries and entities (additional grants)	0.0	0.0	20 000.0	0.0	0.0	0.0	0.0	20 000.0
Total (***)	**251 910.2**	**148 601.5**	**248 464.5**	**34 171.5**	**14 235.3**	**11 500**	**10 350**	**649 946.6**

(*) Only Article 15(3) of the financial regulation.

(**)Only Article 15(3) of the financial regulation.

(***) The total available budget for 2021-2027 includes loans committed in 2021 and 2022 for adopted plans. This total will be updated yearly if loans are committed in subsequent years.

– The Recovery and Resilience Facility (RRF) is the centrepiece of NextGeneration EU, the EU's recovery plan. It supports the way out of the COVID-19 crisis and aims at making Europe more resilient and better prepared for the challenges and opportunities of the green and digital transitions. The Facility is therefore a temporary recovery instrument to finance reforms and investments to be implemented by 2026. To finance NextGenerationEU and the RRF, the European Commission borrows funds on behalf of the EU on the capital markets.

– As set out in Article 23 of Regulation 2021/241, the Commission commits the financial contribution allocated to each recovery and resilience plan upon its adoption by the Council.

Beyond the twenty-two plans adopted in 2021, in 2022, the remaining five plans were adopted, namely of Sweden, Bulgaria, Poland, The Netherlands, and Hungary.

– In line with Article 11(2) of Regulation 2021/241, the maximum financial contribution was updated in June 2022 for each Member State, taking into account the actual outturns in relation to the real GDP change 2020 and the aggregate change in real GDP for the period 2020-2021. All 27 plans were revised by the end of 2023 to take into account this change in maximum financial contribution.

Budget implementation

Cumulative implementation rate for RRF grants (*) at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	337 880.8	339 046.6	99.7%
Payments	139 887.3		41.3%

(*) RRF loans are not included

Cumulative implementation rate for additional grants (*) at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	17 286.4	20 000.0	86.4%
Payments	946.1		4.7%

(*) contributions from other countries and entities

– The Facility is an innovative, performance-based instrument. Member States develop national RRPs which are assessed by the Commission and ultimately Council Implementing Decisions on these Plans adopted by the Council. Payments are made to Member States, as beneficiaries, upon delivering reforms and investments pre-agreed in their plans. The funds are therefore disbursed solely on the basis of the progress in the achievement of the reforms and investments that Member States committed to implement.

– By end 2023, all 27 recovery and resilience plans were revised in accordance with Article 11(2) of Regulation 2021/241 to reflect the updated maximum financial contribution in each plan.

– In line with the requirements of Article 14(2) of Regulation 2021/241, Member States were requested to submit loan requests until 31 August 2023. In total, EUR 385.8 billion in loan support was made available under the RRF. Loan support amounting to around EUR 165.4 billion had been allocated to seven Member States by end-2022. In 2023, as part of the revisions of the RRPs, ten Member States have requested additional loan support or requested loan support for the first time

– These additional loan requests were positively assessed by the Commission and approved by the Council. In total, around EUR 290.9 billion in current prices of loan support is committed under the RRF. Therefore, around EUR 94,9 billion in loan support was not requested by Member States, which results in an uptake of RRF loans close to 76%.

– The Commission disbursed 22 payments in 2023for a total of EUR 75 billion to 17 Member States (Austria, Croatia, Germany, Greece, Italy, Portugal, Slovakia, Slovenia, France, Estonia, Romania, Luxembourg, Lithuania, Denmark, Spain, Czechia and Malta). The Commission also disbursed pre-financing for REPowerEU in 2023, for a total of EUR 7 billion. An additional EUR 3.4 billion in REPowerEU pre-financing was disbursed by end-February 2024. In addition to the EUR 138 billion disbursed in 2021 and 2022 (including pre-financing), this means the RRF disbursed a total of EUR 220 billion from its inception to the end of 2023.

– The Commission has continued monitoring the implementation of the Facility through the payment request reporting (data are regularly updated in the Recovery and Resilience Scoreboard), bi-annual reporting by Member States on the progress made in the achievement of their plans and frequent exchanges, including missions to the Member States.

– For each disbursement a specific set of milestones and targets must be fulfilled. In case one or more milestones or targets are not satisfactorily fulfilled, the Commission suspends all or part of the related disbursement. However, in line with the methodology for payment suspensions presented by the Commission in February 2023 ([64]), the implementation of the plan can continue and payments are made for all milestones and targets that have been satisfactorily fulfilled. The concerned Member State has six months from the date of suspension to take the necessary actions to fulfil the milestones and targets that have not been satisfactorily fulfilled. Over the course of 2023, payment suspension decisions were taken by the Commission following the non-fulfillment or the partial fulfillment of a limited number of M/Ts in the Lithuanian, Romanian and Portuguese plans. The Commission has generally encouraged Member States to submit payment requests only when all milestones and targets are fulfilled. Nevertheless, as the Commission stressed in its communication on the RRF in February 2023 (quoted above), Member States should make their best efforts to deliver the investment and reforms within the indicative timelines envisaged in the Council Implementing Decisions and the operational arrangements. This is increasingly important as the RRF enters the second half of its lifetime and it is necessary to ensure the efficient planning of the Commission's funding operations on the capital markets, timely disbursements and a full implementation of the investments and reforms as envisaged in Member States plans.

– Some Member States are facing challenges in administering funds, due in part to limited administrative capacity or investment bottlenecks. The process of revising the RRPs in 2023 represented an opportunity to address these issues and increase the absorption capacity of RRF funds. At the same time, the revisions of the plans impacted the disbursement schedule of RRF funds in 2023 . While the number of payment requests and disbursements saw a decline in the first half of 2023 as Member States focused on the revision of the plans, the pace of payment requests and disbursements increased significantly towards the end of the year.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	103 608.4	67 368.6	104 571.9		151.6			275 700.5	43%
Biodiversity mainstreaming	4 431.1	2 621.0	4 366.6					11 418.7	2%
Clean air	50 829.3	30 066.3	50 089.4					130 985.0	20%

– The RRF will help achieve the EU’s targets to reduce net greenhouse gas emissions by at least 55% by 2030 and to reach climate neutrality by 2050. The RRF regulation requires that at least 37% of the total allocation of each recovery and resilience plan (RRP) shall support measures

([64]) https://commission.europa.eu/system/files/2023-02/COM_2023_99_1_EN.pdf.

that contribute to climate objectives. However, the reforms and investments proposed by Member States have exceeded the target, with more than 42% of the total plans' allocation contributing to climate objectives (as calculated according to the climate tracking methodology, using Annex VI of the RRF regulation ([65]).

– Green measures implemented by Member States in 2023 with the support of the RRF aimed at, among other things, promoting sustainable mobility, increasing energy efficiency and the deployment of renewable energy sources, taking climate change adaptation measures, reducing air pollution, promoting the circular economy and restoring and protecting biodiversity.

– The RRF makes a significant contribution to environmental sustainability in the broader sense by addressing climate change and pollution, protecting nature, biodiversity and water resources and promoting the circular economy while not doing any significant harm to any of the six environmental objectives of the EU taxonomy. The assessment of the measures under the taxonomy criteria is possible with the use of intervention fields. Some of them set conditions that are fully, substantially or partially aligned with the criteria defined in the taxonomy regulation, which have to be reflected in the scope and design of the measures for being eligible under the respective intervention fields. Measures with an estimated budget of EUR 237 billion are fully or substantially aligned with the taxonomy sustainable contribution criteria for climate change mitigation and adaptation, while measures with further EUR 68 billion are partially aligned with these criteria.

– With the addition of repowerEU chapters to 23 recovery and resilience plans by the end of 2023, Member States included measures to address the diversification of energy supplies and stimulate the transition towards renewable energy sources. As of 2023, EUR 60 billion has been allocated to the approved repowerEU chapters.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2	3 073.4	1 813.0	3 031.4	7 917.8
1	5 413.8	3 193.6	5 339.7	13 947.1
0*	-	-	-	-
0	243 423.0	143 594.9	240 093.4	627 111.3

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information ([66])

([65]) Methodology for climate tracking under the RRF.pdf (europa.eu).

([66]) Recovery and resilience scoreboard (europa.eu).

- Member States report gender disaggregated data for results and outputs achieved with RRF support within common indicators 8, 10, 11 and 14.
- For example, research facilities supported by the RRF employed 719 male, 5 016 female and 4 non-binary full-time equivalent researchers in 2023 (common indicator 8).
- In 2023, participants in education and training supported by the RRF amounted to a total of 1.7 million participants across all age groups. Out of the total, 1.08 million female, 621 662 male and 416 non-binary participants were reported (common indicator 10).
- The total number of 623 840 people in RRF-supported employment or job-searching activities in 2023 is subdivided into 390 479 female, 233 349 male and 12 non-binary participants across all age groups (common indicator 11).
- The number of young people aged 15–29 receiving support in 2023 amounted to 784 258 male, 871 906 female and 83 non-binary recipients (common indicator 14).

– Mitigating the social and economic impact of the COVID-19 crisis on women is a clear objective of the RRF, as set out in Article 4 of its founding regulation. The RRF regulation requires Member States to explain how the measures in their RRPs contribute to gender equality and equal opportunities for all and the mainstreaming of these objectives.

– The evaluation of the impact of RRF measures on gender equality is not envisaged by the RRF regulation. However, in order to report on the number of measures with a focus on gender equality and the share of such measures included in each RRP, the Commission, in consultation with Member States, has assigned a tag to measures with a focus on gender equality, based on the methodology set out in the delegated act on social expenditure reporting under the RRF (Delegated Regulation (EU) 2021/2105). Following the respective amendments performed in 2023, the RRPs now include 136 measures with a gender tag. The share of RRPs contributing to gender equality is shown in the recovery and resilience scoreboard. In addition, this methodology allows for an indicative reporting on the RRF gender spending, based on the estimated costs of measures assigned with a gender tag.

– National RRPs contain a wide range of measures contributing to gender equality. These include investments and reforms specifically designed to tackle inequalities based on gender (contributing to this objective with around EUR 7 917.8 million over the lifetime of the RRF) and other types of investments and reforms which are directly or indirectly supporting gender equality (corresponding to around EUR 13 947.1 million). In 2023, the first type of measures contributed to gender equality with around EUR 3 031.4 million (score 2), while the second type of investments provided support with around EUR 5 339.7 million (score 1).

– The investments fully devoted to gender equality include, for instance, the national roll-out of ‘early aid’ for socially disadvantaged pregnant women in Austria, incentives to foster female entrepreneurship in Italy, the creation of a support line for women in rural and urban areas and the set-up of a national plan to tackle gender-based violence in Spain. Investments contributing directly or indirectly to gender equality include (i) the improvement of working conditions for professions traditionally performed by women (e.g. the operationalisation of work cards for domestic workers in Romania), (ii) investments to boost up/re-skilling of disadvantaged groups, including girls and women (e.g. the SOLAS recovery skills response programme in Ireland and the national programme to increase the number of information and communications technology specialists, including funding activities to increase the engagement of women and improving their awareness of information and communications technology career opportunities, in Latvia), and (iii) investments to improve delivery of care to the elderly and people with disabilities, a task often taken up by women in the household (e.g. the improvement of home health care in Greece).
– These crucial investments are complemented by structural reforms which, while being zero-cost, will have a considerable impact on gender equality. These include the reform to close the

gender pay gap in Estonia, to combat gender inequalities in Portugal, to better regulate the profession of nursing assistants in Sweden and to improve the prenatal and neonatal health screening in Bulgaria.

– The combination of investments and reforms is one of the main novelties of the RRF. National authorities have envisaged a number of measures to tackle gender-based discriminations and, as for other policy areas, the interplay between gender-related investments and reforms will ensure a higher impact of the RRF spending. Specifically, these measures are expected to make the green and digital transitions more inclusive and to improve the capacity of Member States to mainstream gender equality in their resilience policies, which are crucial as Europe keeps facing unexpected challenges.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	61 157.1	36 076.5	60 320.6	157 554.2	24%

– The RRF makes a significant contribution to the digital transformation in the EU. The RRF regulation requires that at least 20% of the total allocation in each RRP support digital objectives. However, the reforms and investments proposed by Member States have exceeded the target, with around 24% of the total allocation of the plans contributing to the digital transformation (as calculated according to the digital tagging methodology set out in Annex VII of the RRF regulation).

– By the end of 2023, important steps had been taken to implement measures relating to the deployment of next-generation digital infrastructures and advanced technologies, digital skills development for the population and the workforce, and support for the digitalisation of enterprises and public services.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target	Results (*)	Assessment
Savings in annual primary energy consumption	0	NA	NA	28.2 MWh/year	NA
Alternative fuels infrastructure (refuelling/recharging points)	0	NA	NA	531 995	NA
Additional dwellings with internet access provided via very high-capacity networks	0	NA	NA	5.6 million	NA

Users of new and upgraded public digital services, products and processes	0	NA	NA	308.7 million	NA
Enterprises supported (of which small – including micro, medium, large)	0	NA	NA	1.9 million	NA
Number of participants in education or training	0	NA	NA	8.7 million	NA
Capacity of new or modernised health care facilities	0	NA	NA	45.8 million	NA
Number of young people aged 15–29 receiving support	0	NA	NA	5.8 million	NA

(*) % of results achieved by 2023

– Commission Delegated Regulation (EU) 2021/2106 defines a set of common indicators relating to the objectives of the RRF and linked to the six policy pillars. Member States report on the common indicators twice a year and the Commission calculates an aggregate for the RRF on this basis. Data on the common indicators are published and regularly updated on the recovery and resilience scoreboard: https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard.

– Furthermore, some important reforms already progressed during the first 2 years of implementation of the facility:

  - reforms to digitalise public administration (Slovakia) and ensure cybersecurity (Romania);
  - reforms of civil and criminal justice systems to make them more efficient by reducing the length of proceedings and improving the organisation of courts (Spain, Italy);
  - labour market reforms and modernisation of active labour market policies (Spain);
  - reforms enhancing employment and social protection (Croatia);
  - reforms to foster scientific excellence and improve the performance of universities and public research organisations (Slovakia) and to enhance the predictability and stability of public research funding (Portugal);
  - reforms tackling corruption and ensuring the protection of whistle-blowers (Cyprus);
  - licensing simplification reforms to boost investments in offshore renewables or reforms to create the conditions for introducing renewable hydrogen (Greece, Spain, Portugal);
  - reforms to support the roll-out of renewable energy and sustainable transport (Croatia, Romania);
  - reforms improving the quality of the legislative process (Bulgaria);

    regulatory changes to improve affordable housing (Latvia).

– In addition, the RRF unlocks the full potential of structural reforms by complementing them with key investments. Some of the major investments with key steps already completed include:
    - investments to support the decarbonisation and energy efficiency of industry (France, for a total estimated cost of EUR 1.4 billion; Croatia, EUR 61 million);
    - purchase of 600 000 new laptops to lend to teachers and pupils, and selection of digital innovation hubs to support companies in their digitisation efforts (Portugal, EUR 600 million);
    - funds to increase the competitiveness of firms operating in the tourism sector, including 4 000 small and medium-sized enterprises (Italy, EUR 1.9 billion);
    - investments to support vulnerable people (Italy, EUR 1 billion);
    - digitisation of public administration towards digital, simple, inclusive and secure public services for citizens and businesses (Portugal, EUR 170 million);
    - broadband infrastructure development (Latvia, EUR 4 million).

– In 2023, further major reforms and investments have been implemented. Such key reforms and investments entail:
    - a new law on the single integrated Vocational Training System offering cumulative courses leading to new qualifications (Spain);
    - a reform which introduced a single flat-rate ticket (KlimaTicket) providing nearly unlimited public transportation across Austria;
    - reforms that incentivise the production of renewable energy by removing administrative barriers (Estonia, Austria)
    - a reform that introduces welfare areas which aim to improve the delivery and access to social and health care services (Finland);
    - funds to support the delivery of energy-efficient renovations to family homes and public buildings (Romania, EUR 2.1 billion; Slovakia, EUR 600 million);
    - investments which strengthen infrastructure for digitalised public services (Czechia, EUR 6 million; Germany, EUR 2.5 million);
    - investments to enhance building cabling and the rollout of 5G networks (Cyprus, EUR 10 million; Lithuania, EUR 49 million);
– Under the RRF, each milestone and target is linked to a measure which (generally) contributes towards two of the six policy pillars. The assignment of policy pillars to each measure is performed by Commission staff in consultation with Member States, after the adoption of the RRPs by the Council. Therefore, milestones and targets can contribute to more than one policy pillar according to the methodology used by the Commission to display data in the scoreboard ([67]).
– Furthermore, each RRP is required to contribute at least 37% and 20% respectively to climate and digital objectives, which is reflected in the large contribution of the twin green and digital transitions. Thus, the design of the RRF itself is set to exploit synergies between horizontal priorities, adapted to the specific gaps identified for each Member State and addressed in the RRPs.

([67]) scoreboard_pillar_tagging_methodology.pdf (europa.eu).

– Milestones and targets included in payments disbursed in 2023 contributed to the six policy pillars as follows.

    - **Pillar 1: the green transition.** A total of 301 milestones and targets were satisfactorily fulfilled. These included investments to support the extension of the electric vehicle charging network in Portugal and the sustainable renovation of buildings in Slovenia, and new legislation introducing the climate ticket for public transport in Austria.
    - **Pillar 2: the digital transformation.** A total of 245 milestones and targets were satisfactorily fulfilled. These supported, for instance, the digitalisation of the Pension Insurance Institute's archives in Croatia, the deployment of a 5G network in Lithuania and the approval of new curricula strengthening digital literacy and computational thinking in primary and lower-secondary education in Czechia.
    - **Pillar 3: smart, sustainable and inclusive growth.** A total of 361 milestones and targets were satisfactorily fulfilled. These included investments to support the railway sector in France, to contribute to hydrogen projects in the framework of important projects of common European interest in Germany, and a legislative reform paving the way for new industrial parks in Greece.
    - **Pillar 4: social and territorial cohesion.** A total of 242 milestones and targets were satisfactorily fulfilled. For example, Italy provided educational support to 20 000 minors to combat educational poverty in the south. In Luxembourg, more than 400 job seekers aged 45 years or more acquired digital and managerial skills in dedicated trainings in Luxembourg. Romania adopted new legislation promoting the social economy and the labour voucher system.
    - **Pillar 5: health, economic, social and institutional resilience.** A total of 286 milestones and targets were satisfactorily fulfilled. These included investments to improve the uptake of the Minimum Vital Income in Spain and the publication of a smart specialisation strategy in Malta.
    - **Pillar 6: policies for the next generation.** A total of 75 milestones and targets were satisfactorily fulfilled. For instance, Estonia invested into labour market measures to reduce youth unemployment, Spain adopted new legislation with the objective to modernise the Vocational Training System, and new legislation in Lithuania anchored competences for the green and digital transformation in vocational education and training.

– In general, more detailed Information on the state of play of implementation, disbursements per pillar and key measures achieved by Member States can be found in the recovery and resilience scoreboard, which includes links to the RRF annual reports and thematic analyses . Information about concrete projects supported under the RRF, including details on their implementation and their geo-location in the Member States' territory, is available in an interactive map on the RRF website that is regularly updated ([68]).

([68]) https://commission.europa.eu/business-economy-euro/economic-recovery/recovery-and-resilience-facility_en#national-recovery-and-resilience-plans.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?		Example
SDG1		Yes	By the end of 2023, the Recovery and Resilient Facility supported the set-up of Local Technical Units responsible for planning, managing, and coordinating the implementation of measures to combat poverty and social exclusion in Portugal's biggest cities.
SDG2		Yes	By the end of 2023, the Recovery and resilience Facility supported the launch of a call for the development of an open digital agricultural infrastructure and cognitive agriculture environment for the production process and management of natural resources in Greece.
SDG3	Yes		By the end of 2023, the Recovery and Resilient Facility supported the entry into force of legislation that determines the primary care network on the basis of availability of doctors and up-to-date capacity needs in Slovakia.
SDG4		Yes	By the end of 2023, the Recovery and Resilient Facility supported the entry into force of the School Digitalisation Act, which provides a framework for better in-service teacher training, improved school infrastructure, and improving the learning material portal in Bulgaria.
SDG5		Yes	By the end of 2023, the Recovery and Resilient Facility supported the approval of the Spanish Public Health Strategy, which incorporates a gender and equity perspective in all public health actions.
SDG6		Yes	By the end of 2023, the Recovery and Resilient Facility supported the entry into force of the reform to integrate water services into a unique operator for every Optimal Territorial Area, incentivise sustainable water use in agriculture, and support the use of the common monitoring system for water in Italy.

SDG7	Yes	By the end of 2023, the Recovery and Resilient Facility supported the entry into force of legislation to improve institutional and legal mechanisms to promote the production, transmission, and consumption of electricity from renewable sources in Lithuania.
SDG8	Yes	By the end of 2023, the Recovery and Resilient Facility supported the digital transformation of Romanian SMEs by increasing the digital skills of their employees with a call for Grant Support for Digital Skills.
SDG9	Yes	By the end of 2023, the Recovery and Resilient Facility supported a deduction scheme for all companies to increasingly engage in research and development investments, incentivising private sector innovation in Denmark.
SDG10	Yes	By the end of 2023, the Recovery and Resilience Facility supported the set-up of an investment meant to increase passenger transport, taking into account adequate access to services for disadvantaged and vulnerable persons in Czechia.
SDG11	Yes	By the end of 2023, the Recovery and Resilience Facility supported an agreement on establishing car free spaces across Malta, promoting the regeneration of public spaces of village and town cores.
SDG12	Yes	By the end of 2023, the Recovery and Resilient Facility supported the introduction of climate action contracts to support the introduction of new, cleaner production technologies for energy-intensive industries in Germany.
SDG13	Yes	By the end of 2023, the Recovery and Resilient Facility supported the establishment of a Citizens' climate council and introduction of a focal point for green budgeting in the Ministry of Finance in Austria.
SDG14	Yes	By the end of 2023, the Recovery and Resilient Facility supported investments In France, which are aimed at ecological restoration and supporting protected areas, including natural marine parks and other protected areas managed by the French Office for Biodiversity.
SDG15	Yes	By the end of 2023, the Recovery and Resilient Facility supported a reform which aims to improve the state of nature protection in protected areas in a manner that guarantees their contribution to landscape protection to enhance climate change resilience and adaptation in Slovakia.
SDG16	Yes	By the end of 2023, the Recovery and Resilient Facility supported the entry into force of a reform to improve the legal response to corruption in Greece.

SDG17	N/A

TSI

Technical Support Instrument

Programme in a nutshell

Concrete examples of achievements (*)

604 requests for reform support were received by 27 Member States under the 2024 call.	170 reform support projects translating to 307 reforms were selected under the 2024 programme.	41 multi-country projects were selected under the 2024 TSI cycle.	63% of the projects selected under the 2023 programme are directly or indirectly linked to national recovery and resilience plans.
95% of projects selected for funding under the 2022 and 2023 programmes were on the ground and running or closed at the end of 2023.	17 Members States were helped by TSI to identify reforms and investments to phase out their reliance on Russian fossil fuels.	Over 1 000 participants from 37 supervisory authorities in 26 Member States participated in the EU Supervisory Digital Finance Academy.	Over 1 600 online viewers attended the TSI annual conference 2023, with the participation of high-level representatives from the European Commission, Member States and other institutions.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	864.4
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	6.4
Total budget 2021-2027	**870.8**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

With the Technical Support Instrument, the European Commission will accompany Member States' efforts to tackle reform challenges by offering them technical expertise to enhance their capacity to carry out reforms and to foster the exchange of good practices across the EU. The programme also supports the design and implementation of Member States' recovery and resilience plans.

CHALLENGE

The outbreak of the COVID-19 pandemic as well as the invasion of Ukraine by Russia have changed the economic outlook for years to come in the EU and in the world. The effects of the crisis in the medium and long term will depend on the resilience of the Member State economies. There is a need to strategically plan the recovery, revitalise our economies and return to the path of sustainable and inclusive growth, geared towards the green transition and digital transformation objectives.

Smart, sustainable and socially responsible reforms can help to strengthen the resilience of our economies and societies. They contribute to keeping our economies flexible and competitive and help to improve the quality of public services. Moreover, given that the economies of Member States are strongly intertwined, the successful implementation of well-designed reforms in each Member State benefits the EU as a whole, and helps to strengthen the EU's social, economic and territorial cohesion.

However, the process of designing, developing and implementing reforms is complex and Member States have different levels of in-house expertise and administrative capacity to tackle it. Strengthening Member States' institutional and administrative capacity to design and implement reforms is essential.

In line with the subsidiarity and proportionality principles, EU intervention brings added value by offering Member States technical expertise to enhance their capacity to design and implement reforms and to foster exchanges of good practices across the EU. This support helps to increase the capacity of Member States to carry out their national reforms, in line with overall EU objectives.

MISSION

The programme is the main EU funding programme providing technical support to Member States in their reform agendas.

The general objective of the programme is to promote the EU's economic, social and territorial cohesion by supporting Member States' efforts to implement the necessary reforms to achieve economic and social recovery, resilience and upward economic and social convergence.

These reforms may be either identified in the European semester process of economic policy coordination, or by the Member States' own initiative[69]. They can be in a broad range of policy domains, including public financial and asset management, institutional and administrative reform, business environment, the financial sector, markets for products, services and labour, education and training, sustainable development, public health and social welfare. Specific emphasis will be given to actions that foster the green and digital transitions.

The instrument also provides technical support to Member States for the preparation and implementation of their recovery and resilience plans in the framework of the new Recovery and Resilience Facility.

OBJECTIVES

The programme has the specific objectives of assisting national authorities in improving their capacity to:

- design, develop and implement reforms;
- prepare, amend, implement and revise recovery and resilience plans pursuant to Regulation (EU) 2021/241.

These objectives shall be pursued in close cooperation with the Member States, including through the exchange of good practices, processes and methodologies, stakeholder involvement where appropriate and a more effective and efficient human resources management.

ACTIONS

The types of actions eligible for financing under the programme include the following:

– expertise related to policy advice/change, formulation of strategies and reform roadmaps and legislative, institutional, structural and administrative reforms;
– the short-term or long-term provision of experts, to perform tasks in specific domains or to carry out operational activities;
– capacity-building and related supporting actions at all governance levels, also contributing to the empowerment of civil society;
– carrying out studies, including feasibility studies, research, analyses and surveys, evaluations and impact assessments.

STRUCTURAL SET-UP OF THE PROGRAMME

The programme provides tailor-made expertise, upon request from a Member State, in a broad range of policy domains. The direct beneficiaries of the programme are Member State authorities at the central, regional, or local levels. The indirect end beneficiaries are Member State citizens and/or businesses that benefit from the results of the reforms.

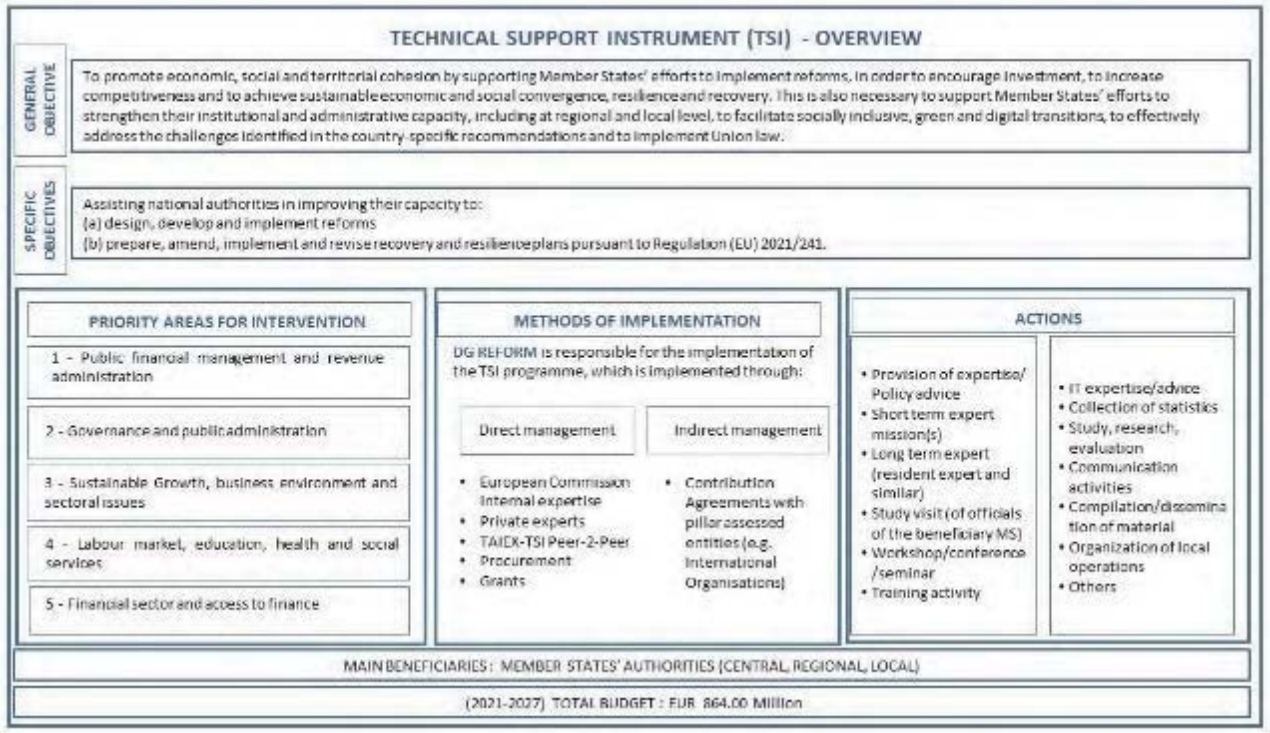
The Commission does not provide direct funding to Member States. Rather, it provides expertise to Member States who are fully responsible to carry out the reforms. This expertise delivered by the Commission requires no national co-funding but the success of the reform support relies on the engagement and ownership of the Member State authorities.

[69] Article 7 (EU) 2021/240: 'Payments for additional technical support. In addition to the technical support covered by the budget set out in Article 6, Member States may request additional technical support under the instrument and shall pay for the expenses pertaining to such additional support.

The programme is mainly implemented under direct and indirect management, in particular through grants and procurements, internal expertise and entrusting tasks to international organisations or other bodies in accordance with the financial regulation.

DG Structural Reform Support is in the lead for the Commission in managing the programme and coordinating the provision of tailor-made technical support to EU Member States, in cooperation with the relevant Commission services.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The Technical Support Instrument is the successor of the Structural Reform Support Programme, with a larger budget and broader scope. The programme is consistent, coherent and complementary to the other EU programmes that support capacity-building and technical assistance.

FURTHER INFORMATION

– Detailed information about the programme and the reform support actions funded by the Technical Support Instrument and its predecessor, the Structural Reform Support Programme, can be found on:
    - Technical Support Instrument website;
    - Reform Support website.
– DG REFORM strengthened its presence on social media and continued the 'Project in the Spotlight' series, including by producing short documentary and testimonial videos, to illustrate the impact of selected projects on the life of EU citizens.

– In 2023, the Commission published the ex-post evaluation of the Structural Reform Support Programme, the predecessor program of the Technical Support Instrument. The ex-post evaluation concluded that the Structural Reform Support Programme has been effective as it has substantially advanced the reform agenda in EU Member States. The Programme offered very high value added, significant cross-border, EU wide impact going beyond individual Member States. Technical support remains highly relevant, and highly needed by Member States. The Structural Reform Support Programme was also found to be highly coherent with European semester process; it is also unique but complementary with other EU-level interventions and national/regional schemes. Suggestions for improvement focus on procedural issues, such as improving the sharing of technical support outputs across borders, developing further and refining monitoring and project evaluation practices for the different stakeholders, suggestions which have been taken onboard on the Technical Support Instrument.

– The impact assessment supporting the proposal for a regulation on the establishment of the Reform Support Programme, carried out in 2018, was taken into account for the definition and adoption of Regulation (EU) 2021/240 of the European Parliament and of the Council adopted on 10 February 2021 and establishing the Technical Support Instrument.

– At programme level and in line with the Commission's provisions on better regulation, in 2023 DG REFORM initiated an external study for the mid-term evaluation of the TSI to be delivered by February 2025. It will provide input and lessons learned to feed into the next programming period for this instrument.

– Besides the midterm and *ex post* evaluation foreseen by the regulation to evaluate the Technical Support Instrument programme at the programme level, DG Structural Reform Support performs evaluations at the project level. A feedback mechanism is performed on individual technical support projects with a two-step approach: (i) at project closure to assess the satisfaction level of the main stakeholders involved in the design and implementation of the project; and (ii) at 6, 12, or 18 months after project closure, to assess the achievement level of expected outcomes. Given that the first TSI projects were launched in 2021, the first tangible results of the outcome of the programme will be available in the mid-term TSI report, to be published in February 2025. The high satisfaction feedback provided by Member States' coordinating authorities is a recognition of the DG's work.

Performance management

– In 2023 DG REFORM accepted the two recommendations issued by the IAS on TSI performance management and agreed on the next steps to further improve the measuring and reporting of TSI projects' performance. The implementation of both recommendations has already started and is impacting DG REFORM monitoring system, such as the methodology to report the number of activities/actions and deliverables/outputs. Some areas for improvement identified during the audit have been addressed already before completion of the audit by the IAS, the work on the others is ongoing.

– DG REFORM work on performance management also takes stock of the recommendations given in the SRSP ex-post evaluation published in 2023, improving the internal procedural elements and refining monitoring and project evaluation practices for the different stakeholders.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	116.4	118.7	121.1	123.5	126.0	128.5	130.4	864.4
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	6.4	0.0	0.0	0.0	0.0	0.0	6.4
Total	**116.4**	**125.1**	**121.1**	**123.5**	**126.0**	**128.5**	**130.4**	**870.8**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 0.4 million (+ 0%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	362.1	870.8	41.6%
Payments	200.9		23.1%

Voted budget implementation (million EUR):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	116.1	116.4	26.4	59.2
2022	118.6	118.7	60.0	80.2
2023	121.0	121.1	106.9	99.8

(*) Voted appropriations (C1) only.

– The programme is mobilised by the Commission to help Member States strengthen their resilience and the structural capacities of their administrations. The programme it has proven flexible and reactive by supporting Member States in the aftermath of Russia's unprovoked invasion of Ukraine and the recent global energy market crisis by supporting efforts to end EU dependence on Russian fossil fuels and by promoting energy efficient reforms, and to facilitating the application of sanctions imposed on Russia on account of its invasion of Ukraine.

– A total amount of EUR 362,1 million, representing a 41% of the total envelope for the 2021-2027 period, was committed by 2023, which is fully in line with the financial programming. The commitments were in line with the Financing Decision - annual work programme of 2021 to 2023.

– Another EUR 123.5 million of the total envelope for the 2021-2027 period will be committed in 2024, which is also fully in line with the financial programming and budget allocation for the 7-year period. The commitments for 2024 are in in line with the Financing Decision of 2024, which was adopted in March 2024.

– The 2025 amount requested in the draft budget is EUR 126 million. This is in line with the financial programming. While the TSI 2025 requests are yet an unknown quantity, based on previous cycles we can assume that the budget will indeed be unlikely to cover demand. Despite the high demand from the Member States for the programme, the cumulative percentage of projects selected along the years barely reached 50% of the total requests submitted. This is due to, inter alia, limited budgetary and human resources. In this light, the number of multi-country projects has increased in the latest TSI cycles to maximize the MSs requests coverage and to increase efficiency. For example, under the 2024 Technical Support Instrument cycle 41 multi-country projects were selected.

– In order to tackle the high demand from Member States, DG REFORM has put in place an internal working group who is simplifying and streamlining all the processes of the Technical Support Instrument programme. There is also a very close monitoring of the workload of the staff of DG REFORM in order to

respond each year to a maximum number of the requests of the Member States in line with the available budget.

– DG REFORM is in close contact with the Coordinating Authorithies of the Member States. A network of DG REFORM Country coordinators is in charge of ensuring a coherent and consistent approach to technical support for reforms in each Member State. These country coordinators act as a unique interlocutor for the Member States' Coordinating Authorithies on all aspects of the Technical Support Instrument implementation, contribute to the preparation of the Technical Support Instrument selection process, and ensure added-value contributions of DG REFORM to the European Semester and the Recovery and Resilience plans under the Recovery and Resilience Facility.

– DG REFORM is also very keen on his close collaboration with the Coordinating Authorities on the one hand and on the creation of a huge Coordinating Authorities network at national level on the other hand. The 2023 Coordinating Authorities workshop in Madrid was a real success.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	23.1	23.2	18.0					64.4	7%
Biodiversity mainstreaming			6.4					6.4	1%
Clean air									

– The programme has contributed to the green transition in the following ways.

  - EUR 64.4 million of the 2021, 2022 and 2023 budgets was devoted to projects covering climate mainstreaming, representing 7.4% of the 2021-2027 budget.
  - The programme's contribution to **climate change mitigation and adaptation** increased in 2023. It was the second year that the programme assisted the Member States in the context of the energy crisis triggered by the Russian invasion of Ukraine, so there was increased demand for projects in this policy area.
  - The programme provided support to Member States in the area of climate change mitigation and adaptation, including for the **preparation of long-term climate mitigation strategies**.
  - The programme supported Member States wishing to design and implement reforms supporting building renovation and the EU renovation wave for a **decarbonised and clean energy system**. The program has mainly focused on five areas linked to the EU Renovation Wave: energy poverty, public buildings, renovation ecosystem, cohesion funding and governance.
  - The programme also supported Member States in **water-related reforms** to ensure compliance with the water framework directive, the drinking water directive and the urban wastewater treatment directive, and to prepare action plans to increase the efficiency of water supply networks. For example, DG REFORM supported Croatia to reduce water losses in its networks and Hungary to harmonise and improve monitoring of water quality. DG REFORM also launched a project in Estonia on implementation of an action plan towards the long-term financial sustainability of water.
  - In line with the 2030-2035 EU **waste management targets**, the EU action plan for the circular economy and the zero pollution action plan, the programme helped Member States in improving waste management and transitioning towards a circular economy. For example, it helped Austria to increase the circularity of its raw material use and continued to help Cyprus and Romania for the improvement of their waste management.
  - The programme provided support for **biodiversity protection**, for example by helping Denmark, Germany and the Netherlands protect the migratory route of water birds. DG REFORM also supported Estonia in assessing the effectiveness of its conservation measures and continued to support Finland in fighting forest pest risks and Italy to enable green infrastructure and nature-based solutions.
  - The programme supported Member States to improve environmental enforcement, for example by continuing to support Portugal to improve its environmental inspections and permitting processes, and Austria to fight environmental crime.

– Due to its nature, the program is not covered by the **EU taxonomy regulation for sustainable activities**. None of the eligible actions for technical support listed in Article 8 of the technical support instrument regulation is aligned with the economic activities described in Annex 1 of Commission Delegated Regulation (EU) 2021/2139. Therefore, there is no taxonomy-relevant expenditure financed by the programme.

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2		2.4	18.0	20.4
1				

0*	116.1	116.2	103.1	335.4
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

– In line with the principles of the gender equality strategy 2020-2025, TSI contributed to gender equality and equal opportunities for all and for the mainstreaming of these objectives. In 2023, TSI measures reported under score 0* included a budget of EUR 103 million.

– Under TSI 2023, the programme financed interventions the principal objective of which is to improve gender mainstreaming for a value of EUR 18 million, falling under gender score 2. For example, since 2022 specific support is provided to seven Member States under the ‘Gender mainstreaming in public policy and budget processes’ flagship. This flagship aims at helping the Member States, at the national, regional and local levels, to practically improve gender equality within their budgets, as is also expected in the context of the recovery and resilience plans and other EU funds and programmes. The project supports the introduction of gender mainstreaming tools in various sectors and promotes ongoing training and capacity development for administrations to improve their technical competence and implement gender policies effectively. In particular, support is provided, inter alia, for reviewing institutional arrangements, collecting and using gender-specific data, integrating gender considerations into public procurement, consolidating effective gender-responsive budgeting practices and implementing gender impact assessments.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	18.5	28.1	40.5	87.1	24%

– The programme provided support towards Member States’ digital transition in several projects, in line with the Europe fit for the digital age action plan and the ‘2030 digital compass: the European way for the digital decade’ communication.

- In 2023, TSI continued to expand the work of supporting Member States in the **financial sector** through projects aimed at the preparation and implementation of growth-enhancing administrative and structural reforms. Several projects were delivered in the areas of digitalisation of financial markets, sustainable finance, anti-money laundering, financial literacy, reinforcing financial stability, improving consumer protection and business practices, insolvency and the effective and uniform implementation of sanctions. One

specific example is the 'National Financial Literacy Strategy for Greece' project, which will enable Greek citizens to make effective and sustainable financial decisions and use traditional and innovative financial services safely.

- The programme also supported Member States' transition towards **e-government and digital public administration**, for example increasing the capacity of the Dutch competent authorities to supervise artificial intelligence, digital-ready legislation in Denmark, establishing a statistical interoperability node in Spain and supporting open government in Greece.
- The programme is also supporting the digital transition to improve efficiency of different economic and policy sectors such **labour market and employment** (developing employment services for economically inactive people), the **health systems** (improving interoperability) or the **business competitiveness** (reducing administrative burden).

– The TSI programme uses other digital intervention fields that are different from the Digital Economy and Society Index dimensions for estimating the **budget contribution to the digital transition**. TSI digital transition projects report to 'Digital Public Support – table 8', intervention field 144 'Actions supporting the implementation of Digital policy, including supporting the Network of National Contact Points, policy information system, technical support to national and local governments and administrations, as well as studies/analyses to understand the social, health, environmental consequences of the digital transition of economy and society'. The total contributions were EUR 18.5 million for 2021, EUR 28.1 million for 2022 and EUR 40.5 million for 2023.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress(*)	Target	Results	Assessment
Cooperation and support plans concluded	0	**43%**	20 annually from 2021 to 2027	Milestones achieved in 2021, 2022 and 2023	On track
Number of support measures	0	**29%**	147 annually from 2025 to 2027	Milestones achieved in 2021 and 2022. Milestone not achieved in 2023	On track
The objectives set in the cooperation and support plans, which have been achieved due, inter alia, to the technical support received	0	**NA**	70% annually from 2021 to 2027	No results	No data

(*) % of years for which the milestone or target has been achieved during the 2021-2027 period.

– In 2023, 98% of the Member State requests selected concern support for implementing reforms that will help to achieve strategic policy priorities, as set out under the **European semester framework** for policy coordination. This includes tailor-made support for the amendment, implementation and revision of recovery and resilience plans under the Recovery Resilience Facility or under EU-wide policy initiatives such as the Green Deal, the single market strategy,

the digital single market, the energy union, the capital markets union, the European Pillar of Social Rights, or support for the implementation of EU law and the better regulation agenda. It also includes actions and activities in support of reforms that may help Members States prepare for joining the euro area. The remaining requests refer to Member State reforms to support recovery, sustainable economic growth, job creation to enhance resilience and public administration and governance coordination.

– Overall, the TSI priorities for 2023 reflected all 10 areas set out in Article 5 of Regulation (EU) 2021/240 establishing the Technical Support Instrument. Despite the fact that TSI projects are independent from the Recovery and Resilience Facility, TSI also supported Member States in the amendment, implementation and revision of recovery and resilience plans under the facility.

– The programme supports Member States' efforts to design and implement **resilience-enhancing reforms**. It also continued to contribute to the EU's recovery from the COVID-19 crisis, improving the quality of public services and helping to get the Member States back on the path of sustainable and inclusive growth. The programme directly and indirectly supports Member States for the implementation of their recovery and resilience plans.

– In the **2024 programme round**, 27 Member States submitted 604 requests for support with a total estimated value of EUR 294 million. DG Structural Reform Support identified 170 projects for funding, covering 307 selected technical support requests. The selection followed a thorough prioritisation exercise carried out according to the programme regulation and a wide consultation of 17 Commission departments to find synergies and complementarities and avoid overlaps with other programmes.

– In 2023, together with other Commission services, DG Structural Reform Support proposed pre-identified EU policy areas of potential support to Member States, namely the **'flagship technical support projects'**, which are aimed at streamlining EU policies on top of the traditional tailor-made requests from Member States. At the same time, the DG gives Member States the possibility of making **multi-country technical support requests**, to enhance mutual learning on the one hand, and to help a maximum number of Member States on the other hand with their reforms.

– It has to be underlined that TSI is a very flexible programme, on which Member States can always rely for specific emerging needs, e.g. Russia's unprovoked invasion of Ukraine.

– It is estimated that over 63% of projects selected under the 2023 programme contribute to the implementation of the **recovery and resilience plans**. In 2023, 27 Member States were benefiting from general support for their plans. This allows public administrations to set up the right mechanisms and build their capacity to implement and monitor their plans across all its components.

– The programme also helped to strengthen horizonal priorities such as the green and digital transitions in the Member States.

Green transition

- In 2023, TSI supported the mainstreaming of **climate and biodiversity objectives** and helped improve Member States' preparedness to reach climate and energy objectives, in particular climate neutrality by 2050. Actions included, among others: strengthen climate adaptation, promote climate mitigation and protect biodiversity; enhance policy coherence and alignment of EU funds and programmes with the 'do no significant harm' principle; support the integration of sustainability considerations in the budget processes of Member States; re-direct private and public capital flows towards climate and environmental action, also in support of other EU instruments (e.g. InvestEU programme, Just Transition Mechanism, Recovery and Resilience Facility); integrate and mitigate risks stemming for the

climate and environmental transition in the financial sector; implement green taxation reforms; and design holistic strategies engaging the regional, local and wider community on the changes needed for a successful transition.

- As far as climate change mitigation and adaptation is concerned, DG REFORM defined a flagship technical support project on climate adaptation and continued the support towards the preparation of a long-term climate mitigation strategies and pathways to achieve carbon neutrality, for instance in Czechia and Romania. DG REFORM also assisted the Member States in the prevention of climate-induced disasters, for example with the prevention of wildfires in Portugal, and helped Poland prepare a revised climate adaptation strategy. In Malta, DG REFORM continued to provide support on coastal protection.
- In 2023, TSI helped 17 Member States to identify reforms and investments to phase out their reliance on Russian **fossil fuels** with the 'Supporting rEPowerEU: affordable, secure and sustainable energy for Europe' project. The areas of technical support included: faster permitting for renewable energy, energy efficiency and building renovation, hydrogen, biomethane, diversification of gas supply and industry decarbonisation. Both the diversification of supply and the use of renewable energy will contribute to achieve the green transition and to reduce the price of energy, for the benefit of citizens and businesses.

Digital transition

- In 2023, TSI supported the digital transition in the Member States via its 'Digital transformation for regional and local public administrations' flagship project. The project aimed at helping EU regional and local authorities design and implement structural reforms in the field of digital public administration. It targets three areas that are highly relevant for regional and local administrations: (i) sustainable connectivity, including cybersecurity; (ii) development of smart cities; and (iii) interconnectedness with digital systems used by other authorities, including in other Member States. The impact of the project includes the acceleration of the digital transition in the Member States through the implementation of EU digital strategies (such as the 2030 Digital Decade or the 'once-only' principle) at the regional and local levels, the enhancement of digital administration at the regional and local levels with an improved quality of digital services for citizens/businesses and an increased socioeconomic attractiveness of regions.
- In 2023, DG REFORM also implemented a project to support the Dutch Authority for Digital Infrastructure to speed up and set up proper **supervision of artificial intelligence** systems in compliance with the forthcoming AI Act and other relevant legislation. The 'Supervising Artificial Intelligence by Competent Authorities' project provided support to the Dutch authority in their endeavour to supervise artificial intelligence, thereby ensuring greater adherence to existing and upcoming legislation on artificial intelligence. It not only delivered comprehensive knowledge on existing practices of artificial intelligence supervision and a set of other good practices and supervision scenarios, but also practical pathways and on-the-ground assistance for the Dutch authority to supervise artificial intelligence. The Dutch authority chairs both the European and Dutch Working groups of Competent Authorities on AI. In addition to directly supporting the Dutch authority, the project also engaged other EU competent authorities to collectively address the complex and varied challenges associated with supervising artificial intelligence technologies.

– In 2023, the programme also focused on reinforcing its **collaboration with Member States** and among the Commission services to further advance the work on public administration and

governance. The expert group on public administration and governance gathers representatives from public administrations in the Member States to discuss common challenges and ways to address them. Additionally, in 2023 TSI launched a new initiative to foster exchanges among civil servants of different Member States – the 'Public Administration Cooperation Exchange' project. Under this initiative, civil servants have the possibility to work for short period in other Member States to strengthen administrative capacity, as well as policymaking and implementation skills. In its first year, 300 civil servants from 18 Member States are participating. Thanks to this exchange, participants can learn from the working methods and culture of other EU public administrations in selected areas, such as the green and digital transitions, the management of EU instruments, the design, monitoring and evaluation of public policies, and human resources management. This programme is contributing to shape the next generation of civil servants across the EU.

– In the area of **good governance**, DG Structural Reform Support supported several Member States in strengthening their policymaking through new methodologies and tools. For example, in Italy the 2022 TSI project 'Reinforcing multi-level policy coordination for integration in Italy' is contributing to strengthening the coordination mechanisms and enhancing the fundamental role played by all levels of authorities for the integration and labour market inclusion of migrants. In the long term, the project is expected to enhance central coordination of the state with regional and local authorities, and thus reduce regional and social disparities.

– The programme has supported Member States in the field of **migration**. In 2022, the programme has been supporting 14 Member States to improve migrants' access to essential services such as health or school education or to facilitate access to jobs. Out of these, nine Member States benefited from urgent support with welcoming and integrating persons displaced to the EU, following the Russian invasion of Ukraine, under the dedicated programme call launched in April 2022. With the 'Accelerating access to essential services for displaced Ukrainians in Romania' project, the Commission, together with the World Bank as implementing partner, has been providing support to the Romanian Inspectorate General for Emergency Situations and Ministry of Education since July 2022 to (i) support Romanian authorities in accelerating access and improving the delivery of assistance services for people fleeing Ukraine in order to ensure their better integration, and (ii) assist and advise the Ministry of Education to speed up and improve access to education and psychosocial support services for Ukrainian children displaced in Romania.

– In 2023, nine Member States benefited from TSI support to welcome and integrate persons fleeing Ukraine, as a consequence of Russia's unprovoked invasion. For example, in order to help the expansion of the integration centres for foreigners, TSI provided support to identify the most suitable EU funding opportunities. The projects helped to improve **refugees' integration** and the adaptation of school curricula to the needs of displaced pupils from Ukraine, as for example the 2022 TSI 'Supporting the development of a national coordination mechanism for recognising refugees' qualifications in Italy' project. Furthermore, TSI is helping with access to the labour market through the recognition of skills and qualifications acquired outside the EU. While enabling refugees' access to qualified jobs, the recognition of skills helps EU employers to fill jobs shortages.

– The programme has supported Member States in the field of **public financial management** by helping them improve the efficiency, effectiveness and sustainability of public spending. The programme has supported Member States in the field of revenue administration by helping them to boost the efficiency and effectiveness of their tax and customs administrations. To fight cross-border tax fraud, evasion and avoidance, in 2023 the Commission's technical support contributed to enhancing the exchange of tax information among seven Member States. By providing the necessary tools, skills and expertise, the Technical Support Instrument has enhanced the capacity to safeguard fiscal revenues for the benefit of EU citizens and businesses.

– The flagship ‘Enhancing the quality and use of tax information exchanged between Member States in the context of the directive on administrative cooperation’ was targeted at Member States wishing to improve their fight against cross-border tax fraud, evasion and avoidance through a better use of **tax information exchanged between Member States** in the context of the directive. This project identified three work packages, each with its own set of deliverables tailored to each Member State: (i) data quality of outgoing tax information; (ii) use of incoming tax information; and (iii) performance monitoring and evaluation of tax information. This flagship project is well-aligned with the policy areas under pillar 5 of the Recovery and Resilience Facility – health, economic, social and institutional resilience.

– In 2023, TSI contributed to spur the **competitiveness** of 12 Member States’ industrial ecosystems. Member States made use of the technical support in drafting their industrial strategies and action plans. The technical support also laid the groundwork for strengthening market surveillance at the national level, improving intellectual property frameworks and mapping the skills needs of both the industry workforce and entrepreneurs. Moreover, TSI contributed to bolster the EU mining regional ecosystems to secure mineral raw materials supply. TSI also helped seven Member States to build more sustainable, resilient and digital tourism ecosystems, with the objective of rebooting tourism across the EU and making it more resilient in the global market, as for example in Croatia with the ‘Support to Croatia’s tourism ecosystem: towards a more sustainable, resilient and digital tourism’ project.

– n the field of **education and training**, the programme supported Member States in designing new skills strategies and learning frameworks, along with governance and monitoring mechanisms of national action plans in the area of digital education. The programme also helped Member States render their education systems more inclusive and equitable while improving the impact of curriculum reforms (Croatia, Lithuania) and raise the quality of early childhood education and care (Bulgaria, Cyprus, Austria). DG REFORM worked with Spain, Italy, Portugal and Romania on a multi-country project aimed to make their education systems more inclusive for disadvantaged pupils, children with disabilities and for those with a migrant background. The technical support encompassed exchanges of knowledge and good practices among Member States and contributed to draft tailor-made recommendations. For example, TSI contributed to develop an early warning system that enables schools and education authorities to identify students with specific needs and support them in a timely and appropriate way with the ‘Tackling early school leaving in Romania’ project.

– In 2023, DG REFORM provided support to Spain in developing a strategy for enhancing the **labour market** inclusion and participation of skilled migrants. The project was supported by a centralised online platform connecting administrations, employers and migrants. The strategy targets talent attraction from non-EU countries and labour market participation of migrants already in Spain, while the digital platform facilitates the matching between skilled migrants and employers seeking workers with skills that are currently in short supply in Spain. This innovative approach could inspire other Member States in the context of the EU talent pool.

– In the area of **health**, the programme supported Member States on reforms targeting access to and quality of primary care, workforce health, health information systems, health system performance assessments, telemedicine solutions, e-health national strategies, cancer prevention strategies and digital skills of the health and care workforce. The TSI helped Belgium, Austria and Slovenia make a more strategic and efficient use of EU funds to enable the healthcare sector’s development and put innovation at the heart of their health systems. Through the ‘health hub’, the Member States can identify the best funding opportunities to undertake key reforms for the benefit of citizens. In the long run, the health hub will also help national and regional governments to underpin economic investments in this sector. Building on its promising results, this project can be scaled up to the EU level.

– In 2023 the Commission continued helping Member States to bolster their **national capital markets**. So far, 21 Member States have benefited from TSI in this field, as for example Czechia, with the 'Access to capital market financing for Czech Small and Medium-Sized Enterprises' project. Reforms contributed to removing regulatory barriers to investments and tackling market inefficiency. The objective of these reform projects is to increase investment opportunities, bring higher market visibility for businesses, and help small and medium-sized enterprises to access bank credit.

– During its first 2 years, the EU Supervisory Digital Finance Academy has been gathering 37 national authorities from 26 Member States, hosting more than 1 000 participants from across the EU, thanks to TSI. This project is helping national authorities to seize the opportunities of innovative technologies and digital applications in the **financial sector**, while supporting them to cope with the risks. By enhancing the skills of the national regulators and supervisors' staff, the academy will strengthen consumer protection and create opportunities to develop innovative, efficient and inclusive financial products for consumers and businesses across the EU.

– Following Russia's unprovoked invasion of Ukraine, TSI has been helping Czechia, Latvia and Malta to maximise the effectiveness of **economic sanctions against Russia**. In 2023, his project helped national authorities to identify people and entities related to Russia's regime, in order to freeze their assets. It also contributed to prevent attempts to circumvent these sanctions through crypto currencies. Building on the results so far, nine additional Member States have requested to work together with the Commission to further improve the implementation of sanctions.

– Of particular importance was the programme support for the national recovery and resilience plans under the Recovery and Resilience Facility. In 2023, all Member States benefited from TSI for the implementation of their **recovery and resilience plans**. So far, more than 400 technical support projects have been instrumental in implementing the national plans. Member States benefited from TSI to enhance central aspects of the plans' implementation, such as project management, monitoring, communication, governance, information technology and compliance with the EU Green Deal objectives. TSI has also contributed to the implementation of thematic reforms relating to the plans in crucial areas, such as the green and digital transitions and skills, along with gender equality and equal opportunities for all.

– In 2023, DG Structural Reform Support developed a robust **set of communication initiatives** to put the programme in the spotlight, such as the organisation of its third annual conference, with the participation of high-level representatives from the European Commission, Member States and other institutions. Even though the conference was online, the aim was to create an experience that was closer to following an in-person event rather than a sequence of presentations. The conference, which attracted more than 1 600 unique online viewers, highlighted the way TSI supports Member States for the successful design and implementation of resilience-enhancing reforms. It presented policy and technical/practical information and expertise on a range of topics relating to the central thematic area 'Public Administration fit for the future and adaptable to change', and on the functioning of ongoing and prospective TSI projects and flagship projects for 2024.

Exploiting synergies among horizontal priorities in TSI

– Most of the 2023 TSI projects build on different horizontal priorities at the same time, something that happens in a natural way. A specific example of a project exploiting synergies between the digital and green horizontal priorities is the 2023 TSI 'Professionalisation of public procurement personnel: fostering strategic methodologies, integrity and transparency' flagship project, which aims at developing tools to use strategic and innovative procurement methodologies., including green procurement criteria and e-procurement tools.

– Another specific example is the 2023 TSI ‘PACE – Public Administration Cooperation Exchange’ flagship project, aiming at promoting cooperation and cross-border exchanges among Member States to build administrative capacity and prepare the next generation of policymakers in the EU. The project will touch upon different EU priorities, such as green transformation and investment management. The project is a clear example of how some TSI projects are of a horizontal nature, promoting synergies and stimulating cross-cutting learning paths in local and national administrations.

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Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example

SDG1	YES	In the field of social security and social welfare, in 2023 the TSI supports reforms aimed at strengthening the effectiveness of social assistance benefits, reforming the social housing policy, and improving the quality and coverage of social services for vulnerable groups. Measures are in line with the Action Plan for the implementation of the European Pillar of Social Rights, the European Care Strategy and the European Disability Rights Strategy for 2021-2030, among others. Measures selected support integrated interventions aimed at: (i) enhancing the administrative capacity of social security and social welfare organisations at national and sub-national level; (ii) improving the adequacy of social protection systems, including pension systems, and (iii) improving the quality and provision of integrated care and social services for elderly persons and for children and youth. In line with the European Disability Rights Strategy for 2021-2030, technical support will be provided to de-institutionalise care provision for people with disabilities, including children, in favour of homecare and community-based care alternatives. Specific project example. Under the TSI 2023 flagship project YOUTH FIRST – supporting children and youth wellbeing, education, training, social protection and labour prospects, DG Structural Reform Support launched in the context of 2022 being the Year of the Youth, a flagship program to help Member States to design policies that improve children and young people' wellbeing, education, training/skills, social services, as well as access to finance and financial literacy. Five areas of expertise are available, including healthcare, education, inclusiveness, social protection, access to finance and research, among others.
SDG2	NO	

SDG3	YES	In the area of health, the TSI 2023 selected measures contribute to strengthen the resilience of health systems in line with the objectives of the European Health Union. The measures aim at (a) enhancing the governance, planning, monitoring, evaluation capacity and skills of health systems of the Ministries of Health and associated public entities in the areas of eHealth, health system performance assessment, health technology assessment, anti-microbial resistance and long-term care; (b) improving the efficiency of health systems through interoperable eHealth systems, more effective clinical governance, costing and payment models, and use of human resources;: (c) improving access to and the quality of eHealth, medicines, long-term care services, personalised medicine, cancer prevention and care, and ensure sustainable public investments in health systems. Specific project example: The TSI 2023 Flagship project Towards person-centred integrated care aims at strengthening the coordination between the ministries of health and social care of different Member States and the different levels of care provision, by putting the person at the centre of services to ensure better access and better quality of care at every stage of life. To this end, primary care, hospital care, long-term care and mental care services in different Member States will be analysed from various perspectives: legislation, governance, resources, funding, capacity or e-tools. With this data, the project will create new roles, processes and working practices that integrate health, social and long-term care services, including by building on existing instruments (i.e. World Health Organisation Country assessment framework for integrated delivery of long-term care). It will result on tailored integrated care solutions at national or regional/local level.

SDG4	YES	The 2023 support measures in the areas of skills, education and training will increase the quality, relevance and inclusiveness of education and training and will contribute to: (i) an enhanced capacity of the central, regional and local authorities to design, implement and evaluate curriculum reforms, using a more evidence-based approach; (ii) better tools for short- and mid-term workforce planning, based on supply and demand for teachers; (ii) increased inclusiveness and quality of the education system and more equitable learning opportunities for students from disadvantaged socio-economic backgrounds (iii) improved monitoring and evaluation systems for assessing the quality of early childhood education and care and the impact of investments with regards to digitalisation of education; (iv) increased coherence, effectiveness and efficiency of the evaluation and quality assurance for VET and higher education; (v) consolidated academic career reform for enhanced impact and sustainability; (vi) increased adults' participation in training. Specific project example: The TSI 2023 Flagship project Environmental, social and governance (ESG) Risk Management for the Financial Sector aims at increasing public and private awareness of ESG risks in the financial sector by implementing the related existing and forthcoming EU regulatory framework. One of the main workstreams is the development and promotion of targeted financial literacy initiatives, cross-sectoral capacity building exchanges among NCAs and awareness raising campaigns among the general public.

SDG5	YES	The TSI 2023 Program will continue to support projects to develop common methodologies for gender mainstreaming in public policies, gender impact assessments and gender budgeting adapted to each Member State. Specific project example. The TSI 2022 project Gender Mainstreaming in Public Policy and Budgeting is helping seven Member States in strengthening their gender budgeting policies on many administrative levels, to ensure public money is used to foster gender equality. Gender budgeting encompasses a variety of areas such as taxes, pensions, health care, business opportunities and urban planning. For example, decision makers should take in consideration the needs of both female and male users when planning new public buildings, schools, kindergartens, or parks. The project is supporting the beneficiary administrations in analysing policies and budgeting processes from a gender mainstreaming perspective. Participants have been sharing good practices, and new learning methodologies and tools.
SDG6	YES	The TSI programme will support Member States in water-related reforms to ensure compliance with the Water Framework Directive, the Drinking Water Directive, the Urban Wastewater Treatment Directive, and to prepare action plans to increase the efficiency of water supply networks. In line with the EU action plan for the circular economy and the Zero Pollution Action Plan, the programme helps the Member States in improving waste management and transitioning towards circular economy. Specific project example: Strengthening economic and environmental regulation in the Romanian water and wastewater sector for the Romanian Public Services . The European Commission provided support to the Romanian economic regulator to play a critical role as the central repository of performance and compliance information. The Commission, in cooperation with the Water Industry Commission for Scotland (WICS), provided support over 14 months to: raise industry awareness on the benefits of economic regulation and of a robust information framework; develop an information framework Romanian Public Services Commission (ANRSC), including hands-on support to three regional pilot companies; and support Romanian waters to improve the quality of data for the River Basin Management Plan.

SDG7	YES	In the area of affordable and clean energy, TSI 2023 projects aim at enhancing Member States capacity to accelerate energy renovation of buildings, renewable energy development and permitting processes, and to increase energy and resource efficiency and renewable energy sources, achieving energy diversification. Specific project example: TSI 2023 Flagship project Accelerating permitting for renewable energy will help Member States wishing to streamline and accelerate their permitting processes for renewable energy. It also plays a key role in increasing energy security by reducing dependence on Russian fossil fuels imports in particular. The project will do it by (1) streamlining administrative procedures for renewable energy permitting(2), facilitating spatial planning for renewable energy deployment, and (3) Increasing public engagement and acceptance.
SDG8	YES	All areas of the programme contribute to sustainable economic growth and thus employment. As an example, we highlight measures supporting labour market policies. These are expected to contribute to: (i) help to maintain a high-level of employment through improving the effectiveness of public employment services and the quality and coverage of active labour-market policies; (ii) an increased offer and availability, better quality and adequate quality assurance system for up and reskilling programmes, in particular in view of equipping people with digital and green skills and to better address labour market requirements and skills mismatches; and (iii) increased administrative and analytical capacity of public employment services, including through the systematic collection of data needed for policy design and implementation purposes, more effective governance mechanisms and analytical tools to assess and anticipate labour market developments and profiling of job seekers. Specific project example: the TSI 2023 flagship project Migrant integration and talent attraction supported Member States with carrying out reforms and measures that foster the socio-economic integration of Third Country Nationals (TCNs) in the EU. Furthermore, it also supported reforms and measures that foster their labour market inclusion while making the best use of their competences and skills and create opportunities for employers to recruit international talent to address labour market gaps.

SDG9	YES	In the area of sustainable industrialisation and innovation, the support measures are expected to contribute to the efforts of the national authorities towards building sustainable, resilient and digital industrial ecosystems, in order to make EU industry more competitive globally, while enhancing Europe's strategic autonomy, e.g. by securing mineral raw material supply. In particular, the support measures are expected to contribute to the elaboration of more resilient and competitive horizontal, regional and sectorial strategies, address strategic dependencies, build better conditions for innovation and entrepreneurship, for example through the promotion of intellectual property rights and support provided to the market by local and regional authorities, protect businesses from unfair competition and build the workforce for the green and digital industrial ecosystems of the future. Furthermore, the support measures are expected to help Member States create more resilient and innovative economic activities, including at the regional level. The support measures will also contribute to encouraging safe and clean transport and sustainable tourism. Specific project example: the 2023 Flagship project on Support to industrial ecosystems supported Member States in the design and implementation of reforms to boost competitiveness, sustainability, resilience and employment. The project contributed to: (i) strengthening the administrative capacity of Member States to support industrial transformation, by preparing horizontal or sectoral industrial strategies; (ii) strengthening national market surveillance systems to protect consumers and workers against unsafe products and general non-compliance, thus creating a safer and sounder business environment; (iii) promoting intellectual property (IP) rights to stimulate innovation and protect investment with a view to improve the competitiveness of European enterprises, especially SMEs; (iv) reskilling and upskilling the workforce to enable a better understanding of the existing gaps, especially as regards green and digital skills and designing actions to address them

SDG10	YES	Through technical support measures targeting the fight of inequalities within and among countries, the programme offered support to reduce inequalities in income as well as those based on age, sex, disability, race, ethnicity, origin, religion, or economic or other status. In the field of migration, department REFORM continued providing expertise in the area of migration policies, strengthening institutional framework and building operational capacity. In 2023, the department provided support to fourteen Member States in improving migrants' access to essential services and employment. In France, Italy and Poland it contributed to improving the processes for the recognition of skills and qualifications acquired outside the EU so that migrants and refugees can access better qualified jobs. It also provided technical support to other Member States to attract skilled international workers by reinforcing exchanges of good practices in the context of rising global competition on A specific project example concerns "how attracting and integrating migrants in the Spanish labour market'. 2023 was declared the EU Year of Skills in a context of persistent labour shortages and skills gaps across the EU. In 2023 department REFORM provided assistance to Spain in developing a strategy for enhancing the labour market inclusion and participation of skilled migrants. The project was supported by a centralised online platform connecting administrations, employers and migrants. The strategy targets talent attraction from third countries as well as labour market participation of migrants already in Spain, while the digital platform facilitates the matching between skilled migrants and employers seeking workers with skills that are currently in short supply in Spain.
SDG11	YES	In the area of sustainable cities and communities, TSI 2023 is, inter alia, supporting the fight against urban heat island, improving data governance, business intelligence and analytics offices at local agencies to support the data economy, advancing building decarbonization or supporting business and local industrial ecosystems. In 2023, TSI supported the digital transition in the Member States via the Flagship Technical Support Project Digital transformation for regional and local public administrations. One of the three areas of this flagship project was the development of smart cities. The flagship project aims to provide the central public administration (in close collaboration with the local public administrations) with tools/knowledge to accelerate the implementation of smart cities projects, in line with the future national strategy.

SDG12	YES	In line with the 2030-2035 EU waste management targets, the EU action plan for the circular economy and the zero-pollution action plan, the TSI 2023 work program is supporting a number of Member States towards improving waste management and transitioning towards a circular economy. For example, the programme helped Hungary, Portugal and Slovakia in the preparation of their national circular economy plans and strategies, Austria to increase the circularity of their raw material use and continued to help Cyprus and Romania for the improvement of their waste management. One project specific example in Portugal is Circular Economy: Closing the loop – From waste to resource which is increasing utilisation of secondary raw materials in the most relevant economic sectors of the country.

SDG13	YES	In the area of sustainability, it is expected that the programme will help improve Member States' preparedness to reach climate and energy objectives, in particular climate neutrality by 2050. This will include, for example, improved implementation and effectiveness in climate and energy policies, such as better preparedness for the inevitable impacts of climate change through climate adaptation, increased energy efficiency in buildings and other sectors such as transport, along with improved energy markets. It is also expected that Member States will advance towards a better implementation of the sustainable development goals, improved water and air policies and the implementation of the circular economy. Specific project example: Supporting REPowerEU: affordable, secure and sustainable energy for Europe. The Commission partnered with the International Energy Agency, the World Bank, and private sector consultants to provide tailor-made country specific support to each of the 17 countries (Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Finland, Greece, Hungary, Ireland, Italy, Poland, Portugal, Romania, Slovenia, Slovakia and Spain). This included: (i) Analysing energy dependencies and related bottlenecks; (ii) Assessing the most suitable reforms and investments at national level across all relevant areas, including renewable energy, energy efficiency and energy supply diversification; (iii) Providing specific analyses on topics linked to faster renewable energy permitting, energy efficiency and building renovation, the roll-out of hydrogen, the production of biomethane, the diversification of gas supply, and the decarbonisation of industry; (iv) Facilitating the exchange of good practices and expertise through a series of tailor-made workshops. The support from the Commission is expected to deliver the implementation of reforms and investments that reduce dependence on Russian fossil fuel imports and provide affordable, secure and sustainable energy to households and businesses.
SDG14	N0	

SDG15	YES	In the area of terrestrial ecosystems, forests, desertification, land degradation and biodiversity loss, the programme is expected to help improve Member States' preparedness to reach climate and energy objectives, in particular carbon neutrality by 2050. More specifically, the support measures are expected to help Member States to improve environmental enforcement and environmental inspections, prevent and manage wildfires, implement coastal protection and develop sustainable aquaculture. The TSI 2023 multi country project Climate Adaptation is increasing the quality and efficiency of public administrations in different Member States in the field of economic and ecological sustainability of agricultural and forestry landscapes in the context of climate change. The project aims, in particular, to help administrations in retaining water in the landscape, increasing biodiversity and improving the condition of forest ecosystems while preventing wildfire. It will contribute to the EU biodiversity strategy for 2030 and to the EU soil strategy for 2030 by combatting desertification, restoring degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world by 2030.

SDG16	YES	In the fight against corruption, TSI programme support is, inter alia, expected to raise awareness among public and private sector organisations and increase the capacity to prevent, investigate and prosecute corruption. The support measures for justice systems are expected to help make them more efficient and transparent. The support is also expected to help improve the quality of the work of judges and court staff and strengthen the independence of justice systems. Finally, support should also help in achieving specific goals, in particular the protection of victims and of vulnerable individuals and populations. The technical support is expected to help improve the quality of public administration work, focusing for example on greater efficiency, sustainability, better accountability, along with a reduced administrative burden for citizens and business and improved services for citizens and businesses. Measures starting in 2023 include the implementation of national anti-corruption strategies, development of integrity frameworks, better auditing and coordination among Member States administrations. Specific project examples: The TSI 2023 Flagship project Enhancing the quality and use of tax information exchanged between Member States in the context of the Directive on Administrative Cooperation (DAC) is supporting the enforcement of tax rules, fair taxation, the safeguard of revenue mobilisation, fair market competition and economic growth in different Member States. To this end, the flagship project proposes activity packages focused on ensuring high quality data on outgoing and incoming tax information, proper risk analysis, performance monitoring and evaluation of tax information and an optimal use of internationally exchanged data.
SDG17	NO	

PERICLES IV

EXCHANGE, ASSISTANCE AND TRAINING PROGRAMME FOR THE PROTECTION OF THE EURO AGAINST COUNTERFEITING

Programme in a nutshell

Concrete examples of achievements

467 000 counterfeit euro banknotes were detected in 2023 (*).	414 406 counterfeit euro coins were detected in 2023 (*).	9 illegal workshops (mints and print shops) were dismantled in 2023 (*).	8 competent authorities applied to the programme from 2021 to 2023.
98.97% of respondents across actions taking place in 2023 indicated being satisfied or highly satisfied.	98.31% of respondents across actions taking place in 2023 indicated that the programme has a moderate or high impact on their activities in protecting the euro against counterfeiting.		

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	6.2

NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.0
Total budget 2021-2027	**6.2**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Pericles IV programme funds staff exchanges, seminars, trainings and studies for law enforcement and judicial authorities, banks and others involved in protecting the euro against counterfeiting. Actions can take place in the euro area, in Member States outside the euro area and in non-EU countries.

CHALLENGE

The use of the euro – the EU's single currency – continues to grow, including as a medium for international transactions and reserve currency. At the same time, the euro continues to be exposed to the threat of increasingly sophisticated counterfeits.

The protection of the euro benefits all Member States, EU citizens and EU businesses. Given the cross-border circulation of the euro and the involvement of international organised crime in euro counterfeiting (production and distribution), the protection of the euro goes beyond the interests, means and responsibilities of individual Member States. Appropriately, Article 133 of the Treaty on the Functioning of the European Union bestows the responsibility for the protection of the euro as the single currency to the EU. National protection frameworks are essential, but they need to be complemented and coordinated by action at the EU level. Moreover, international cooperation is necessary to fend off emerging transnational risks.

MISSION

Pericles IV aims to prevent and combat counterfeiting and related fraud and preserve the integrity of the euro banknotes and coins. This strengthens the trust of citizens and business in the genuineness of these banknotes and coins and therefore enhances the trust in the EU's economy, all while securing the sustainability of public finances.

The programme promotes transnational and cross-border cooperation within the EU as well as internationally ensuring a global protection of the euro against counterfeiting. In particular, it will take responsibility for countering specific emerging threats and the (challenging) relationship with certain countries.

OBJECTIVES

The programme's specific objective is to protect euro banknotes and coins against counterfeiting and related fraud, by supporting and supplementing the measures undertaken by the Member States and assisting the competent national and EU authorities in their efforts to develop – among themselves and with the Commission – close and regular cooperation and an exchange of best practices, including with non-EU countries and international organisations where appropriate.

ACTIONS

The programme supports:

– the exchange and dissemination of information, in particular through organising workshops, meetings and seminars, including training, targeted placements and exchanges of staff of competent national authorities and other similar actions;

– technical, scientific and operational assistance, as appears necessary as part of the programme;

– the purchase of equipment to be used by specialised anti-counterfeiting authorities of non-EU countries for protecting the euro against counterfeiting.

STRUCTURAL SET-UP OF THE PROGRAMME

The programme is implemented through direct management. DG for Economic and Financial Affairs (DG ECFIN) is the lead for programme implementation.

Projects co-financed under the programme are implemented directly by DG ECFIN or in the form of grant awards to national competent authorities in the EU (both in and outside of the euro area).

The implementation of the programme is based on a yearly Pericles strategy that identifies the priority in terms of threat for the euro. The strategy benefits of the contribution from the ECB and Europol and is endorsed by the Member States competent national authorities at the euro counterfeiting experts group.

One of the core objectives of DG ECFIN is to ensure a smooth functioning of the EU's Economic and Monetary Union (EMU) through a strong economic governance framework. In this context, the protection of the euro against counterfeiting is a specific objective.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP

DG ECFIN (LEAD DG)

General objective

to prevent and combat counterfeiting and related fraud and preserve the integrity of the euro banknotes and coins, thus strengthening the trust of citizens and business in the genuineness of these banknotes and coins and therefore enhancing the trust in the Union's economy, while securing the sustainability of public finances.

Specific objective

to protect euro banknotes and coins against counterfeiting and related fraud, by supporting and supplementing the measures undertaken by Member States and assisting the competent national and Union authorities in their efforts to develop among themselves and with the Commission a close and regular cooperation and an exchange of best practice, where appropriate including third countries and international organisations.

Main type of actions: grants or public procurement	Exchange and dissemination of information, in particular through organising workshops, meetings and seminars, including training, targeted placements and exchanges of staff of competent national authorities and other similar actions	Technical, scientific and operational assistance, as appears necessary as part of the programme	Grants to finance the purchase of equipment to be used by specialised anti-counterfeiting authorities of third countries for protecting the euro against counterfeiting. The purchase of equipment shall not be the sole component of the grant agreement

Management type

Direct management in accordance with the Financial Regulation.

Who is eligible?

Bodies eligible for funding under the Programme shall be the competent national authorities referred to in Article 2(b) of Council Regulation (EC) No 1338/2001.

V

LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

Pericles IV is a continuation of the Pericles 2020 programme. The main novelties are the simplification of the application process through the use of the eGrants system and the addition of key performance indicators measuring the quality of the service provided.

www.parlament.gv.at

FURTHER INFORMATION

- Programme website: https://europa.eu/!uJ67Dg
- Impact assessment: Commission Staff Working Document 'SWD(2018) 281 final' accompanying the proposal COM(2018) 369. https://europa.eu/!gG67BV
- Relevant regulation:
- Regulation (EU) 2021/840 of the European Parliament and of the Council
- Council Regulation (EU) 2021/1696
- Evaluations:
    - Staff Working Document (SWD(2022) 208 final) Executive Summary
    - Staff Working Document (SWD(2022) 0207 final) EVALUATION REPORT on the final evaluation of the Programme for exchange, assistance and training for the protection of the euro against counterfeiting ('Pericles 2020' Programme)

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	0.8	0.9	0.8	0.9	0.9	0.9	0.9	6.2
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**0.8**	**0.9**	**0.8**	**0.9**	**0.9**	**0.9**	**0.9**	**6.2**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

- EUR 0.02 million (- 0%)

compared to the legal basis.*

* Top-ups pursuant to Art. 5 MFF regulation are excluded from financial programming in this comparison.

The Pericles IV programme implementation has an annual focus, which is reflected in its financial programming and in the annual Pericles implementation strategy.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	2.5	6.2	40.6%
Payments	1.7		27.1%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	0.8	0.8	0.3	0.4
2022	0.8	0.9	0.6	0.7
2023	0.8	0.9	0.7	1.0

(*) Voted appropriations (C1) only.

– The commitments reached 99.88% of the overall budget for 2023, funding ten projects in total.

– The ten actions for which commitments were made in 2023 consist of nine grants awarded from applications originating from the competent authorities of the Member States and one procured Commission action.

– Grants were approved for one seminar/conference, three technical training courses, and five staff exchanges, all scheduled to take place in 2024.
– One Commission action was committed using an existing framework contract: The October 2023 conference '5th Platform 1210 Meeting'.
– The 2023 eGrants fee represents 3.95% of the overall budget.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming									
Biodiversity mainstreaming									
Clean air									

Not applicable

Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				
1				
0*				
0	0.8	0.8	0.8	2.4

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information:

- The programme targets experts in protection of the euro against counterfeiting irrespective of gender.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution					

Not applicable

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target	Results	Assessment
Counterfeit euro banknotes detected in circulation	0	**0%** (**)	671 000 annually (***)	Milestones not achieved for 2021, 2022 and 2023	Moderate progress
Counterfeit euro coins detected in circulation	0	**0%** (**)	174 112 annually (***) from 2021 to 2027	Milestones not achieved for 2021, 2022 and 2023	Moderate progress
Illegal workshops dismantled	0	**0%** (**)	22 annually (****) from 2021 to 2027	Milestones not achieved for 2021, 2022 and 2023	Moderate progress
Competent authorities applying to the programme	0	**33%** (*)	24 in 2027	8 compared to a target of 24	On track
Satisfaction rate of participants in the actions financed by the programme	0%	**43%** (**)	75% annually from 2021 to 2027	Milestones achieved for 2021, 2022 and 2023	On track
Feedback of participants on the impact of the programme on their activities in protecting the euro against counterfeiting	0%	**43%** (**)	75% annually from 2021 to 2027	Milestones achieved for 2021, 2022 and 2023	On track

(*) % of target achieved by the end of 2023.

(**) % of years for which the milestones or target have been achieved during the 2021-2027 period.

(***) The target for this indicator is to keep the number of counterfeit euros detected within the range of ± 5% compared to the 2014-2020 average results.

(****) The target for this indicator is to keep the number of counterfeit euros detected within the range of ± 10% compared to the 2019 results.

– In 2023, Pericles IV continued to support the Member States and to assist the competent national and EU authorities in protecting euro banknotes and coins against counterfeiting and fraud.

– The number of counterfeit euro banknotes detected and the number of illegal workshops dismantled were lower than expected, while the number of counterfeit coins detected exceeded the target. It should be noted, however, that the link between the programme and these indicators is only indirect, as a variety of external factors play an important role in the development of the indicators. These external factors include the progress of police investigations, the amount of counterfeit production and the methods of distribution.

– On the other hand, the indicators that are more directly linked to the programme – such as the number of competent authorities applying, the satisfaction rate (with 98.97% of respondents being satisfied or highly satisfied across actions implemented in 2023) and the feedback of participants – showed very positive results.

– 2023 saw the implementation of nine Pericles IV-funded actions.

    • Three procured actions (contracts).

        (1) The annual ‘Platform 1210 meeting’ (10-11 October 2023) represented the actions of all parties involved in the authentication of euro coins.

        (2) The study on movie money, prop copy products and other altered design banknotes was finalised in 2023.

        (3) The training (21-22 March 2023) on the protection of the euro against counterfeiting which took place in Chișinău, Moldova, brought together participants from the main competent authorities involved in the protection of currencies (including the euro) against counterfeiting in Moldova.

    • Six funded actions (grants).

        (1) A technical training course (24-25 May 2023) was organised by the Bank of Spain under the title ‘Training activity on counterfeit coins analysis for technical experts’. The participants improved their knowledge of existing analysis techniques and approaches to counterfeit coin examinations, and gained a better understanding of the use of advanced instruments for technical analysis.

        (2) A 5-day staff exchange was organised between the National Analysis Centres of Spain (Bank of Spain) and Germany (Deutsche Bundesbank) which took place in Madrid, Spain on 17-21 April 2023 and in Mainz, Germany on 22-26 May 2023 to share knowledge, procedures and experience in order to improve internal work methods and to exchange best practices and protocols in analysing counterfeit banknotes.

        (3) A staff exchange was organised by the Croatian National Bank between Bulgaria, Spain and Portugal. Exchanging know-how on procedures, knowledge and experience helped participant authorities to maintain an efficient framework to protect the euro against counterfeiting. The first and second parts of the action were carried in 2022, while the third and fourth parts took place in March 2023.

        (4) The Croatian National Bank organised the 5th Conference Balkan Network for Euro Protection from 15 to 18 May 2023 for 97 participants from 25 countries and three EU institutions (the Commission, the European Central Bank and the European Union Agency for Law Enforcement Cooperation). Its purpose was to

step up the exchange and dissemination of information provided by the ‘Alert’ network while encouraging even closer cooperation among south-eastern European countries and maintaining an efficient framework for protecting the euro.

(5) The Currency Anti-counterfeiting Unit of the Italian National Gendarmerie organised a staff exchange titled ‘SEITACC-2’, which involved three EU Member States (France, Croatia and Italy), two candidate countries (Montenegro and Albania), Colombia and the United States. It was designed to strengthen the system for protecting the euro in Europe, particularly in the participating countries with which the unit already exchanges key operational information, and to create areas of cooperation between geographical regions and share investigative protocols to improve and increase awareness of the risks associated with this currency counterfeiting;

(6) The Investigation Brigade of the Bank of Spain organised a seminar/conference on combating currency counterfeiting, which was held on 21-24 November 2023 in Bogotá, Colombia. Participants were specialists (police officers and employees of central banks and judiciaries) involved in preventing and prosecuting counterfeiting in Latin America. They came from 16 Latin American countries and the United States. Police officers from Spain, France and Italy assisted the brigade in running this event.

- The 526 participants taking part in Pericles IV actions came from 54 countries. The majority of participants (80.61%) were from Europe: 46% came from euro-area Member States, while non-euro-area Member States represented 14% and non-EU countries in Europe represented 20%. 11% of participants were from Latin America, 4% represented the EU institutions and 5% were from other regions.
- With respect to the professional background of participants, members of police forces represented 50% of the total. This is due to the fact that police authorities, including investigators and technicians, represent the front line in the fight against euro counterfeiting. Other categories of participants accounted for 50% of the total, with experts from national central banks representing 28%. There was also relevant participation of members of the judiciary (6%), mints (2%), the coin-processing industry (2%), customs (2%) and other categories (6%), along with EU institutions (4%), reflecting the wide range of professional backgrounds of the participants.
- In addition, the implementation of the Commission action ‘5th Platform 1210 meeting’ resulted in a notable participation of representatives from the coin-processing-machine industry. This underscores the private sector’s ongoing commitment as a key stakeholder in the fight against counterfeiting.
- As a result of the analysis of the different participants in the Pericles IV actions, the implementation of the programme met the transnational and multidisciplinary dimensions of the programme required under Regulation (EU) 2021/840 with a high degree of diversification.
- During its third year of implementation, a total of 10 actions (nine grants and one procured action) were committed under the Pericles IV programme. This represents a decrease in the number of commitments compared to the second year of implementation of the previous Pericles 2020 programme, which funded 12 actions (nine grants and three procured actions) in 2016. This decrease is due to the lower budget in the current multiannual financial framework and the increase in inflation rates.
- One significant change in the Pericles IV programme compared to the Pericles 2020 programme is the integration of Pericles IV, as of 2021, into the corporate eGrants scheme for the management of calls for proposals and direct grants under the new 2021-2027 multiannual

financial framework. The eGrants system manages the entire grant management cycle, fully electronically, from call publication to grant closure.

2014-2020 multiannual financial framework – PERICLES 2020

The Pericles 2020 programme funds staff exchanges, seminars, trainings and the purchase of equipment and studies for law enforcement and judicial authorities, banks and others involved in protecting the euro against counterfeiting. Actions can take place in the euro area, in Member States outside the euro area and in non-EU countries.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	5.9	6.1	97.9%
Payments	4.4		72.9%

During the 2014-2020 period, the Pericles 2020 programme (previous multiannual financial framework) funded 80 actions: 59 were grants for co-financing events (seminars, conferences, workshops, studies, staff exchange, purchase of equipment) both in and outside of the EU, and 21 were procurement contracts.

Three actions were finalised in 2023, of which two had already been partly implemented in 2022 of which one (study) started in 2020.

The last remaining action had to be postponed to 2024 because of organisational difficulties, as reported by the grant beneficiary.

Performance assessment

– Pericles 2020 made a substantial contribution to the further improvement of coordination and cooperation at the international, EU and Member State levels, along with the creation of more solid structures for the protection of the euro.
– Examples of this are the establishment of a specialised investigation group in Chile in 2019, the increased cooperation networks in the Balkans, the adoption of legislation aimed at improving euro protection and the establishment of the National Central Office in Argentina in 2019.

- Feedback provided immediately after events organised by the programme showed that 95% of participants expressed a positive or highly positive view. More importantly, a large proportion of them said that they had learned about best practices, acquired useful skills and established contacts with colleagues in other countries. The quality of activities was also judged positively by the authorities involved.
- Quantifying the impact of a capacity-building initiative in terms of protection against criminal activities is a complex exercise, due to the influence of external factors on the extent of said activities, such as the priority set by Member State law enforcement authorities and the length and scope of police investigations.
- In agreement with the final evaluation of Pericles 2020, we can conclude that Pericles 2020 has achieved both its general and specific objectives. It is the only programme that supports, on the EU and global levels, the enhancement of the operational capacity of stakeholders involved in the protection of the euro, dissemination of best practices regarding the fight against counterfeiting, and essentially building trust between institutions across countries and regions. Therefore, and due to the ever-evolving threats to the euro that counterfeiting poses, there is a continued need for Pericles actions.
- A new emerging threat area identified evolves around the possible development of the digital euro and the related risk of e-counterfeiting, for example the replication of tokens potentially used for a digital currency, and thus a continued need for closer and more regular institutional cooperation and coordination is necessary.
- The success of the programme is based on the face-to-face aspect of the actions implemented and on its specificity, which can only be fully maintained if it remains a stand-alone programme and can offer tailor-made actions for specific objectives.
- The programme has achieved a very high percentage of allocation compared to the reference budgets. The outputs of the actions were largely delivered at a lower cost than what was initially envisaged, while the current co-financing setup is deemed appropriate.
- The following key lessons learned have emerged:
    - there are indications of the expansion of the scope of anti-counterfeiting authorities to also cover digital currencies, including the digital euro, if introduced;
    - based on the stakeholders' feedback, it can be concluded that the face-to-face aspect of the Pericles actions is a crucial factor for the success of the programme;
    - it can be observed that the prudent budgetary approach of Pericles applicants allows the over-commitment of the available budget by at least 15% more than the budget envisaged per annual programme, and that there is a very high diversity in the costs for Pericles events beyond the EU;
    - the higher co-financing rate was useful in extending the geographical scope of participation;
    - it is important to maintain regular coordination with relevant DGs and other institutions as a way of ensuring complementarity and avoiding overlaps on counterfeit-related projects.
- It can be concluded that keeping the focus on increased cooperation with non-EU countries continues to be a valid objective of the programme.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3		
SDG4		
SDG5		
SDG6		
SDG7		
SDG8	Yes	By preventing and combating counterfeiting and related fraud,, Pericles preserves the integrity of the euro banknotes and coins, thus strengthening the trust of citizens and business in the genuineness of these banknotes and coins and therefore enhancing the trust in the Union's economy, while securing the sustainability of public finances.
SDG9	Yes	Pericles contributes to innovation in the development of secure currency and anti-counterfeiting technologies.
SDG10		
SDG11		
SDG12		
SDG13		
SDG14		
SDG15		
SDG16		.
SDG17		

CIVIL PROTECTION

UNION CIVIL PROTECTION MECHANISM

Programme in a nutshell

Concrete examples of achievements

66	29	60 000	24
requests for assistance were received and processed by the Emergency Response Coordination Centre. In addition the request on Ukraine was updated 50 times (a total of 116 requests).	prevention and preparedness projects inside the EU, and three peer reviews (e.g. on good practices in Moldova or on wildfires), were financed via the UCPM in 2023.	tonnes of life-saving assistance were deployed to Ukraine in 2023 under the UCPM.	EU civil protection missions were deployed, composed of 110 experts from Member States and participating states and 39 Emergency Response Coordination Centre liaison officers.
16	24	129	33
exchanges were organised with the participation of 77 experts (including two from UCPM participating states) from 16 different countries in 2023.	training courses were delivered and one online module was developed, with a total of 1 113 experts participating. In addition, 16 module exercises, one discussion-based exercise on marine pollution and five full-scale exercises were conducted in 2023.	response capacities were committed to the European Civil Protection Pool by the end of 2023, of which 93 were available for immediate deployment.	shipments of life-saving assistance from rescEU, the Commission's strategic reserve of emergency response capacities, were mobilised by the Emergency Response Coordination Centre in 2023.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	1 **581.2**
NextGenerationEU	2 061.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	72.9
Total budget 2021-2027	**3 715.1**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Union Civil Protection Mechanism (UCPM) aims to strengthen the cooperation between the EU and the Member States in assisting in natural, man-made and health emergencies by improving the prevention, preparedness and response capacity of key actors. This cooperation has become ever more important in recent years, as climate-related disasters are expected to grow in severity.

CHALLENGE

Next to responding to the increasingly severe effects of climate change in Europe and the world, the mechanism conducts since the start of the Russian military aggression against Ukraine which started on 24 February 2022 its largest, longest and most complex response operation in its history. This conflict completely shifted the risk and security landscape in Europe; the magnitude of population needs in and around Ukraine, its global cascading effects and the large uncertainty around the future development of the conflict and geopolitical consequences represents a game changer for the mechanism as an instrument. It required a cross sectoral response, linkages and synergies between the different key actors relevant to crisis management, including in the area of health, chemical, biological, radiological, and nuclear, energy, demining, to name just a few. The mechanism was the main and fastest EU response instrument, quickly mobilising all its tools, resources, and capacities to face the difficult circumstances, providing assistance to populations in record time.

Besides the war, natural disasters have affected every region of Europe in recent years, causing hundreds of casualties and billions of euro in damage to infrastructure and the environment. The major forest fires in 2022 and 2023 were a strong reminder of the effects of climate change, extending the fire risk also across central and northern Europe. Epidemics, flash floods, storms, earthquakes and man-made disasters also continuously place countries' response capabilities under pressure.

Such disasters have overwhelmed the ability of Member States to help each other, especially when several countries faced the same type of disaster simultaneously. To reduce the impact of such disasters, the EU supports and complements the prevention and preparedness efforts of its Member States and participating states (Iceland, Norway, Serbia, North Macedonia, Montenegro, Türkiye, Bosnia and Herzegovina and Albania Ukraine and Moldova) by focusing on areas where a joint European approach is more effective than separate national actions. This is done through the rescEU reserve, the financing of cross-border projects and the financing of projects to support national disaster risk management.

MISSION

The mechanism promotes solidarity among the Member States and participating states through practical cooperation and coordination. Member States, however, retain primary responsibility to protect people, the environment and property (including cultural heritage) on their territories against disasters – and to equip their disaster management systems with sufficient capabilities to cope adequately and consistently with disasters of a nature and magnitude that can reasonably be expected and for which they can prepare.

OBJECTIVES

The specific objectives of the mechanism are:

1. to achieve a high level of protection against disasters, through a culture of prevention and improved cooperation among national services;
2. to enhance preparedness at the Member State and EU levels to respond to disasters, via the European Civil Protection Pool and rescEU;
3. to facilitate rapid and efficient disaster response;
4. to increase public awareness and preparedness for disasters;
5. to increase the availability and use of scientific knowledge on disasters;
6. to step up cooperation and coordination activities at the cross-border level and among Member States prone to the same types of disasters.

ACTIONS

The mechanism comprises three stands of activities: prevention, preparedness and response.

Prevention and preparedness activities mitigate the effects of disasters. A training programme for civil protection experts from Member States and participating states ensures compatibility and complementarity between intervention teams, while large-scale exercises improve capacities for specific disasters each year.

With its 2019 reform, the Commission proposed rescEU as part of the preparedness actions under the mechanism. As a European reserve of capacities, rescEU resources have been developed under great urgency since the entry into force of the rescEU legislation. It includes now a seasonal fleet of firefighting airplanes and helicopters, medical evacuation airplanes, stockpiles of medical equipment, therapeutics and PPE for health emergencies, temporary shelter, as well as generators.

Under response, following a request for assistance by a Member State or non-EU country through the mechanism, the emergency response coordination centre mobilises assistance or expertise. In addition, the Emergency Response Coordination Centre monitors events around the globe 24/7 and ensures rapid

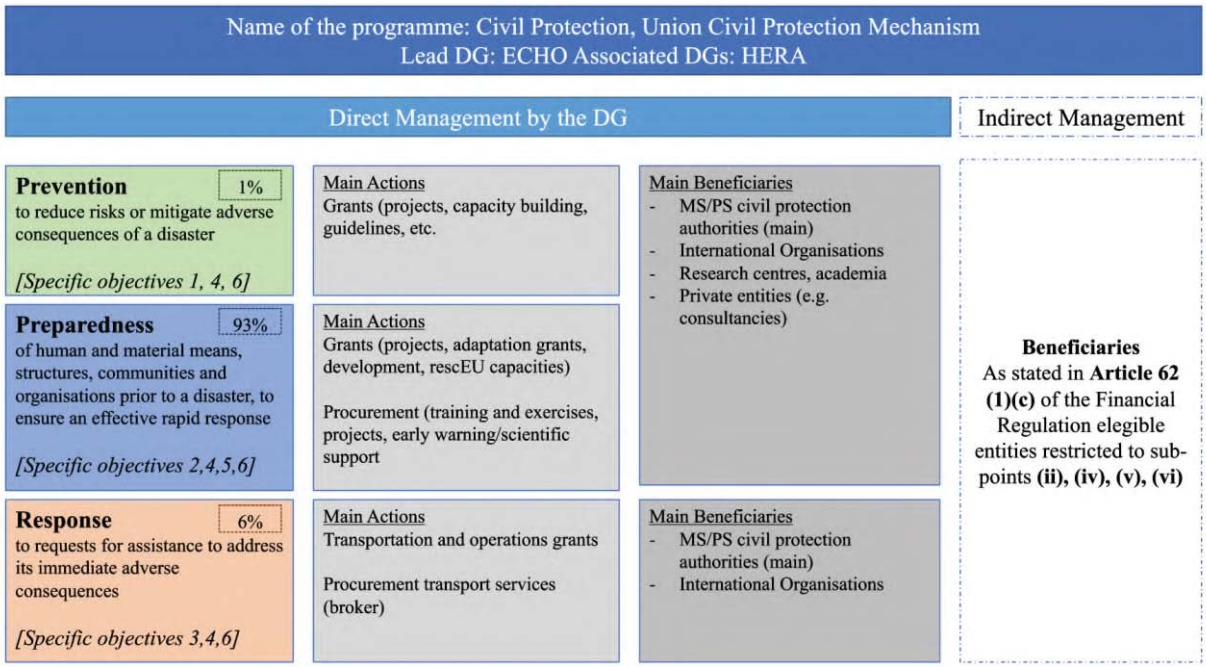
deployment of emergency support through direct links with national civil protection authorities. Specialised teams and equipment can be mobilised at short notice for deployments within and outside of Europe.

STRUCTURAL SET-UP OF THE PROGRAMME

The programme is led by DG European Civil Protection and Humanitarian Aid Operations (ECHO) with a certain degree of association with the Health Emergency Preparedness and Response Authority, under direct management, with some possible recourses to indirect management following a recent legislative revision.

Through this programme the Commission aims to promote solidarity and support, complement, and facilitate the coordination of Member States' actions in the field of civil protection with a view to improving the effectiveness of systems for preventing, preparing for and responding to natural and man-made disasters. This is achieved through Prevention, Preparedness and Response actions that mobilise funds for grants and procurements.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The mechanism in the 2021-2027 multiannual financial framework builds on the positive results achieved through the 2014-2020 framework. The budget has been consolidated under one heading in the 2021-2027 framework to render budget implementation even more effective and efficient. Increased operational needs and a matching budget led the Commission to propose adaptations to the legislative framework, including direct procurement of rescEU capacities by the Commission and full EU financing for all rescEU capacities.

FURTHER INFORMATION

– Programme website:
  - Civil Protection.
– Impact assessment:
– Relevant regulation:
  - Regulation (EU) 2021/836 of the European Parliament and of the Council amending Decision No 1313/2013/EU on a Union Civil Protection Mechanism.
– Evaluations:
  - Interim Evaluation of the implementation of Decision No 1313/2013/EU on a Union Civil Protection Mechanism, 2017-2022 An interim evaluation of the mechanism was launched in 2022, assessing the effectiveness, efficiency, relevance, coherence and EU added value of the Mechanism in the fields of prevention, preparedness and response to natural and man-made disasters. The results of the evaluation will help the Commission to identify gaps or shortcomings in the current legislative framework, improve the implementation of existing rules, provide input for a possible proposal to amend Decision 1313/2013/EU or acts that implement it and, possibly, provide inputs for a review of the financial breakdown of the civil protection;

  Evaluation of Humanitarian Logistics in the European Commission's Civil Protection and Humanitarian Aid operations, 2018–2022;

  Evaluation of the mobility package within the emergency support instrument re-activation 2020-2022.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	182.6	354.3	253.0	240.3	203.3	167.7	180.0	1 581.2
NextGenerationEU	129.1	733.1	1 185.3	4.4	3.0	3.0	3.0	2 061.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	23.7	22.5	26.7	0.0	0.0	0.0	0.0	72.9

	2021	2022	2023	2024	2025	2026	2027	Total
Total	335.3	1 110.0	1 465.0	244.7	206.4	170.7	183.1	3 715.1

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 318.3 million (+ 25%)

compared to the legal basis (*).

(*) Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

– In 2021, the war in Afghanistan triggered a budgetary reinforcement of EUR 57.8 million to allow for repatriation operations to take place.
– In 2022, the mechanism benefited from a EUR 6 million increase in the conciliation of the 2022 budget. Moreover, the Russian war of aggression against Ukraine and the forest fires triggered budgetary reinforcement transfers from the EURI, ESF and SEAR instruments for a total of EUR 114.5 million, and though an amending budget for an amount of EUR 38 million. These amounts, combined with EUR 100.6 million frontloads within the multiannual financial framework profile, add up to an allocated budget of EUR 354.3 million. This amount, along with EUR 22.8 million, total the EUR 377.1 million of initial allocation of the multiannual financial framework strand allocated to the UCPM in 2022.
– In 2023, a reinforcement of EUR 27 million was voted through the Amending Letter 1 of the 2023 draft budget for doubling the rescEU aerial firefighting (AFF) fleet during the 2024 fire season. A further frontload of EUR 59.4 million within the multiannual financial framework profile allowed for the signature of the last grant contracts with two member states for the acquisition of AFF capacities. Last but not least, a budgetary reinforcement of EUR 65 million was obtained from the SEAR to respond to the devastating earthquake in Türkiye and Syria, as well as the evacuation of EU citizens from Sudan, and the fight against forest fires. Between 2021 and 2023, a total of EUR 194.6 million was provided as frontloads within the multiannual financial framework profile. These frontloads obtained in the beginning of the programming period will de facto reduce the mechanism yearly budgets during the second half of the multiannual financial framework.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	2 909.7	3 713.8	78.3%
Payments	1 386.6		37.3%

Voted budget implementation (million EUR):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	182.6	90.2	38.0	25.6
2022	354.1	101.3	140.3	100.5
2023	252.9	188.0	217.8	275.0

(26) Voted appropriations (C1) only.

– In 2023, the initial budget of the programme was EUR 188 million (comprising the initial EUR 101.6 million initial allocations to the multiannual financial framework budget, EUR 27 million reinforcement voted through the Amending Letter 1, and well as a EUR 59.4 million frontload). The devastating earthquake in Türkiye and Syria, the evacuation of EU citizens from Sudan and the magnitude of forest fires in Europe last summer triggered budgetary reinforcements for a total of EUR 65 million through transfers from the SEAR instrument. The budget under the multiannual financial framework strand has been implemented in full (EUR 252.9 million, i.e. 99.9%), except for some limited which were carried over to 2023.

– 2023 commitment appropriations were mainly used for the financing of transport operations under the Response, as well as grants for rescEU capacities and rescEU transition, and prevention and preparedness activities, such as UCPM exercises, the renewal and reinforcement of early warning systems and scientific partnerships, or the roll-out of the Knowledge Network.

– On the NextGenerationEU strand, the amount of EUR 1 185.8 million available in 2023 (including the NextGenerationEU 2023 budget, the carry-over and 2021-2022 ‘reste à contractor / remainder to be contracted’ (RAC), EUR 4 million transferred from the support line and EUR 49.5 million co-delegated by the Health Emergency Preparedness and Response Authority in October), has been nearly implemented in full, with a total amount of EUR 1 185.3 million contracted. This represents 99.96% of the NextGenerationEU budget available in 2023 and 99.9% of the total NextGenerationEU budget (2021-2023) managed by DG European Civil Protection and Humanitarian Aid Operations (ECHO). The NextGenerationEU funds were in a very large majority allocated to the development of rescEU capacities: chemical, biological, radiological, and nuclear capacities and decontamination capacities, mpox therapeutics, medical stockpiles, as well as to procuring items in the context of the war on Ukraine (generators, shelter and shelter winterisation items, etc.).

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	78.4	314.1	171.8					564.3	15%
Biodiversity mainstreaming	43.1	30.3	14.8					88.2	2%
Clean air									

– The mechanism will continue contributing to the overall Commission objective of climate mainstreaming through its various activities. A key achievement over the past several years has been the creation of the dedicated reserve of rescEU capacities in the area of forest firefighting through the rescEU transition phase, resulting in 15 additional capacities to support Member States in forest firefighting activities. This additional support aims to reduce the devastation caused by wildfires – including increased carbon dioxide emissions – and is considered a key climate-related achievement.

– On climate action, further to an invitation from the Council of the European Union to make civil protection operations greener and more sustainable, recommendations from a Commission-initiated study investigating how the UCPM can green its operations and how it can support Member States in their own greening efforts were presented in February 2023. Building on this, DG European Civil Protection and Humanitarian Aid Operations (ECHO) presented to the Council, on 24 May 2023, a four-point plan of action: the further development of a strategy and action plan; the development of a monitoring and evaluation framework; the identification of climate-related complementary funding sources; and capacity building (e.g. via the Knowledge Network and the lessons learnt programme). DG European Civil Protection and Humanitarian Aid Operations (ECHO) entered into a contract with a consultancy in September 2023 to further develop the content of the action plan by April 2024.

– For the work of DG European Civil Protection and Humanitarian Aid Operations (ECHO), only the response to forest fires should be considered (at a level of 40%) as contributing to biodiversity mainstreaming. The Commission's measures on civil protection also contribute to biodiversity mainstreaming through the firefighting actions. In 2023, the Commission allocated EUR 37 million from the budget of the programme to address the forest-fire season. Concerning aerial firefighting capacities, the priority for 2023 was to secure a consensus on the text of the relevant agreement with the manufacturer of medium-sized amphibious assets. Significant advancements were made in the negotiations and in the development of the fully fledged European aerial firefighting fleet. In parallel, the focus was put on strengthening the rescEU transition arrangement in the light of the increasing wildfire threat across the EU with the doubling of the rescEU transition fleet, notably through the leasing of additional light planes and helicopters to also serve central Europe.

– Within the framework of the latest legislative revision, and following the provisional agreement reached in February 2021 by the Parliament and the Council, revised Decision No 1313/2013/EU should contribute to the overall EU ambition on biodiversity (i.e. 7.5% of EU budget expenditure on biodiversity in 2024 and 10% in 2026 and 2027). When implementing the decision, the mainstreaming of biodiversity action in EU policies will be duly taken into

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account to the extent that the unpredictability and specific circumstances of disaster preparedness and response allow.

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2				
1				
0*	182.6	354.1	252.9	789.6
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

– DG European Civil Protection and Humanitarian Aid Operations (ECHO) commits to gender-sensitive civil protection, including addressing specific vulnerabilities and exchanging information on the issue of support for victims of gender-based violence during disasters. The directorate-general promotes gender equality through the disaster risk cycle and raises awareness of the principles of non-discrimination and inclusiveness. It also promotes a gender-inclusive approach in response activities and ensures that the gender component is considered. The voted budget implementations committed to the mechanism, amounting in 2023 to EUR 252.9 million, have been marked as being in the 0* category. This mark will be reviewed at the end of the multiannual financial framework cycle in order to categorise funds under scores of either 0 or 1. Within the framework of the third phase of the regional programme for prevention, preparedness and response to natural and man-made disasters in the Eastern Neighbourhood, specific guidelines (in English and Russian) for the inclusion of gender equality have been developed to ensure gender mainstreaming throughout the project implementation. This covers areas such as training and exercises, multi-risk assessments, early warning systems, public awareness, volunteerism and host nation support. The programme has a budget of EUR 6 million and will operate until the end of 2024. Gender mainstreaming is a cross-cutting theme that is integrated into all programme activities in line with the Sendai Framework for Disaster Risk Reduction, which pays particular attention to all-of-society engagement.

– In the context of the training and exercises programme further refined under the umbrella of the Union Civil Protection Knowledge Network, online course modules are available on various disaster management topics and in different languages, such as ‘Cultural sensitivity and gender’.

Gender-disaggregated information.

- No sets of data disaggregated by gender are compiled under the UCPM.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution					

The objective of the programme is to promote solidarity in face of disasters. It therefore does not contribute to the digital horizontal priority.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Response time of the UCPM to a request for assistance in the EU (hours)	0	**0%**	3 hours annually	Target not achieved in 2021, 2022 or 2023.	Moderate progress
Response time of the UCPM to a request for assistance outside of the EU (hours)	0	**14%**	10 hours annually	Target not achieved in 2021 and 2022. Target achieved in 2023.	On track
Adequacy of response of the UCPM (in the EU)	0%	**43%**	90% annually from 2024	Milestones achieved in 2021, 2022 and 2023.	On track
Adequacy of response of the UCPM (outside of the EU)	0%	**43%**	86% annually	Milestones achieved in 2021, 2022 and 2023.	On track
Number of committed and certified capacities included in the European Civil Protection Pool	60	**43%**	> 60 annually	Target achieved in 2021, 2022 and 2023.	On track
Number of Member States that provided the Commission with a summary of risk assessments and an assessment of risk management capability	27	**< 0% (**)**	27	26 compared to a target of 27	Moderate progress
Level of awareness of EU citizens on the level of risk of their region	NA	NA	> 64%	No results	No data

(*) % of years for which the milestones or target have been achieved during the 2021-2027 period.

(**) % of target achieved by the end of 2023.

Performance in the internal dimension

– In the area of prevention, the mechanism continues to be instrumental in fostering an EU-wide culture of prevention. Member States have generally become more aware of the need to strengthen prevention policies and have undertaken reforms in their national civil protection structures to emphasise the role of prevention. In this respect, the 2023 Eurobarometer Survey reveals a positive trend between 2020 and 2023 as the proportion of citizens aware of the risks in their region increased from 64% in 2020 to 67% in 2023.

– The prevention strand also includes fostering cooperation and the coordination of activities at the cross-border level. In 2023, the mechanism funded 10 projects implemented by partners from 16 Member States and participating states focusing on the development of cross-border risk assessments, improved regional and cross-sectoral coordination, and preparation for marine pollution accidents. Moreover 26 of the 27 Member States provided the Commission with a summary of risk assessments and an assessment of risk management capability. The result has not changed from previous years because of delays in the preparation of summaries due to COVID-19 and onset disasters in recent years. A derogation was provided and the whole batch of summaries was published in March 2024.

– Under the umbrella of the EU civil protection knowledge network, the mechanism continued to enhance the level of preparedness of emergency response operations managed by DG European Civil Protection and Humanitarian Aid Operations (ECHO). In 2023, the training and exercises programme was further refined under the umbrella of the Union Civil Protection Knowledge Network. It enhances the individual competences of experts and key personnel, along with the coordination and interoperability of modules, technical assistance support teams, other response capacities and experts with other actors involved during an international deployment. In 2023, 18 training courses took place, with almost 320 course places offered to experts at the introduction, operational and management levels. In addition, a number of online modules are available on various disaster management topics. The training offer was supplemented by 16 module exercises and five full-scale exercises. Sixty-eight experts attended 15 exchanges hosted by civil protection authorities from across Europe. In the area of preparedness, the trend clearly shows the growing importance of the mechanism among Member States when it comes to disaster preparedness. The number and diversity of registered capacities in the European Civil Protection Pool is the highest it has ever been (83 compared to a target of 60 annually), in some areas reaching the maximum required at the EU level. The full implementation of the revised UCPM legislation has strengthened the preparedness component of the mechanism through enhanced financing for the European Civil Protection Pool and the progressive and rapid development of rescEU capacities in various areas, complementing national capacities. In line with the latest revision of the mechanism legislation, DG European Civil Protection and Humanitarian Aid Operations (ECHO), along with Member State experts, have developed EU disaster resilience goals to steer disaster prevention and preparedness work. The Commission recommendation and accompanying communication on the disaster resilience goals was adopted in February 2023 and sets out five strategic areas where Member States and the Commission need to work together in order to strengthen the collective capacity to withstand future disasters, to protect citizens and to safeguard both livelihoods and the environment. Moreover, work advanced on the flagship initiatives for the disaster resilience goals, such as setting out European-wide disaster scenarios, doubling the rescEU transitional aerial firefighting during the 2023 summer season and completing the first internal version of a multi-hazard dashboard.

– The Commission is financing cross-border projects with the aim of strengthening prevention and preparedness in Member States and participating states. In 2023, DG European Civil

Protection and Humanitarian Aid Operations (ECHO) selected 29 prevention and preparedness projects, including cross-border projects and support for national disaster risk management authorities, with the aim of strengthening prevention and preparedness in EU Member States and UCPM participating states. One peer review on disaster risk management was conducted in Moldova, providing an opportunity to identify areas for improvement and highlight good practices. In May 2023, a specific peer-review assessment framework tailored to wildfires was introduced, sparking considerable interest in Member States and participating states.

– The mechanism was activated 66 times in 2023. The mechanism responded to 23 out of 24 activations inside Europe, facilitating the delivery of different and a wide diversity of items, such as medical equipment; chemical, biological, radiological and nuclear decontamination and detection capacities; energy supplies; etc. Regarding response time, progress was made on reducing the overall average time required to address a request, despite isolated cases where response was delayed within Europe. See the section below on areas for improvement for more details.

– As regards the fully fledged European aerial firefighting fleet, the priority for 2023 was to secure a consensus on the text of the relevant agreement with the manufacturer of medium-sized amphibious assets. Significant advancements were made in the negotiations and in the development of this European aerial firefighting fleet.

Performance in the external dimension

– In 2023, external cooperation in civil protection was boosted significantly by the signature of binding administrative agreements with Moldova and Ukraine, which became new UCPM participating states. The formal application of Georgia to join the UCPM was received in March 2023, as were expressions of interest from Armenia and Israel. Discussions continued with Turkish authorities at the political, managerial and technical levels with the aim of reaching a financial agreement aligned with other enlargement participating states. Moreover, a UCPM administrative arrangement on civil protection cooperation was signed with Canada, strengthening the parties' readiness for catastrophic disasters and improving climate resilience and disaster risk reduction. As regards UCPM regional cooperation, a series of new flagship initiatives were launched in 2023: the PPRD Med programme in the Mediterranean, IPA CARE in the western Balkans and Türkiye (2023-2028) and the new On Site Assistance facilities in both regions. Furthermore, two regional high-level events were organised in June and October 2023 with the Union for the Mediterranean: a high-visibility meeting on climate change in Rome and a civil protection DGs meeting in Valencia. Concerning the response strand, 2023 continued to be marked largely by Russia's war of aggression against Ukraine, which triggered the largest, longest and most complex response operation in the history of the mechanism, and the response to disasters such as the earthquakes in Türkiye and the floods in Pakistan. The mechanism replied positively to 93% of requests for assistance from outside of Europe. The 50 updated requests for assistance from Ukraine constituted the majority of the mechanism's action outside of the EU in 2023; the UCPM has delivered around 140 000 tonnes of life-saving assistance since the conflict started. Disasters induced by natural hazards, such as storms, floods, wildfires and earthquakes, constituted 41% of the mechanism's requests for assistance in 2023. These requests were predominantly from countries in Europe (56%), Africa (19%) and South America (11%).

– Emphasis was also placed on continuing the financing of prevention and preparedness projects in non-EU countries with a cross-border dimension. Such initiatives have been instrumental in promoting cooperation at the technical level, developing networks and promoting capacity building. In 2023, DG European Civil Protection and Humanitarian Aid Operations (ECHO) tapped into scientific expertise on natural hazards and human-induced disasters, both from the European Scientific Partnerships and the Joint Research Centre. In 2023, the European

Anthropogenic Hazard Scientific Partnership, which brings radiological and nuclear expertise and knowledge to the Emergency Response Coordination Centre, produced 137 monitoring reports, gave five training sessions and was fully activated three times. The enhanced European Natural Hazard Scientific Partnership produced 77 emergency reports and 161 monitoring reports, in addition to on-call advice. Furthermore, wildfire experts from this partnership were hosted by the Emergency Response Coordination Centre throughout the summer of 2023 as part of a specialised wildfire season support task force. Concerning response, given the increasingly unpredictable nature of disasters within and outside of the EU's borders, the mechanism is being activated increasingly often. An activation of the mechanism and the offer of rapid support contributes to showcasing EU solidarity with non-EU countries in times of crisis. Non-EU countries account for around two thirds of the mechanism's activations, which demonstrates its international relevance and the capacity and readiness of the Member States to send assistance and expertise to non-EU countries in need.

Areas for improvement

– The large-scale and unforeseen nature of recent crises has put the mechanism to the test and revealed some areas for possible improvements. In this context, the amount and types of assistance requested through the mechanism have broken all records in recent years, mainly due to their long duration and the complexity of the emergency environment. In 2023, the average response time was 59 hours for activations inside Europe and 9 hours for activations outside Europe. The main reason for the high response time for crises inside Europe is that one request asked for educational material, for which the first offer came 53 days after the request for assistance. Without this request, the average response time would have been 4 hours, i.e. slightly above the target of 3 hours. For requests for assistance outside Europe, the response time has been reduced due to several pre-agreed requests for assistance that led to a very quick response.

– The implementation of the programme in collaboration with the Health Emergency Preparedness and Response Authority is generally good, as the latter provides valuable support when it comes to supply-chain issues, marketing authorisation (in cooperation with EMA) and market assessment (including shortages). Nevertheless, the cooperation with the authority has not yet covered all areas addressed in the service level agreement, taking into account also that the authority is still developing its policy and operational systems. Frequently short timeframes for consultation from the Health Emergency Preparedness and Response Authority on relevant issues make the coordination of inputs on key issues challenging. Moreover, there has been some duplication of work with the latter concerning documents and platforms, and other areas where more streamlined procedures are required. Measures to improve such shortcomings have been identified and are being discussed (improved delineation of mandates on the basis of preparedness or response phases).

– With a view to future challenges linked to climate change and the ongoing evolution of the risk landscape, including security-related risks, an increase in the number of activations requiring a response across various sectors and deployment to high-risk areas is expected. In that regard, the security set-up allowing for deployment to high-risk areas (e.g. Egypt/Sinai, Libya, Ukraine) has already been improved, and discussions are ongoing to further strengthen the Emergency Response Coordination Centre. On the European Civil Protection Pool and rescEU side, the maintenance and sustainability of capacities (and their ability to address the increasingly numerous and varied crises) and of stockpiles remain challenging. To address these issues, efforts are being made to agree (with experts from Member States and participating states) on the types and quantities of capacities that would guarantee a sufficient level of preparedness and on securing an adequate budget to ensure them.

2014-2020 multiannual financial framework – Union Civil Protection Mechanism

The goal of the mechanism is to support, coordinate and supplement the actions in the field of civil protection, with a view to improving the effectiveness of systems for preventing, preparing for and responding to natural and man-made disasters. It facilitates disaster response cooperation among 33 European states (the Member States, Iceland, Norway, Serbia, North Macedonia, Montenegro and Türkiye). The framework also applied to the United Kingdom during the transitional period that ended on 31 December 2020. The United Kingdom does not currently participate in the mechanism.

Budget implementation

Heading 3 (within the EU): cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	729.0	766.5	95.1%
Payments	526.6		68.7%

Heading 4 (in non-EU countries): cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	155.6	157.7	98.7%
Payments	133.0		84.4%

– In a context where the scope for action was widened considerably to foster the EU's capacity to respond to crises – with a substantially increased budget to fund new operations (the legal basis was amended in 2018) – implementation under heading 3 reached a level of 95% and implementation under heading 4 reached a level of 99%.

– In 2020, the budget implementation was characterised by challenges relating to COVID-19, resulting in an unprecedented number of 102 mechanism activations. The mechanism consequently received several budgetary reinforcements under both headings, totalling EUR 442 million through two amending budgets (EUR 415 million) and redeployments from other instruments (EUR 27 million). The reinforcements funded the creation of the first-ever emergency stockpile of medical equipment (protective equipment, ventilators, etc.) and the repatriation of EU citizens stranded in non-EU countries. The increased budget largely explains the low implementation of payment appropriations in 2014-2020 (45%), as the majority of related payments were made from 2021 onwards.

– The commitment appropriations originating from internal assigned revenue and participating state contributions which became available during the last months of 2023 and amounting to EUR 0.3 million have been carried over to 2024.

Payment appropriations could not be fully consumed in 2023 due to the delay in the submission of invoices and necessary documentation from the Member States. As a result, the remaining payment appropriations under heading 3 (EUR 22.6 million) and heading 4 (EUR 0.5 million) have been transferred under the 2021-2027 multiannual financial framework budget line and carried-forward to 2024.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Average speed of civil protection assistance interventions inside the EU (in hours)		67%	12 hours in 2020	Milestones achieved for 2015, 2026, 2017, 2018, 2019 and 2021. Milestones not achieved for 2020, 2022, 2023.	Moderate progress
Average speed of civil protection assistance interventions outside of the EU, from acceptance of offer to deployment (in hours)		56%	48 hours in 2020	Milestones achieved for 2015, 2026, 2017, 2018, 2019 and 2021. Milestones not achieved for 2020, 2022, 2023.	Moderate progress

(*) % of years for which the milestones or target have been achieved during the 2014-2023 period.

- Programme projects that started under the previous multiannual financial framework (2014-2020) continued in the same conditions under the current framework (2021-2027). For information on the performance of the previous programme, please refer to the active programme performance section above.
- The performance indicators that are closely linked to the remaining funds of the previous multiannual financial framework relate to the indicator on ‘average response time to a request’. Targets were met during the previous multiannual financial framework, while in recent years performance was affected by recent crises that increased the workload of the programme mechanisms and made response to requests more complex.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	No	
SDG2	No	

SDG3	Yes	On top of the Medevac (medical evacuations) operations occurring almost every week since early 2022 in the context of Russia´s war of aggression against Ukraine, other medevac operations took place in 2023. In October 2023, following the explosion of a fuel depot in Armenia, some days before, the Emergency Response Coordination Centre received a request for the medical evacuation of burn patients from the Armenian Ministry of Health. A Medevac system was implemented with the support of 7 Member States, transporting 18 patients to European countries for treatment. Moreover, Italy further offered one Emergency Medical Team (EMT) to Armenia which was deployed in the country some days after.
SDG4	No	
SDG5	No	
SDG6	Yes	The EU provides safe drinking water, sanitation, and hygiene support through its humanitarian aid and Civil Protection Mechanism, with its main objective to save and preserve life and alleviate the suffering of populations facing severe environmental health risks and water insecurity in the context of anticipated, ongoing and recent humanitarian crises, for example in Venezuela, South Sudan (focusing on the risk of water borne diseases), or Ethiopia (focusing on ensuring access to potable water and promotion of hygiene and sanitation for displaced and host communities affected by crises).
SDG7	No	
SDG8	No	
SDG9	No	
SDG10	No	
SDG11	Yes	The programme continued to promote a better understanding of disaster risks and engaged in the analysis of the latest summaries of risk assessments and capability assessments submitted by Member States and participating states. The first progress report on disaster risk management under the prevention pillar of mechanism (Article 6 report) based on this analysis will be published in 2024. The Commission further pursued mainstreaming disaster risk reduction across EU policies, with a special focus on mobilising long-term investments in disaster risk management from cohesion, agricultural and research policy funding and linking with the EU climate and environmental policies.
SDG12	No	

SDG13	Yes	In 2023, the programme also contributed to a number of actions to implement the EU Forest 2030 strategy Adaptation and sustainable finance, as well as the Renovation Wave and Zero Pollution action plans. The programme notably supported to the development of a harmonised EU monitoring system of forest fires and contributed to the Adaptation Strategy through improved collection of data on climate-related losses, improving the understanding of the economics of disaster prevention, preparedness and the cost of adaptation.
SDG14	Yes	
SDG15	Yes	
SDG16	No	
SDG17	No	

EU4HEALTH

EU PROGRAMME FOR A HEALTHIER AND SAFER UNION

Programme in a nutshell

Concrete examples of achievements

44	25	20	23
key projects were selected for the implementation of MyHealth@EU and for the setting up of health data access bodies that will pave the way for the European Health Data Space.	medicines had their electronic product information published as part of their marketing authorisation procedure, paving the way to the wider digitalisation of the regulatory network.	breast cancer settings in nine Member States have piloted the European guidelines and quality assurance scheme for breast cancer, an action linked to the 2022 adoption of the Council recommendation on cancer screening.	competent authorities from 22 Member States and Norway signed up to set and scale up a coordinated surveillance system under the 'One Health' approach for cross-border pathogens that threaten the EU.
EUR 27 million	EUR 104 million	EUR 100 million	EUR 160 million
has been made available to support intelligence gathering through open sources, wastewater surveillance systems and sequencing capacities and epidemic intelligence gathering at the global level.	has been made available to support innovation in and access to medical countermeasures, including pull incentives to ensure access to antibiotics.	has been made available to support innovative European companies in the development of medical countermeasures against priority cross-border health threats under HERA invest.	has been made available to reserve manufacturing capacities and obtain priority rights for the manufacturing of vaccines in case of emergencies under the EU FAB network of vaccine manufacturers.

(*) Excluding cancer.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

	3
Financial programming (*)	3 809.7
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	51.0
Total budget 2021-2027	**3 860.7**

(*) Only amounts under Article 5(1) of the EU4Health regulation, including reinforcements of the annual budgetary procedures (+ EUR 38.5 million) and agency compensations (– EUR 247.4 million and – EUR 4.4 million), along with amounts under Article 5(2) for the years 2022-2024.

(**) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The EU4Health programme is a key instrument for delivering a comprehensive response to the health needs of EU citizens, reflecting the implementation of priority EU legislative proposals and acts, flagship initiatives such as Europe’s Beating Cancer Plan, preventing non communicable and communicable diseases, lessons learned from the COVID-19 crisis, the consequences of Russia’s unjustified and unprovoked war against Ukraine, and previous health programmes.

CHALLENGE

The COVID-19 pandemic has caused an unprecedented health crisis in Europe, straining national health systems and resulting in severe human suffering and socioeconomic consequences. The crisis revealed both the fragility of national health systems and health disparities across population groups, Member States and regions. It also demonstrated the importance of coordination among European countries to protect people’s health and the need to build a European Health Union.

The EU4Health programme with a budget of EUR 735 million in the 2023 work programme is the main financial instrument to fund the EU health initiatives. The EU4Health programme continues to support the implementation of EU priorities such as the fight against the COVID-19 pandemic, the establishment of the European Health Emergency Preparedness and Response Authority (HERA), Europe’s Beating Cancer Plan, the Pharmaceutical Strategy for Europe and the implementation of EU health legislation.

Russia’s unjustified and unprovoked war against Ukraine significantly affected people's mental health, especially for vulnerable groups, such as refugees and displaced people from Ukraine.

The EU has a central role to play in accelerating progress, coordination and cooperation in relation to tackling health challenges in Europe.

Health is an asset, and the EU4Health programme is the largest ever EU investment dedicated to improving health. It is a clear message that people's health is an EU priority.

The EU4Health programme will fund actions that will contribute to strengthening health systems, making medical supplies – including crisis-relevant products – more available, affordable and innovative, and reducing the burden of communicable and non-communicable diseases.

The EU4Health programme will support and complement national policies by co-funding actions with a clear European added value that deliver efficiency gains from cooperation at the EU level, and actions with impact on keeping open the internal market. The programme will pave the way towards a strong European Health Union in which all Member States prepare and respond in a timely manner to health crises and promote and protect citizens health. The programme also addresses global health challenges.

MISSION

The EU4Health programme will provide the means and the instruments to facilitate and support the delivery of the EU health policies. Four general objectives represent the breath and the ambitions of the programme:

– improve and foster health in the EU;
– protect people in the EU from serious cross-border health threats;
– improve the availability, accessibility and affordability of medicinal products, medical devices and crisis-relevant products;
– strengthen health systems and the healthcare workforce.

The programme will help Member States reach the United Nations' Sustainable Development Goals (in particular goal No 3 'Ensure healthy lives and promote well-being for all at all ages') and apply, where relevant, the 'One Health' approach, recognising that human health is connected to animal health and to the environment.

OBJECTIVES

The EU4Health programme is implemented by ensuring a high level of human health protection in all EU policies and activities in keeping with the 'One Health' approach, where applicable, and pursuing the specific objectives as follows:

(1) in synergy with other relevant EU actions, supporting actions for disease prevention, for health promotion and for addressing health determinants, including through the reduction of damage to health resulting from illicit drug use and addiction, supporting actions to address inequalities in health, to improve health literacy, to improve patient rights, patient safety, quality of care and cross-border healthcare, and supporting actions for the improvement of the surveillance, diagnosis and treatment of communicable and non-communicable diseases, in particular cancer and paediatric cancer, as well as supporting actions to improve mental health, with special attention given to new care models and the challenges of long term care, in order to strengthen the resilience of the health systems in the EU;

(2) strengthening the capability of the EU for prevention of, preparedness for, and rapid response to, serious cross-border threats to health in accordance with relevant EU legislation, and improving the management of health crises, particularly through the coordination, provision and deployment of emergency healthcare capacity, supporting data gathering, information exchange, surveillance, the coordination of voluntary stress testing of national healthcare systems, and the development of quality healthcare standards at the national level;

(3) supporting action to enhance the availability, accessibility and affordability of medicinal products, medical devices and crisis-relevant products by encouraging sustainable production and supply chains and innovation in the EU, while supporting the prudent and efficient use of medicinal products, in particular antimicrobials, and to support the development of medicinal products that are less harmful for the environment, as well as the environmentally friendly production and disposal of medicinal products and medical devices;

(4) in synergy with other EU instruments, programmes and funds, without prejudice to Member State competences, and in close cooperation with relevant EU bodies, supporting actions complementing national stockpiling of essential crisis-relevant products, at the EU level, where needed;

(5) in synergy with other EU instruments, programmes and funds, without prejudice to Member State competences and in close cooperation with the European Centre for Disease Prevention and Control, establishing a structure and training resources for a reserve of medical, healthcare and support staff allocated voluntarily by Member States, for its mobilisation in the event of a health crisis;

(6) strengthening the use and reuse of health data for the provision of healthcare and for research and innovation; promoting the uptake of digital tools and services, as well as the digital transformation of healthcare systems, including by supporting the creation of a European Health Data Space.

(7) enhancing access to high-quality, patient-centred, outcome-based healthcare and related care services, with the aim of achieving universal health coverage;

(8) supporting the development, implementation, enforcement and, where necessary, revision of EU health legislation and supporting the provision of valid, reliable and comparable high-quality data for evidence-based decision-making and monitoring; and promoting the use of health impact assessments of other relevant EU policies;

(9) supporting integrated work among Member States, and in particular their health systems, including the implementation of high-impact prevention practices, supporting work on health technology assessment and strengthening and scaling up networking through European reference networks and other transnational networks, including in relation to diseases other than rare diseases, to increase the coverage of patients and improve the response to low prevalence and complex communicable and non-communicable diseases;

(10) supporting global commitments and health initiatives by reinforcing the EU's support for action by international organisations, in particular action by the World Health Organization, and fostering cooperation with non-EU countries.

ACTIONS

The EU4Health programme, as the main financial instrument to fund the EU health initiatives, is implemented through annual work programmes. The EU4Health programme supports the implementation of EU priorities such as the fight against the COVID-19 pandemic, the activities of HERA, Europe’s Beating Cancer Plan, the Pharmaceutical Strategy for Europe and the preparatory work for the European Health Data Space and the implementation of EU ealth legislation (for example the medical devices regulation, health technology assessment regulation and substances of human origin regulation). The EU4Health programme supports the implementation of Regulation (EU) 2022/2371 on serious cross-border threats to health and the extended mandates of the European Medicines Agency (EMA) and the European Centre for Disease Prevention and Control.

The annual work programmes are designed under five overarching strands namely: crisis preparedness, health promotion and disease prevention, health systems and healthcare workforce, and digital. The fight against cancer is a major initiative, which cuts across the other four strands.

STRUCTURAL SET-UP OF THE PROGRAMME

The EU4Health programme for the EU's action in the field of health ([70]) (hereafter 'EU4Health programme') was adopted on 24 March 2021 for the 2021-2027 period, as a response to the challenges posed by the COVID-19 crisis, and to provide the necessary available tools to ensure that the EU remains the healthiest region in the world.

Article 168 Treaty on the Functioning of the European Union provides that the EU is to complement and support national health policies, encourage cooperation between Member States and promote the coordination between their programmes, in full respect of the responsibilities of Member States for the definition of their health policies and for the organisation, management and delivery of health services and medical care. Experience from the ongoing COVID-19 crisis has demonstrated that there is a need for further action at the EU level to support cooperation and coordination among the Member States.

The EU4Health programme, is the largest ever EU investment in health and will complement national policies and support actions that add value above and beyond what the Member States and other actors could achieve on their own.

The programme is implemented in direct and indirect management mode and in synergies and complementarities with other EU programmes and instruments. The European Health and Digital Executive Agency implements the part on direct management as delegated by DG Health and Food Safety and by HERA. The funds under indirect management are disbursed by DG Health and Food Safety or HERA.

The EU4Health programme has ten specific objectives and supports the development and implementation of EU health priorities and policies, These legislative initiatives include the regulation on serious cross-border threats to health, the establishment and operation of the European reference networks, strengthening EU cooperation on health technology assessment, the regulatory framework on tobacco products, medical products and technologies, and the preparatory work for the establishment of the European Health Data Space, the revision of the pharmaceutical legislation, Substances of Human Origin, cross border healthcare, and others. The programme further contributes to the mission to the HERA mission in relation to making medical countermeasures available for pandemic preparedness and response.

Important non-legislative initiatives include: Europe's Beating Cancer Plan, the Pharmaceutical Strategy for Europe, the 'healthier together' initiative and the new EU global health strategy.

The EU4Health programme operates via detailed annual work programmes ([71]). These annual work programmes aim to support a strong European Health Union and address a variety of challenges through EU-level action which will bring added value in implementing the general and specific objectives of the programme.

The main types of actions in direct management are: (a) action grants (direct or in open calls) and operating grants to non-governmental organisations (open calls). The EU provides co-financing up to 60% or 80% (in case of exceptional utility); (b) procurement to acquire services from economic operators (open calls or framework contracts); (c) other: expert contracts, fees including membership fees, administrative agreements or co-delegation with the Joint Research Centre / DG Research and Innovation / DG Digital

([70]) Regulation (EU) 2021/522 of the European Parliament and of the Council of 24 March 2021 establishing a programme for the EU's action in the field of health ('EU4Health programme') for the 2021-2027 period, and repealing Regulation (EU) No 282/2014.

([71]) The annual work programmes are adopted by the Commission as an implementing act following a positive opinion of the Member States in the EU4Health programme Committee on a draft annual work programme prepared by the European Commission based on a stakeholder consultation that includes Member States representatives in the EU4Health Steering Group. The European Parliament is informed by the Commission on results of the consultation process before the last EU4Health steering group meeting.

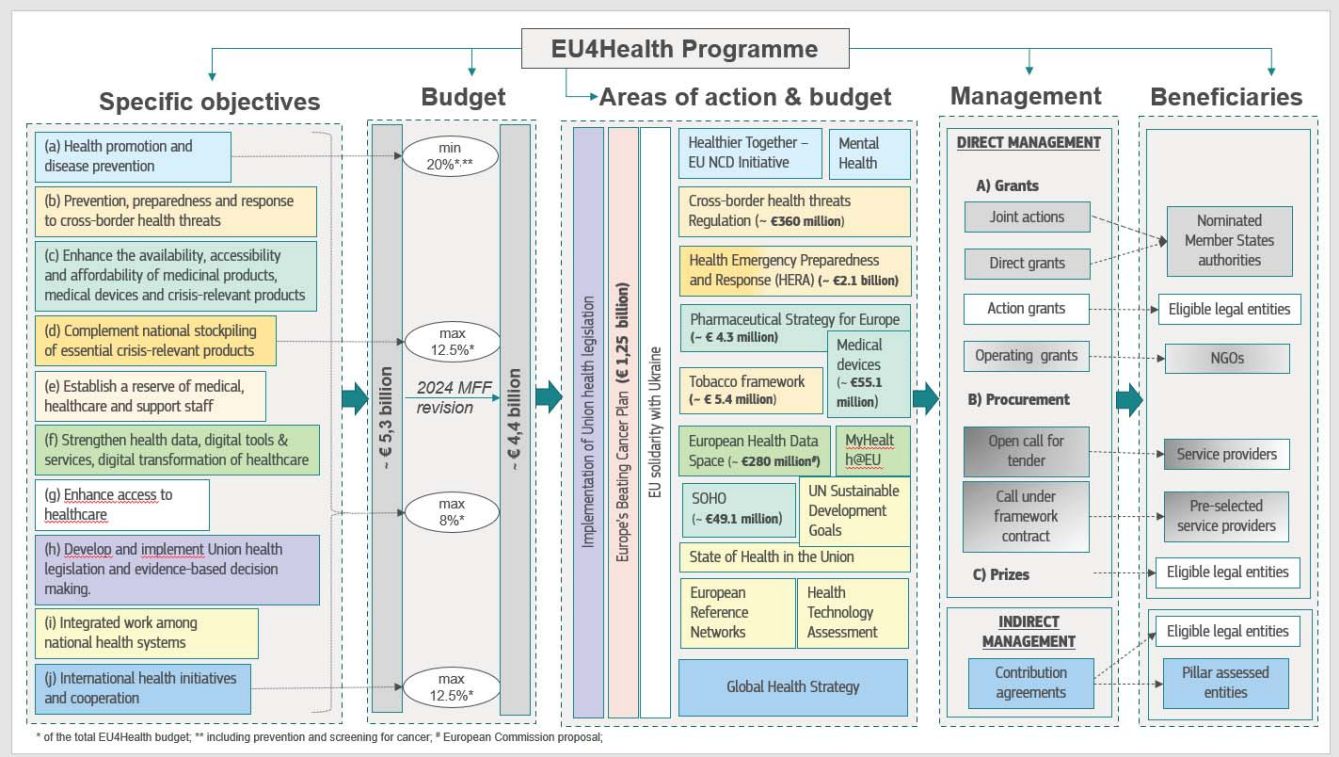
Services, and prizes. Indirect management relates to the contribution agreements with pre-assessed international organisations with or without co-delegation to another directorate-general of the Commission.

The EU4Health programme will work in synergy with and in a manner that complements other EU policies, programmes and funds, such as the digital Europe programme, Horizon Europe, Connecting Europe Facility, the Union Civil Protection Mechanism and in particular its European reserve of additional capacities (the RescEU reserve), the Emergency Support Instrument, the ESF+, the ERDF, the Technical Support Instrument, InvestEU, the Recovery and Resilience Facility and Erasmus+, and the European Solidarity Corps. The Commission together with the Member States will ensure that such synergies and complementarities are duly taken into consideration when drafting the annual work programmes.

The legal basis of the EU4Health programme is Regulation (EU) 2021/522 of the European Parliament and of the Council of 24 March 2021, establishing a programme for the EU's action in the field of health ('EU4Health programme') for the 2021-2027 period, and repealing Regulation (EU) No 282/2014.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP

Revised version (only total budget and HERA budget adjusted following the EUR 1 billion cut)



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

– The EU4Health programme is a new programme, which builds on the achievements of the Third health programme for the EU action in the field of health (2014-2020). Several objectives – related to health promotion and disease prevention, better preparedness and

coordination in health emergencies, public health capacity-building and contribution to innovative, efficient and sustainable health systems, and facilitating access to better and safer healthcare for EU citizens – are further pursued by the EU4Heath programme albeit at different scale.

– The biggest difference between the previous health programme is the 10-fold budget increase which enables a huge shift in the scale of action to support such as EU-wide scope for addressing COVID-19 pandemic preparedness, the fight against cancer (cross-cutting), the use and reuse of health data, the burden of non-communicable disease, global health issues, as well as the health consequences of Russia's unprovoked and unjustified war on Ukraine.

FURTHER INFORMATION

– Relevant regulation: Regulation (EU) 2021/522 of the European Parliament and of the Council.

– Programme website: https://health.ec.europa.eu/funding/eu4health-programme-2021-2027-vision-healthier-european-union_en

– Impact assessment: is included in the Annex 5 of the SWD(2018) 289 final. Initially, the EU health programme for 2021-2027 was included in the proposal for the European Social Fund Plus (ESF+) programme under the next multiannual financial framework. The proposal was supported by an impact assessment examined by Regulatory Scrutiny Board under the single market multiannual financial framework programme on 18 April 2018 and issued a positive opinion.

– In the aftermath of COVID-19 pandemic the EU4Health programme proposal was tabled on the basis of the impact assessment accepted by the Regulatory Scrutiny Board. All health objectives from the initial proposal retained with priority given to the EU's and Member States' response and crisis preparedness to future health crises. The general and specific objectives have been further aligned with the political priorities of the Commission regarding pharmaceuticals and cancer.

– Evaluations: The interim evaluation of the programme is due no later than 31 December 2024. The final evaluation of the programme is due no later than 4 years after 2027.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	329.1	839.4	739.3	753.8	582.6	325.0	240.5	3 809.7
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

	2021	2022	2023	2024	2025	2026	2027	Total
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	8.7	20.9	21.4	0.0	0.0	0.0	0.0	51.0
Total	**337.8**	**860.4**	**760.6**	**753.8**	**582.6**	**325.0**	**240.5**	**3 860.7**

(*) Only amounts under Article 5(1) of the EU4Health regulation, including reinforcements of the annual budgetary procedures (+ EUR 38.5 million) and agency compensations (– EUR 247.4 million and – EUR 4.4 million) and amounts under Article 5(2) for the years 2022-2024.

(**) Only Article 15(3) of the financial regulation.



Financial programming:

- EUR 211.8 million (-9%)

compared to the legal basis (*).

(*) Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

The initial EU4Health envelope has been reduced to take into account the redeployment of funds that were allocated to the extended mandates of the European Centre for Disease Prevention and Control and the European Medicines Agency.

EU4Health is benefiting from funds under Article 5 of the multiannual financial framework regulation. The overall amount under Article 5 of the multiannual financial framework regulation to be allocated to the EU4Health for 2021-2027 was around EUR 3.3 billion in current prices, where the exact amount to be added to the programme for year *n* is normally known during the draft budgetary procedure for year *n*. The amount has been reduced by EUR 1 billion following the 2024 midterm revision of the multiannual financial framework and now amounts to EUR 2.3 billion. The redeployment of the programme specific allocation under Article 5 following the agreement of the midterm revision will be implemented in the years 2025-2027. EUR 264.5 million in top-ups are included in the 2025 draft budget. Conversely, in line with the usual procedure, the top-ups for 2026 and 2027 are not yet included in the financial programming.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	1 958.1	**3 860.7**	50.1%
Payments	682.9		17.7%

Voted budget implementation (million EUR):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	329.1	327.5	9.7	76.3
2022	839.1	839.7	156.9	335.3
2023	739.0	739.3	482.7	602.3

(*) Voted appropriations (C1) only.

– Due to the late adoption of the EU4Health legal base (end of March 2021) and the 2021 work programme (June 2021), as well as the fact that the European Heath and Digital Executive Agency that implements a major part of the budget under the EU4Health programme was in its first year of existence, the 2021 annual work programme implementation only started in the third quarter of 2021. In January 2022, the annual work programme for 2022 was adopted and the focus was on signing the grant agreements and contracts stemming from the 2021 work programme as well as the launch of the new actions from the 2022 work programme. All appropriations for 2022 have been committed. DG Health and Food Safety and HERA returned EUR 178 million out of the EUR 335 million allocated as payment appropriations, mainly because in 2022, EUR 160 million in payment credits were allocated to HERA’s EU FAB action, while this has only been signed in 2023.

– The 2021 and 2022 work programmes were amended to allow addressing the health challenges related to the developments of the COVID-19 pandemic and the consequences of the unjustified and unprovoked Russia's aggression on Ukraine with about EUR 23.4 million rerouted for the latter challenge and to reallocate unspent budget to a new action to support the World Health Organization to conduct clinical trials in Africa on medical countermeasures against filoviruses, including Marburg virus.

– All the actions programmed in the 2021 annual work programme and all grants under work programme 2022 have been launched. The 2023 appropriations have been fully committed. In 2023, out of the EUR 602.3 million of payment credits allocated to the EU4Health programme, EUR 482.7 million have been implemented (80%), which is three times the amount paid in 2022. The 2023 planned budget in payment appropriations was based on the assumption that the implementation would reach cruising speed in 2023, which is expected to materialise in the near future.

Contribution to horizontal priorities

The actions included in the 2023 annual work programme are not covered by the taxonomy screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives ([72]).

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	7.5	0.5	0.9					8.9	0%
Biodiversity mainstreaming									
Clean air									

The EU4Health programme does not contribute directly to the climate, biodiversity and clean air horizontal priorities. To ensure a high level of human health protection in all EU policies, the actions funded by the programme are implemented, where applicable, in keeping with the 'one health' approach, which recognises that human health is connected to animal health and to the environment, and that actions to tackle threats to health must consider those three dimensions. The funds allocated to 'one health' actions vary over the year, and the total budget is about EUR 314 million. In addition, actions addressing environmental risk factors for health will be included in the upcoming annual work programmes. The 2023 annual work programme includes seven actions addressing environmental risk factors for health under crisis preparedness and under health promotion and disease prevention, and the 2024 annual work programme under crisis preparedness and health promotion and disease prevention.

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2				
1				
0*	17.8	84.7	75.6	178.1
0	311.3	754.4	663.4	1 729.1

([72]) Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender-disaggregated information.

The budget allocated to actions relevant to gender remained well above the average annual contribution of the first 2 programming years. The data that will allow disaggregation by gender are expected to become available in 2025.

The EU4Health programme has no significant bearing on the promotion of gender equality, considering that it aims to keep all people healthy and active for longer, irrespective of gender. However, some actions – for example cancer screening for breast cancer and cervical cancer, and vaccination coverage for human papillomaviruses – that focus on women's health may provide relevant information for the purpose of the gender tracking of the EU4Health programme, which for the time being has been assigned a score of 0*. Several indicators that focus on male-related diseases – such as prostate cancer, and the increase in vaccination coverage for human papillomaviruses in boys – may provide relevant information on gender equality.

In addition, in the case of two indicators (i.e. the age-standardised 5-year net survival rate for paediatric cancer and the percentage of the population covered by cancer registries reporting information on colorectal and paediatric cancer stage at diagnosis), relevant data that can be disaggregated are expected to become available in 2025.

In the case of three other indicators, very limited gender disaggregation may be possible when data become available (the indicators 'Number of actions addressing the prevalence of major chronic diseases per Member State, by disease, gender, and age', 'Number of actions addressing the age prevalence of tobacco use, if possible, differentiated by gender' and 'Number of actions addressing the prevalence of harmful use of alcohol, if possible, differentiated by gender and age').

Future action-level indicators may provide relevant information on gender equality during the implementation of the programme, and data will be reported accordingly.

Contribution to the digital transition (million EUR; programmed):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	72.1	205.5	72.1	349.6	18%

The EU4Health programme contributed substantially to the digital transition in 2021, 2022 and 2023, with a total programmed budget of EUR 381.55 million supporting actions in the following intervention fields: (1) human capital – information technology services and applications for digital skills and digital inclusion; support for the development of digital skills; (2) digital public services – government information and communications technology solutions, e-services and applications; e-health services and applications (including e-Care, the internet of things for physical activity and ambient assisted living), and digitalisation in healthcare. The total amount committed in 2021, 2022 and 2023 was about EUR 285.65 million.

The 2023 work programme includes actions (EUR 72.69 million) that contribute to the digital transition goal and are assigned to the following EU4Health annual programme strands: digital, crisis preparedness and health systems. Additional investment is planned in the 2024 annual work programme under the digital strand (EUR 25.75 million).

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline (2020)	**Progress** (*)	**Target**	**Results**	**Assessment**
Number of Member States implementing best practices regarding health promotion, disease prevention and addressing health inequalities	0	90%	20	18 (**)	On track
Preparedness and response planning of the EU and of Member States for serious cross-border threats to health	0	91%	32	29	On track
Number of actions aimed at increasing the security and continuity of the global supply chains and addressing dependence on imports from non-EU countries for the production of essential active pharmaceutical ingredients and medicinal products in the EU	1	8%	13	1	Moderate progress

Number of production facilities with enhanced capacities in increasing security and continuity of supply for medical countermeasures, raw materials, and components at the EU level	0	No data	5	No data	No data
Number of audits conducted in the EU and in third countries to ensure good manufacturing practices and good clinical practices (Union control)	10	17%	65	11	Deserves attention
Number of healthcare and public health staff trained (Article 11 of the cross-border health threats regulation)	0	6%	3 050	171	Moderate progress
Number of Member States participating in the European Health Data Space	7	25%	27	12	On track
Number of studies supporting the evaluations of legislative and non-legislative Health Union policies	0	4%	25	1	Moderate progress
Number patients diagnosed and treated by the members of European reference networks	1 million	>100%	2.0 million	2.2 million	Achieved

(*) % of target achieved by the end of 2023.

(**) % of target achieved by the end of 2022.

The programme performance is on track and is reflected by the key achievements highlighted below. All the actions (593) of the annual work programme for 2021 and 2022, and almost all from 2023, have been launched. The implementation of the 2024 annual work programme is on schedule.

The 2023 annual work programme will continue to support **crisis preparedness**, with almost half (48.7%) of the annual budget allocated to this strand by DG Health and Food Safety and HERA. The programme supports the implementation of Regulation (EU) 2022/2371 with a budget of EUR 97 million. This budget is spent on Member State actions for crisis preparedness, surveillance, European reference laboratories, early warning and response capacities, the EU immunisation agenda and setting up advisory committees. The digital passenger locator form is ongoing. In

addition, EUR 50 million are supporting a joint action on anti-microbial resistance and international collaboration and coordination in preparedness and response are ensured through grants to the World Health Organization, also with a focus on preparedness against CBRN threats. In addition, EUR 50 million are supporting a joint action on anti-microbial resistance and international collaboration and coordination in preparedness and response are ensured through grants to the World Health Organization, also with a focus on preparedness against CBRN threats.

The 2021 and 2022 crisis preparedness achievements relating to HERA activities include enhanced infrastructure and capacities for pandemic preparedness and response related to medical countermeasures, for instance by supporting whole genome sequencing and reverse transcription polymerase chain reaction infrastructure and capacities in EU Member States. In addition, progress has been made on the development of an information technology system to collect intelligence and assess threats in order to inform the prioritisation of medical countermeasure development. In addition, with EU FAB, HERA established a network production capacities for vaccine and medicine manufacturing that can be activated quickly in the event of future crises. HERA also purchased and distributed vaccines against mpox virus to all Member States. On antimicrobial resistance, a comprehensive assessment of innovation for medical countermeasures was performed, including a gap analysis and needs assessment in Member States, along with a feasibility study on antimicrobial resistance to determine critical medical countermeasures and establish means of storage. International collaboration for pandemic preparedness as relates to medical countermeasures, for example with the World Health Organization, was also supported and developed.

The 2023 performance of the programme regarding implementation of the **health promotion and disease prevention** strand (4.55% of the annual budget) is on track to deliver the policy objectives of the ‘healthier together – EU non-communicable diseases’ initiative, in particular on dementia and other neurological disorders, and on chronic respiratory diseases, and the Commission’s communication on a comprehensive approach to mental health with a specific focus on vulnerable groups and cancer patients. Moreover, it is on track to support the prevention of vaccine-preventable cancers and cancers caused by infections, thereby supporting Europe’s Beating Cancer Plan and the implementation of the Commission proposal for a Council recommendation on vaccine-preventable cancers, once adopted in the Council. It is also on track to support the implementation and enforcement of tobacco control legislation and other related EU health initiatives.

A total of 21 actions addressing the prevalence of major non-communicable diseases by Member State and one action on the environmental risk factors for health have been launched successfully.

Eighteen Member States are implementing ‘best’ and ‘promising’ practices regarding health promotion, disease prevention and health inequalities and the target has been almost achieved.

The number of Member States that had reached 95% coverage for both the first and the second dose of the measles-containing vaccine for eligible individuals fell from five in 2020 to three in 2021, and rose again to four in 2022 (the target for 2031 being eight Member States). The number of Member States that had reached at least 90% coverage for a full human papillomaviruses vaccination course (last dose) in eligible girls fell from one in 2021 to none in 2022, and more data are necessary to understand the reason for this decline.

The challenge of developing synergies between different actions identified in the last performance assessment in 2023 is progressively being overcome. Several joint actions under the ‘healthier together’ initiative are complemented by projects implemented by stakeholders on the same topic to ensure maximum impact. Synergies within the EU4Health programme, and between EU4Health and other EU funding instruments, have been developed through the organisation of joint events bringing together relevant actors to present projects on thematic areas such as mental health.

The total budget for health promotion and disease prevention in 2021, 2022 and 2023 met the requirement of reserving a minimum of 20% for that purpose.

Implementation of the **cancer** strand (25.45% of the annual budget) is on track to deliver the policy objectives of Europe's Beating Cancer Plan. A total of 51 actions that address the prevalence of cancer have been launched successfully. All country cancer profiles for EU Member States (plus Iceland and Norway) were published, highlighting key achievements and challenges in cancer prevention and care for each country.

In addition, with funding from the EU4Health programme, and developed by the Commission's Joint Research Centre, the European guidelines and quality assurance scheme for breast cancer was piloted in 20 breast cancer settings in nine Member States. Following this successful pilot project, the scheme is now ready for large-scale implementation across the EU.

Also funded under the EU4Health programme, work on improving oncological training is ongoing, with the Interact-Europe project having developed an inter-speciality training curriculum, which is now being piloted and rolled out through the Interact-Europe 100 follow-up project to 100 cancer centres across 15 Member States. In this context, two new modules are also being introduced focusing on paediatric oncology and specific needs for displaced people with cancer, with a special focus on Ukraine.

Based on estimates from the Joint Research Centre, the percentage of the population covered by cancer registries reporting information on cervical, breast, colorectal and paediatric cancer stage at diagnosis was 56.1% for cervical cancer, 54.5% for breast cancer, 56.5% for colorectal cancer and 54.1% for paediatric cancers in 2022. The number of Member States with at least one cancer registry that had submitted the stage, also based on preliminary estimates, was 26 across all four cancer types in 2022, therefore only one Member State was missing. Data for 2023 are not yet available.

One indicator (age-standardised 5-year net survival rate for paediatric cancer) is still under construction.

Under **the health systems and healthcare workforce strand** (16.09% of the annual budget), the EU4Health programme supports policies that aim to generate country-specific and cross-country knowledge on health systems and to strengthen the resilience of Member State's health systems, including by transferring best practices in primary care, implementing high-impact prevention practices, supporting work on health technology assessment and enhancing access to healthcare, with the aim of achieving universal health coverage. The European reference networks continued to facilitate access to diagnosis and treatment by patients with rare conditions and continued to be focal points for medical training and research and the dissemination of information. The 24 networks have just completed their first evaluation, and all 24 received a positive assessment. Currently, 1 619 clinical centres' healthcare providers are part of the European reference networks across the EU Member States and Norway.

In 2023, the fourth cycle of the state of health in the EU project, financed by EU4Health programme, delivered a set of 29 country health profiles (for the 27 Member States plus Iceland and Norway), each highlighting the latest challenges and policy responses in the respective national health systems, including a spotlight analysis about mental health.

The development of guidelines and recommendations for Member States on how to assess and improve access to healthcare services was supported by one action financed by the EU4Health programme since 2021. This action has so far delivered a 'universal health coverage' tool that consolidates quantitative and qualitative data on financial protection in access to healthcare, and has also carried out a comparative analysis of financial protection in access to healthcare in the European region. The programme continues to support Member States in addressing health workforce challenges related to shortages and skills mismatches, including through health workforce planning and forecasting, and skill building (e.g. via seven training projects with a focus on digital skills). Work to set up an EU system for health technology assessment, under Regulation (EU) 2021/2282, has progressed. With support from EU4Health, the full governance structure of the new EU health technology assessment system is operational (Member State Coordination group, its four subgroups and a stakeholder network) and the first release of a dedicated

secure information technology platform went live in 2023. The implementation of the cancer-related actions is on track, but performance monitoring and data collection is expected to be delayed as several indicators are under development. The Commission expects to recover the delay incurred and collect the data by the end of 2023.

The health systems work well if medicinal products, medical devices and crisis-relevant products are readily available to patients. The number of medicines authorised centrally by the European Commission and valid across the EU increased by around 5% in 2023. The number of medical devices placed on the market also increased. Between March and August 2023, the number of certificates for medical devices under Regulation (EU) 2017/745 increased from 2 951 to 3 899. In the same period of time, there was also an increase in the number of certificates for *in vitro* diagnostic medical devices under Regulation (EU) 2017/746, from 331 to 500. More devices being certified on the European market under these two regulations increases the safety of patients and lead to a higher level of public health.

This was, however, only partly influenced by the actions funded under the EU4Health programme, given that the causal link between the challenge and those actions is very weak. It should also be acknowledged that, while the relative increase in the availability of medical devices and *in vitro* diagnostic medical devices is a positive development, more efforts have to be made to meet the needs of healthcare systems to make devices available and avoid shortages. With this objective, co-legislators adopted a regulation (Regulation (EU) 2023/607) in 2023 as an urgent measure to facilitate the transition to the legal framework set out in Regulation (EU) 2017/745. In early 2024, the Commission proposed a further amendment to Regulation (EU) 2017/746 to give *in vitro* diagnostics more time to comply with the new rules. It is expected that these measures (in Regulation (EU) 2023/607 and the Commission proposal, if adopted)) will have an impact on the indicators. This will be considered in upcoming reporting. This strand may be negatively impacted by external shocks, such as monetary and fiscal shocks, which may negatively affect the capacity of the Member States' public authorities to commit human and financial resources to the ongoing or planned actions.

The **digital** strand of EU4Health, with 3.5% of the annual budget, continued to support the preparations for the European Health Data Space in 2023. The financial support from EU4Health focused on supporting Member States' work on increasing semantic interoperability, preparing the groundwork for the implementation of the European Health Data Space and developing cross-border digital health infrastructures (MyHealth@EU and HealthData@EU). The participation of Member States in the European Health Data Space remained stable, with a new Member State joining MyHealth@EU in 2023, making it a total of 12 Member States participating in cross border exchange of health data. Over 20 new projects were selected that will allow the roll-out of new services across the EU in the coming years. More than 20 new projects were also selected for setting up health data access bodies, which will play a fundamental role in enabling the reuse of health data in the European Health Data Space. The total EU contribution committed in these projects exceeded original forecasts by over 20% (EUR 13 million), showing the significant investment needs in Member States in this area. These projects are complemented by others launched under the digital Europe programme (e.g. for enabling the reuse of cancer images and genomic data) and Horizon Europe (e.g. on the development of a data quality and utility label for the European Health Data Space). The timely implementation of the digital strand is dependent on the upcoming regulation on the European Health Data Space. This is the case, for example, for the implementation of the database for electronic health record systems, the execution of which relies heavily on the provisions in the final text. The implementation of this strand will also depend on the availability of resources and specialised technical expertise in Member States, which could affect the performance of some actions. To address these limitations, the Commission is providing extensive support to Member States, for example in the eHealth Network, in the eHealth Member States Expert Group and through the creation of a community of practice in the area of secondary uses of health data.

The **international health initiatives** and cooperation cuts across several areas, and in particular implements the global health strategy adopted in November 2022. The total budget supporting global commitments and health initiatives is below the maximum threshold of 12.5% of the programme's total budget. The EU global health strategy is already supported by total investment of about EUR 21 million under the 2021, 2022 and 2023 work programmes. However, the strategy is delivered to a large extent by international organisations, such as the World Health Organization. Following its association to the EU4Health programme in July 2022, Ukraine successfully engaged in all joint actions, and a considerable number of the actions launched under the 2022 work programme have addressed health challenges related to the consequences of the Russian war of aggression against Ukraine. The Commission launched a grant in 2023 to establish a Member State joint action to put in place rolling mechanisms for closer coordination between the EU institutions and Member States, and therefore strengthen the EU's leadership in global health. However, the unpredictable current geopolitical context, dominated by the war of aggression, may trigger new jeopardising factors that will need to be addressed in as timely a way as possible. The implementation of the global commitments and health initiatives also depends to a great extent on the performance of the international organisations entrusted by the Commission to deliver through indirect management. Adequate monitoring and regular contacts are necessary to ensure a good implementation.

The EU4Health programme finances studies to support the preparation of impact assessments and the evaluation of health policy initiatives. The focus of these studies is on a one-off assessment, and they do not necessarily provide, in a continuous manner, data and specific economic analysis addressing the needs of the Commission. In some cases (e.g. pharmaceutical and medical device policies), this requires the development of new framework contracts to provide health-specific economic analyses and the necessary data for these targeted analyses. In principle, all projects funded by the EU4Health programme include action-specific indicators. The data will be collected and reported by the beneficiaries, and proper monitoring has been put in place by the European Health and Digital Executive Agency to avoid any delays or low data quality. Four studies assessing the progress of policy initiatives are currently being funded by the EU4Health programme. These are on the EU action plan on childhood obesity, the tobacco control *acquis*, Europe's Beating Cancer Plan and the EU4Health programme. In addition, two studies were funded and finalised in 2023: one on the evaluation and impact assessment of pharmaceutical legislation and one on the use of sunbeds and cancer risks. To date, there have been no published studies supporting the evaluation of health policies.

The annual work programmes for 2021 and 2022 were amended on two and three occasions respectively. The amendments were necessary to address the evolving COVID-19 pandemic and the health consequences of Russian war of aggression against Ukraine. The third amendment to the 2022 work programme was necessary to reallocate unspent budget to a new action to help the World Health Organization conduct clinical trials in Africa addressing the need to support the timely development of safe and effective medical countermeasures against filoviruses, including Marburg virus. The implementation of related actions may be influenced by the specific conditions on the field of action and the absorption capacity of the potential beneficiaries.

The budget of the programme has increased almost tenfold in comparison to the previous multiannual financial framework. The revision of the 2021-2027 multiannual financial framework redeployed funds across the EU budget, including EUR 1 billion from the EU4Health programme, a decrease of almost 20% in the total budget. Based on implementation experience acquired up to now by the European Health and Digital Executive Agency and the Commission, the financial absorption capacity of some entities (e.g. non-governmental organisations and some public authorities) is limited. The Commission and the European Health and Digital Executive Agency will continue to address this type of challenge in the same way as it implements the previous two annual work programmes, by reallocating unspent budget to other actions. The issue remains, however, that the co-funding rate of the EU4Health programme is limited to a 60% contribution by the EU. Only in exceptional utility cases can it reach up to 80%, making the contribution from some beneficiaries, in particular non-governmental organisations, difficult to achieve. The regulation

includes a provision for the blending of funds from various EU funding programmes. However, the fact that the associated administrative and financial burden falls mainly upon the beneficiary only allows the absorption capacity concerns to be resolved to a limited extent.

The EU4Health programme is interconnected with several other key EU funding and policy initiatives, such as Horizon Europe, the Digital Europe programme, the Recovery and Resilience Facility and the Cohesion Policy Funds. The coordination of cluster 1 (health) in the Horizon Europe programme creates a seamless pathway from research to practical applications. The Digital Europe programme drives the digital transformation in Europe, supporting the development and deployment of digital technologies in healthcare (such as the digital wallet). The two programmes work together to support the expansion of digital health infrastructure such as electronic health records and telemedicine services. The Digital Europe programme promotes innovation in dataspace technologies, and EU4Health supports the Member States in coordinating their work and in capacity building. EU4Health also strategically complements national activities under the Recovery and Resilience Facility and the Cohesion Policy Funds on health resilience at the EU level. In this case, it is the European semester and the 'state of health in the EU' cycle that provide a coherent framework for investments by Member States and across the EU.

The EU4Health work programme is aligned with the goal of the proposed Strategic Technologies for Europe Platform of supporting investment in companies that contribute to preserving a European edge on critical biotechnologies. Reaping the full benefits of biotechnology can help the EU economy grow in respect of priorities such as sustainable development, public health and environmental protection.

2014-2020 multiannual financial framework – Health programme

The third programme for EU action in the area of health (2014-2020) is a financial instrument for policy coordination at EU level. It aims to complement, support and add value to Member States' policies for improving the health of their citizens, reducing health inequalities, encouraging innovation in health and increasing the sustainability of their health systems.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	452.1	452.4	100.0%
Payments	399.7		88.4%

The entire budget (EUR 452.35 million for 2014-2020) was committed by the first quarter of 2021 through projects and other actions pursuing the programme's objectives.

By the end of 2023, 88% of the total budget (i.e. EUR 400 million) had been paid to participants and/or beneficiaries or for the procurement of necessary services. Considerable part of the outstanding amount will be paid under projects or actions launched in the last 2-3 years of the 2014-2020 multiannual financial framework, which have not yet been completed and therefore have not led to final payments by the Commission. Around 5-10% of the outstanding balance, which is the average implementation rate of the actions, might result in decommitments which will be done after the incurred expenses have been evaluated and therefore upon the completion of the actions. By the end of 2024 DG Health and Food Safety estimates that it will have paid in total EUR 410 million.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Widening of established European reference networks	0	78%	1 450	1 139 healthcare units joined reference networks, compared to a target of 1 450	On track

(*) % of target achieved by the end of 2023.

In the 2014-2020 period, the European Court of Auditors published several reports assessing the implementation of the health programme. In *EU Actions for Cross-border Healthcare – Special report 07/2019*, the Court of Auditors found that 'EU actions in cross-border healthcare enhanced cooperation between Member States. The Commission has overseen the implementation of the Cross-border Healthcare Directive well.' The special report also identified certain shortcomings and improvements that were necessary in terms of reducing administrative burden and the long-term financial sustainability of the European reference networks. In *Addressing Antimicrobial Resistance – Special report 21/2019*, the Court emphasised that 'Fighting against antimicrobial resistance is complicated … The Commission and [European Centre for Disease Prevention and Control] support to strengthen Member States One Health approach to [antimicrobial resistance] was valuable'. However, it also pointed out some challenges, particularly with regard to the sustainable implementation of the results in the Member States. These were addressed in the new EU4Health programme.

While reorienting and gearing a proportion of its resources towards fighting the COVID-19 pandemic, the third health programme continued to implement its main actions with a view to enhancing and further consolidating key achievements over the 2014-2020 implementation period.

With regard to objective 1 'promote health, prevent diseases and foster supportive environments for healthy lifestyles', the targets were reached in all respects except the number of Member States involved in the European accreditation scheme for breast cancer.

With regard to objective 2 'protect EU citizens from serious cross-border health threats', the target of 28 Member States integrating coherent approaches in the design of their preparedness plans was achieved in 2020.

With regard to objective 3 'support public health capacity-building and contribute to innovative, efficient and sustainable health systems', 41 notices of advice were produced and 23 Member States used the tools and mechanisms identified in order to contribute to effective results in their health systems.

With regard to objective 4 'facilitate access to better and safer healthcare for EU citizens', 24 European reference networks were established in accordance with Directive 2011/24/EU. Currently, 1 619 clinical centres healthcare providers are a part of the European reference networks across the EU Member States and Norway.

The final evaluation of the third programme for the EU's action in the field of health (2014-2020) (the programme) has been completed. It assesses the performance of the programme, its main outcomes and achieved results and identifies the main problems and solutions with regard to its implementation.

The main achievements of the programme are the following.

(1) The establishment of a portal for the exchange and implementation of best practices in health promotion and disease prevention.

(2) An 'EU compass for action on mental health and wellbeing', a web-based mechanism used to collect best practices and analyse information on policy and stakeholder activities in mental health.

(3) On cancer, the European quality assurance scheme, a harmonised and evidence-based way to grant equal and quality-benchmarked treatment to patients, and the European network of cancer registries coordinated by the Joint Research Centre (128 cancer registries from 29 European countries, with more than more than 25 900 000 records).

(4) A feasibility study was carried out for the development of a common EU vaccination card. The resulting template was tested by a sample of 10 000 citizens in 10 Member States.

(5) In 2018, the joint action on efficient response to highly dangerous and emerging pathogens at EU level (EMERGE joint action) delivered on its work for the improvement of capabilities for rapid laboratory diagnosis of new or emerging pathogens (e.g. sample sharing). The joint action also contributed to combating the outbreaks of ZIKA and Ebola.

(6) During the Ebola and Zika outbreaks, part of the funds of the programme were used to support interventions to limit the spread of these threats by strengthening Member States preparedness and response through the actions of the Health Security Committee.

(7) The European Health Data Space joint action, with 25 participating countries, facilitated the establishment of a European Health Data Space, by developing principles for the cross-border secondary use of health data. The Commission published its proposal for the establishment of the European Health Data Space in 2022.

(8) The joint actions for EU cooperation on health technology assessment enabled to produce 41 joint reports (joint assessment and early dialogues). These led to the adoption of legislation, securing EU cooperation on health technology assessment in the long-term.

(9) In 2023, the joint action on market surveillance of medical devices enabled the reinforcement of the market surveillance system for medical devices and the improvement of coordination and cooperation among all Member States.

(10) A total of 24 European reference networks – virtual networks involving healthcare providers across Europe – were established. They aim to tackle complex or rare medical diseases or conditions that require highly specialised treatment and a concentration of knowledge and resources. Currently, 1 619 clinical centres healthcare providers are a part of the European reference networks across the EU Member States and Norway.

Key findings per evaluation criterion, lessons learned and recommendations

Effectiveness

The evaluation found that knowledge produced by the programme was used in policy making and the programme contributed to the improvement of health and healthcare policy developments in the EU (e.g. in the areas such as anti-microbial resistance, health technology assessment, health inequalities, alcohol, tobacco control, European reference networks for rare diseases).

Funded actions helped achieve the programme's objectives to a good extent, in particular for objective 1 (promote health, prevent diseases, and foster supportive environments for healthy lifestyles) and objective 4 (facilitate access to better and safer healthcare for EU citizens). This is demonstrated by the positive trend of the quantitative indicators associated with each of the 4 specific objectives of the programme.

Despite effective contribution of the programme funded actions to combatting the COVID-19 pandemic, particularly in its early stages, the pandemic uncovered weaknesses in the preparedness and response to a major cross-border health threat of such magnitude at EU and at Member States level. These weaknesses and fragilities mainly related to the availability of tests and testing materials; to contact tracing, public health surveillance and rapid response to avoid further spread of the virus; to the availability of medical countermeasures (personal protective equipment, medicines and medical devices); to healthcare surge capacity (shortages of intensive care units, insufficient availability of healthcare staff).

The preparedness and planning strand was found, at the beginning of the pandemic, to be underfunded and underdeveloped, implying the need for preparedness and response systems and cultures to be strengthened.

It can therefore be concluded that objective 2 (Protect citizens against cross-border health threats) was only met to a moderate extent by the programme.

Finally, the participation of countries with a low gross national income in the programme did not increase significantly, despite the exceptional utility criteria designed to do so.

Efficiency

The programme was relatively cost-effective. In particular, its functioning costs (administrative costs plus the costs allocated to the functioning of the Consumers, Health, Agriculture and Food Executive Agency) were found reasonable, moreover on decreasing trend and comparable with those of other EU programmes of similar size.

The introduction of electronic tools, SYGMA-COMPASS for the submission of proposals, management of grants, monitoring and reporting mechanisms (also used by the Horizon 2020 framework programme for research and innovation), enabled, along with other simplifications measures (e.g. the introduction of framework partnership agreements for operating grants), to improve the efficiency of the programme implementation. However, according to some beneficiaries, there was some scope to further simplify the processes, especially in relation to funding applications, monitoring and reporting.

Cost-effectiveness of actions could have been improved with a more centralised information system () dedicated to disseminating information about EU funding, ensuring synergies across projects, and further communicating on the results of the implemented actions.

Coherence

The actions funded by the programme were aligned with its objectives and coherent with each other.

The programme also encouraged cooperation and was aligned with other instruments financing health-related activities, in particular the European Structural and Investment Funds and Horizon 2020. Moreover, actions funded by the programme contributed to wider EU policies and priorities (i.e. the Europe 2020 strategy for smart, sustainable and inclusive growth in 2014-2015, the Juncker Commission's priorities in 2016-2019 and the von der Leyen Commission's priorities in 2020), and were aligned with wider international obligations, in particular the World Health Organization's Health 2020 common policy framework, as reflected in the Commission communication on an EU global health strategy.

EU added value

The programme provided added value in comparison with what could have been achieved by the EU without the programme and by Member States acting alone. In particular, it funded multiple actions which demonstrated strong EU added value by encouraging Member States to exchange best practices and cooperate and coordinate with each other on pertinent policy issues. Furthermore, it enabled mutual learning and knowledge exchange in areas such as health promotion, health technology assessment, rare diseases, antimicrobial resistance, alcohol and tobacco policy.

Relevance

The programme has for the most part remained relevant to changes in health needs over time and was flexible enough to respond to emerging health needs such as the migrant/refugee crisis in 2015 and to undertake and fund emergency actions to combat the COVID-19 pandemic in 2020, in its early stages.

With the COVID-19 outbreak at the beginning of 2020 and the lessons learned from this pandemic, the protection of EU citizens from serious cross-border health threats became the highest health priority at EU level and in Member States.

Lessons learned from the programme and from the COVID-19 pandemic in terms of unforeseen challenges, as well as new health needs, were taken into account in the design of the EU4Health programme (2021-2027) which succeeded the third health programme (2014-2020). They also led, notably, to the Commission proposals for establishing HERA, for the revision of the cross-border

health threats regulation, for the revision of the mandate of the ECDC and for the building the European health union. This was a set of key actions and legal instruments helping to:

- better protect the health of EU citizens;
- equip the EU and its Member States to better prevent and address future pandemics;
- improve the resilience of Europe's health systems.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	NO	.
SDG2	NO	
SDG3	YES	The EU4Health programme and its annual work programmes deliver actions to implement the ‘healthier together’ initiative, Europe’s Beating Cancer Plan the upcoming mental health initiatives and addresses selected health risk factors, and health determinants
SDG4	NO	
SDG5	NO	
SDG6	NO	
SDG7	NO	
SDG8	NO	
SDG9	NO	
SDG10	NO	
SDG11	NO	
SDG12	NO	
SDG13	NO	
SDG14	NO	
SDG15	NO	
SDG16	NO	
SDG17	NO	

ESI

EMERGENCY SUPPORT INSTRUMENT

Programme in a nutshell

Concrete examples of achievements (*)

2 000 medical cargo transport operations delivered medical supplies from April 2020 to July 2022.	800 medical personnel and patients were transported from April 2020 to January 2022.	over 2 117 notifications were received in 2022 through Safety Gate – the rapid alert system for dangerous non-food products.	0 cases of lumpy skin disease have been reported since 2017, thanks to the vaccination programmes implemented for this disease.
17 000 doctors and nurses were trained to support and assist intensive care units in 717 hospitals across the EU from August 2020 to May 2021.	2.2 billion doses of COVID-19 vaccines were secured for delivery under the programme, which started in December 2020.		

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	231.7
NextGenerationEU	0.0

Decommitments made available again (*)	N/A
Contributions from other countries and entities	401.9
Total budget 2021-2027	**633.6**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The instrument is designed to allow for a comprehensive and flexible response to the urgent, evolving and diverse needs that arose during the pandemic. It complements the efforts of Member States, in close cooperation and consultation with them, and is activated only in exceptional circumstances where no other instrument available to Member States and to the EU is sufficient.

CHALLENGE

The COVID-19 pandemic led to an unprecedented loss of life in the EU. Member States adopted exceptional measures to limit the spread of the virus, which had unprecedented consequences for society and the economy. National healthcare systems in particular have been, and still are, under severe strain, with Member States facing an urgent and high need for medical supplies, treatments and vaccines, additional hospital beds and an increased workforce.

On 14 April 2020, the Council of the European Union adopted Council Regulation (EU) 2020/521, activating emergency support under Council Regulation (EU) 2016/369 to finance the expenditure necessary to address the COVID-19 pandemic. Unlike other programmes, the Emergency Support Instrument is activated independently of the multiannual financial framework for the period from 1 February 2020 to 31 January 2022. A total of EUR 2.7 billion was mobilised under the 2020 budget. Furthermore, by 15 December 2020 the Member States had made contributions amounting to EUR 750 million in external assigned revenue. With many Member States facing a third wave of infections at the time, including as a result of new variants emerging in the first quarter of 2021, the European Commission proposed to reinforce the instrument in 2021 with an additional EUR 231.7 million from the EU budget to finance actions such as the interoperability of EU digital COVID certificates, an EU wastewater monitoring system, the further development of the passenger locator form exchange platform and digital platforms, and grants to Member States to support the accessibility of tests for the delivery of EU digital COVID certificates. The situation evolved in 2021 with a fourth, fifth and, in some countries, sixth wave, and a decision was made to allocate the remaining instrument funds to vaccine donations to non-EU countries and to the characterisation of the highly contagious Omicron variant that appeared at the end of November 2021.

MISSION

The nature and consequences of the pandemic are wide-reaching and transnational, affecting all Member States given the quick spread of the virus and requiring a comprehensive response to allow the EU as a whole to address the crisis in a spirit of solidarity. Actions taken by the Member States alone, including with EU financial support from other EU instruments, are not sufficient.

The general objective is to provide needs-based emergency support, complementing the efforts of Member States aimed at preserving life, preventing and alleviating human suffering and maintaining human dignity, wherever the need arises as a result of the pandemic.

The instrument provides added value by directly supporting the Member States through targeted measures that can be deployed strategically and in a coordinated manner to deliver greater impact in mitigating the large-scale consequences of the pandemic.

OBJECTIVES

The legal basis of the instrument does not set out any specific objectives, as it is designed to allow for a comprehensive and flexible response to the urgent, evolving and diverse needs arising from an emergency – in this case the COVID-19 pandemic. In line with the legal basis, the Commission closely cooperated with the Member States on the implementation of the instrument. It regularly exchanged views with the Member States on their needs and how these were being taken into account in the programme, and informed them of the state of play of the actions to be financed by the instrument. This cooperation and exchange influenced the choice of actions to be prioritised. The European Parliament was also kept informed on the implementation of the instrument.

ACTIONS

In line with the broad scope of possible interventions provided for by the legal basis and its needs-based rationale, the instrument is financing a strategically chosen range of actions, reflecting the needs expressed by Member States during its consultations with them. These actions are focused on responsiveness, increased preparedness and bringing fast, targeted and tangible impact with maximum EU added value. The following actions were allocated funding in 2021:

1. funding advanced purchase agreements with COVID-19 vaccine developers;
2. the development of EU digital COVID certificates underpinning the free movement of persons;
3. wastewater monitoring;
4. further development of the passenger locator form exchange platform;
5. funding the purchase for donation to Member States of specialised Reverse Transcriptase – Polymerase Chain Reaction assays to identify variants;
6. the provision of test accessibility for the delivery of EU digital COVID certificates;
7. support to the COVID-19 response and global vaccination efforts in low- and lower-middle-income countries;
8. grants to research institutes to analyse the characteristics of the Omicron variant;
9. the revocation of false digital COVID-19 certificates and the continuity and good functioning of the EU digital COVID certificate system

STRUCTURAL SET-UP OF THE PROGRAMME

A specific internal governance arrangement was put in place, including a steering committee composed of the co-delegated authorising officers, together with the Secretariat-General of the Commission and DG Budget, to provide strategic coordination of the instrument. The instrument is centrally managed by the Commission and implemented mostly through direct management.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP

LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The instrument is activated independently from the multiannual financing framework. It spans both the 2014-2020 and 2021-2027 periods. The present activation of the instrument, currently aimed at helping to fight the COVID-19 crisis, expired on 31 January 2022 and the instrument was deactivated; the actions currently financed are expected to be covered by the new generation of programmes, in particular EU4Health, as appropriate.

FURTHER INFORMATION

– Programme website:
    - ESI.
– Impact assessment:
    - The 2016-2019 activation of the instrument in response to the refugee crisis in Greece was subject to an evaluation in 2019.
– Relevant regulation:
    - Council Regulation (EU) 2016/369 and Council Regulation (EU) 2020/521, activating the emergency support under Regulation (EU) 2016/369.
– Evaluations:

Implementation report to the Council: COM(2022) 386 from 28 July 2022.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	231.7	0	0	0	0	0	0	231.7
NextGenerationEU	0	0	0	0	0	0	0	0
Decommitments made available again (*)	N/A	N/A	N/A					0
Contributions from other countries and entities (**)	416.6	0	-14.7	0	0	0	0	401.9
Total	**648.3**	**0**	**-14.7**	0	0	0	0	**633.6**

(*) Only Article 15(3) of the financial regulation.

(**) Recovery of funds to Poland and Bulgaria following their negative reply on the use of the left overs of R0 funds in 2023.

Budget implementation

Voted budget implementation (million EUR)(*):

	Commitments		Payments (*)	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	231.7	0.0	313.6	90.0
2022	0.0	0.0	134.0	8.1
2023	0.0	0.0	0.7	5.9

(*) Voted appropriations (C1) only.

(*) The ESI is a crisis instrument used to address emergencies. Payment appropriations voted and implemented in 2021 were linked to commitments made in 2020 under the previous MFF, ensuring a proper EU response to the health crisis.

– The instrument was set up in 2020 for a limited period of time (due to end in January 2022).

– The instrument was financed with EUR 2.7 billion from the 2014-2020 multiannual financial framework and EUR 750 million from Member States' contributions (external assigned revenue). Of this envelope, total commitments amounting to EUR 3 billion were used in 2020 to expand the portfolio of advance purchase agreements with promising vaccine candidates. Out of the EUR 750 million in external assigned revenue from Member States' contributions, EUR 27 million were not spent following negative answers from Member States, which would otherwise have allowed these funds to be used in the vaccine-sharing initiative for low-income countries. The EUR 27 million will be reimbursed back to the Member States.

– A final report on its implementation was adopted by the Commission on 28 July 2022 and presented to the Council (COM(2022) 386).

– A contribution agreement to Global Fund (NDICI CHALLENGE/2022/ 437-705) under the title '2022 Contribution to the Global Fund and its COVID-19 Response Mechanism' was signed on 6 December 2022 for the total amount of EUR 290 million, of which the instrument provided EUR 100 million, dedicated to a COVID-19 response mechanism under objective 4 and namely to provide additional support for country responses to the COVID-19 pandemic and to ensure the continuity of the fight against HIV, tuberculosis and malaria. The whole financing for this contract was disbursed in December 2022 as a pre-financing.

– In addition, a grant agreement was signed with Gavi, the Vaccine Alliance (NDICI CHALLENGE/2022/438-020) entitled 'Support to the rollout of COVID-19 vaccines in selected

most under-vaccinated countries' on 9 December 2022 for the total amount of EUR 375 million, of which EUR 300 million came from instrument funds, with a retrospective date for reimbursing this part starting on 1 June 2022.The whole financing for this contract was also disbursed in December 2022 as a pre-financing. This funding contributed to the enhanced rollout of COVID-19 vaccines in the priority countries, mostly in Africa, comprising the most under-vaccinated populations, through COVAX's COVID-19 Delivery Support programme. It channels support through national governments and/or selected implementing partners for the organisation and coordination of vaccination campaigns, reinforcing cold-chain and supply infrastructure management, human resources, and/or addressing challenges with vaccine demand, hesitancy and misinformation, among other activities.

– An addendum to a contribution agreement to the World Health Organization's ongoing programme on Universal Health Coverage (NDICI CHALLENGE/2022/ 439-082) was signed in December 2022, where EUR 61 402 221.46 came from the instrument. The purpose of the addendum is to strengthen national health systems through improving governance; improving access to medicines and health products; improving distribution and skills of health workforce; improving health financing; health management information systems and service delivery. It also aims at strengthening national health systems to ensure integration at all levels of non-communicable disease prevention, management and care. This contribution agreement also supports the International Health Partnership for Universal Health Coverage 2030 (UHC2030) to coordinate policy dialogue and alignment between all stakeholders at the country-regional and global levels. EUR 30 million was paid as pre-financing in 2022.

– Three grants were signed for EUR 0.5 million with three top research institutes for the characterisation of the Omicron variant – epidemiological analyses, virus isolation, neutralisation and genome sequencing. The grants were signed with Statens Serum Institute, KU Leuven and Pasteur Institute in March 2022 and payments were made within the year.

– The rest of the payments made under the instrument were to honour existing legal commitments.

Payments for eight grant agreements related to the instrument's 'Mobility' package, which covered actions such as:
- cargo transport (e.g. assistance and relief items) from non-EU countries into the EU and within the EU;
- transfer of patients within the EU and from the EU to non-EU countries; and
- transport of medical personnel and teams, within the EU and into the EU from non-EU countries, along with operational support for mobile medical response capacities.

- Supply of 305 ultraviolet disinfecting robots to hospitals in all 27 Member States, providing innovative, efficient and effective solutions to ensure the safety of healthcare environments and their staff.
- Support for the Member States in creating and leveraging the EU digital COVID certificate system with a focus in 2022 on the new revocation feature which also required additional maintenance, monitoring and support for connected countries to enable this functionality. In addition, 18 non-EU countries joined the EU digital COVID certificate ecosystem in 2022. The payments under the system and the interoperability of digital certificates will continue in 2023.

- Support for the interoperability of digital certificates (grants to the Member States).

In 2023 the payments made concerned the following actions[73]:

- Payments of EUR 0,261 million for the implementation of the Wastewater Observatory for Public Health.
- Payments of EUR 0,254 million for the necessary infrastructure for the issuance and verification of interoperable certificates making up the “Digital Green Certificate” (renamed COVID certificate)
- The current ePLF and the supporting IT platform continued to be maintained in 2023 and preserved to ensure rapid reactivation if required. In 2023 EUR 0,675 million of payments were made for supporting the ePLF platform. The Passenger Locator Forms’ Exchange Platform (ePLF) has been an important pillar of the broader efforts at EU level to bring order and efficiency gains in the complex and fragmented landscape of PLFs. Whereas Member States started to collect different PLFs, often on paper, and to exchange them with each other using manual tools, EU initiatives such as the EUdPLF and the ePLF offered a common digital template and a secure, automated system to exchange data, respectively. The ePLF project enabled the development of a solid technical and legal solution that enriches the toolbox the EU will be able to deploy rapidly in case of future needs.
- Final payment of EUR 0,200 million for the grant for the support of the interoperability of Digital Green Certificate for Denmark. The ESI grant for Denmark, was used to implement successfully the planned technical, communication and visibility activities related to the country’s connection to the EU Digital Covid-19 certificate gateway for exchange of digital keys across EU Member States[74].
- Final payments made in 2023 for grants related to the following actions in 12 Member States ([75]):
    - national wastewater surveillance system targeted at data collection of SARS-CoV-2 and its variants in wastewaters
    - transform existing research activities into a permanent surveillance system with a focus on SARS-CoV-2 variants
    - support the completion of existing surveillance systems with a focus on variants detection
    - upgrade of digital infrastructure at national level to establish inter-operability with the EU-wide digital exchange platform

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

Implementation	Estimates	

[73] Final Payments are expected to be completed in 2025.

[74] Some member states did not implement all actions.

(75) Some Member States did not implement all actions.

	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	0.2							0.2	0%
Biodiversity mainstreaming									
Clean air									

The instrument expired on 31 January 2022 and no commitment appropriations were requested for 2023. Therefore, there was no reporting on contributions for the year 2023.

Contribution to gender equality (million EUR) (*)**:**

Gender Score	2021	2022	2023	Total
2				
1				
0*	7.7	0	0	7.7
0	224	0	0	224

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

– The instrument expired on 31 January 2022 and no commitment appropriations were requested for 2023. Therefore, there was no reporting on gender contribution for the year 2023.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution					

– The instrument expired on 31 January 2022 and no commitment appropriations were requested for 2023. Therefore, there was no reporting on digital contribution for the year 2023.

Performance assessment

– The instrument is needs-based, in the context of a quickly evolving pandemic. No performance framework or indicators are prescribed in the legal basis, since the instrument was designed to be maximally adaptable to emerging needs. The breadth of scope and possible interventions, in the context of a quickly evolving epidemiological situation, made for a challenging implementation landscape, also taking into account the limited EU competences in the health domain.

– The instrument has proven its effectiveness in terms of quickly mobilising resources towards the needs identified in the context of the COVID-19 pandemic. Therefore, it managed to effectively respond to the urgent, evolving and diverse needs of Member States in responding to the crisis. The flexibility enshrined in the legal basis and the mandate given to the Commission to centrally manage the funding, in cooperation with Member States, allowed the prioritisation of those collective actions that could generate more timely interventions and outcomes that could not have been achieved by Member States acting individually.

– The major focus of the instrument (around 70% of funding) was the vaccines initiative, which allowed the conclusion at an early stage of advance purchase agreements with pharmaceutical companies developing COVID-19 vaccines, providing the necessary investment to advance the scientific progress and production capacities, as a result of which 4.6 billion doses of COVID-19 vaccines were secured for Member States. Funds were also allocated to vaccine-sharing mechanisms, in order to secure 200 million vaccine doses and auxiliary material in low- and lower-middle-income countries.

– The instrument allowed individual Member States to engage with vaccine developers to secure supplies, and leveraged the scale of the EU's investment to reduce prices and obtain contractual conditions on issues such as liability and capacity increase, in order to mitigate Member States' risks going forward. At the same time, the advance purchase agreements funded by the instrument are by nature risky investments. While the Commission designed a portfolio of contracts with the most promising candidates across a wide range of technologies, there was no guarantee that individual vaccines would be successful or authorised in the EU, or that producers would be able to step up their production at the levels they had committed to.

– The instrument delivered some 10 million masks to medical staff in the early phase of the crisis, when the pressure on the supply of equipment was at its highest.

– The programme also allowed all Member States to have access to the therapeutic Remdesivir and to procure and donate over 23 million rapid antigen tests to the interested Member States. It also financed clinical trials to test repurposed medicines, the use of convalescent COVID-19 patients' plasma, the EU wastewater monitoring system and the urgent characterisation of the SARS-CoV-2 Omicron variant. All of these initiatives would have been unlikely to be financed in the absence of this programme.

– In total, over 2 000 operations via air, land or sea have been funded under the mobility package, which provided support for the cargo transport of COVID-19-related medical items, the transport of medical personnel and the transfer of patients. The transport of more than 515 health workers and approximately 135 patients was facilitated.

– The instrument provided support for the development of interoperability between national contact tracing apps and the stepping up of testing capacity across the seven Member States that expressed an interest. A total of 9 222 volunteers and professionals have been trained in testing techniques, in addition to the 1 795 mobile testing teams established and 1 263 309 tests conducted. The activities were implemented from July 2020 to the end of September

2021. The instrument financed grants to 24 interested Member States so that they could join the EU gateway for issuing digital COVID certificates as a proof of vaccination, recovery or negative test, between 29 March and 31 December 2021. Additionally, grants to 18 Member States supported the accessibility of tests for the delivery of the digital COVID certificate, for the period from 1 June to 31 October 2021.

– The provision of training in intensive care skills has proved very successful to increase the regular intensive care unit staff's capacity to take care of COVID-19 patients. With the collaboration of the European Society of Intensive Care Medicine, more than 17 000 professionals were trained in 24 EU Member States and the United Kingdom, in 717 hospitals during the period from August 2020 to May 2021.
– The instrument has also funded the supply of 305 ultraviolet disinfecting robots to hospitals across the EU, providing efficient and effective solutions to ensure the safety of healthcare environments and their staff.
– The instrument is unique under several points of view. It was deployed in a rapidly evolving environment marked by uncertainties about the nature of the virus, the appropriate medical response, and both supply and demand. At the same time, however, it was effective in responding swiftly when needed, for example, by providing medical countermeasures (Remdesivir, rapid antigen tests, etc.) in support to Member State needs. Finally, the breadth of scope and possible interventions also required specialised policymaking in the context of an ever-changing epidemiological situation. This is particularly commendable, especially considering the supporting competences of the EU in the health domain.

While the instrument has only been operational since April 2020, the European Court of Auditors' review on the EU's initial contribution to the public health response (01/2021), published in January 2021, acknowledged the role of the instrument in complementing Member States' and other EU responses. The Court did not make recommendations but acknowledged that it was a challenge for the EU to rapidly complement the measures taken within its formal remit with additional actions, as public health is primarily a national competence. With regard to the Commission's financial support to vaccine development, the Court highlighted that the Commission mitigated the inherent risk linked to vaccine development by investing in a range of vaccine technologies and companies.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3	YES	This activation of the instrument was in its entirety intended to respond to a health crisis.

SDG4
SDG5
SDG6
SDG7
SDG8
SDG9
SDG10
SDG11
SDG12
SDG13
SDG14
SDG15
SDG16
SDG17

ESF+

EUROPEAN SOCIAL FUND+

Programme in a nutshell

Concrete examples of achievements

64.5 million people had been supported by the European Social Fund and by youth employment initiative actions by the end of 2022.	6.8 million people had found a job (including being self-employed) thanks to the European Social Fund and youth employment initiative actions by the end of 2022.	10.3 million people had gained a qualification thanks to the European Social Fund and youth employment initiative actions by the end of 2022.	3 million participants were in education or training thanks to the European Social Fund and youth employment initiative support by the end of 2022.
14.2 million people benefited from food assistance in 2022 under the Fund for European Aid to the Most Deprived.	0.8 million people received material assistance under the Fund for European Aid to the Most Deprived in 2022.	16 055 job placements were obtained under the employment and social innovation programme between the start of the targeted mobility schemes in 2015 (including 'your first EURES job') and mid 2023.	EUR 3.6 billion worth of loans were awarded to 185 976 microenterprises or social enterprises between their launch and 31 December 2023, thanks to EUR 573 million in guarantees for 138 financial intermediaries under the employment and social innovation programme.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the

multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	96 **226.0**
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	12.7
Total budget 2021-2027	**96 238.7**

(*) Only Article 15(3) of the financial regulation.

Recovery assistance for cohesion and the territories of Europe programme (REACT-EU) under the ESF (million EUR)

(million EUR)

Financial programming	0.0
NextGenerationEU	20 613.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.0
Total budget 2021-2027	**20 613.0**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The European Social Fund+ (ESF+) is the EU's main instrument for investing in people’s employment, education and skills, and in social inclusion to support economic, social and territorial cohesion in the EU.

CHALLENGE

The EU's relevance, resilience and success in the decades to come will depend on its ability to remain competitive in the global economy and to ensure high levels of employment, education and training, health, social inclusion and active participation in society. The European working age population will, in the period up to 2040, decrease by some 15 million (- 7%). In a context of already increasing skills shortages, this development will place a strain on growth. Investing in pulling inactive persons into the labour market, including through social inclusion pathways, and investing in reskilling and adult education, as well as in the quality of regular and vocational education and training education, is increasingly of strategic importance for sustainable growth in the EU. This requires the EU to invest in people, tackle various social challenges (including unemployment and persistently high rates of poverty and social exclusion especially of marginalised groups, such as Roma and migrants) and ensure fair labour mobility.

Ample evidence demonstrates that, given the scale and effect of the challenges, EU policies aiming at promoting social cohesion and social rights would not have been implemented without complementary EU investment. EU-level support of Member States' efforts helps promote reforms that are beneficial to individual Member States and the EU as a whole. Also, these measures that have a focus throughout the territories of the EU have an importance for the broader democratic construct of the European Union.

MISSION

There is a need both for policy initiatives and for targeted supporting actions to address the above challenges. The European Social Fund Plus (ESF+) aims to support Member States and regions to achieve high employment levels, fair social protection and a skilled and resilient workforce ready for the future world of work, as well as inclusive and cohesive societies aiming to eradicate poverty and delivering on the principles set out in the European Pillar of Social Rights ([76]).

OBJECTIVES

The specific objectives of the ESF+ are to:

1. improve access to employment and activation measures for all jobseekers in the labour market, in particular young people, especially through the implementation of the 'Youth Guarantee,' for long-term unemployed people, disadvantaged groups and inactive people, and promote self-employment and the social economy;
2. modernise labour market institutions and services to assess and anticipate skills needs and ensure timely and tailor-made assistance and support for labour market matching, transitions and mobility;
3. promote a gender-balanced labour market participation, equal working conditions and a better work–life balance, including through affordable care for children and other dependent persons;
4. promote the adaptation to change by workers, enterprises and entrepreneurs, active and healthy ageing and a healthy working environment that addresses health risks;
5. improve the quality, inclusiveness, effectiveness and labour market relevance of education and training systems, so as to support the acquisition of key competences and promote dual-training systems and apprenticeships;
6. promote equal access to and completion of quality and inclusive education, training and learning, in particular for disadvantaged groups, from early childhood education and care

([76]) European Pillar of Social Rights.

through general and vocational education and training, to tertiary level, as well as adult education and learning, including facilitating learning mobility for all and accessibility for persons with disabilities;

7. promote lifelong learning, in particular flexible upskilling and reskilling opportunities for all, taking into account entrepreneurial and digital skills; better anticipate change and new skills requirements based on labour market needs; facilitate career transitions; and promote professional mobility;
8. foster active inclusion with a view to promoting equal opportunities, non-discrimination and active participation and improving employability, in particular for disadvantaged groups;
9. promote the socioeconomic integration of non-EU nationals, including migrants;
10. promote the socioeconomic integration of marginalised communities, such as Roma people;
11. enhance equal and timely access to quality, sustainable and affordable services, including services that promote access to housing and person-centred care, including healthcare; modernise and promote access to social protection, with a particular focus on children and disadvantaged groups; and improve accessibility (including for people with disabilities) to and the effectiveness and resilience of healthcare systems and long-term-care services;
12. promote the social integration of people at risk of poverty or social exclusion, including the most deprived people and children;
13. address material deprivation by providing food or basic material assistance to the most deprived, including children, and to provide accompanying measures supporting their social inclusion.

ACTIONS

The ESF+ strand under shared management carries out a variety of interventions described in national and regional programmes, including quality and inclusive (vocational) education and training, the implementation of the Youth Guarantee, lifelong learning and career transitions, active labour market policies, adaptation of workers and enterprises to change, modernising and building the capacity of public employment services, equal access to quality social and healthcare, social inclusion activities, including social integration of people at risk and the fight against child poverty, integration of non-EU nationals and marginalised communities distribution of food and goods, etc.

The employment and social innovation (EaSI) strand of the ESF+ supports under (in)direct management (1) analytical activities, including in relation to non-EU countries (e.g. studies, social experimentation evaluating social innovation, monitoring and assessment of the transposition and application of Union law), (2) policy implementation (e.g. cross-border partnerships, labour-targeted mobility scheme), (3) capacity building (e.g. networks at Union level, national contact points, stakeholders' transnational cooperation) and (4) communication and dissemination activities (e.g. mutual learning through exchange of good practices, guides, events, events of the Presidency of the Council etc.).

STRUCTURAL SET-UP OF THE PROGRAMME

The ESF+ is the main instrument of the EU for investing in people’s employment, education and skills, and social inclusion ([77]) to support economic, social and territorial cohesion in the EU.

([77]) Articles 162 to 164 and 174 to 178 of the Treaty on the Functioning of the European Union.

The ESF+ is composed of two strands: the ESF+ strand under shared management encompassing the previous European Social Fund (ESF), the youth employment initiative (YEI) and the Fund for European Aid to the Most Deprived (FEAD); and the EaSI strand, implemented under direct and indirect management.

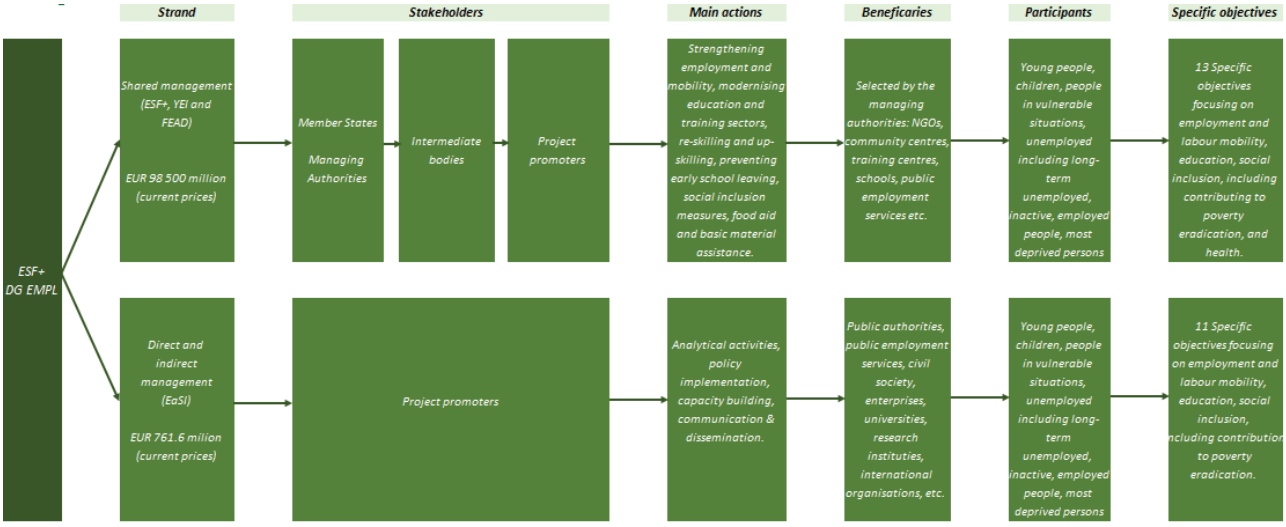
DG Employment, Social Affairs and Inclusion is the lead DG for the Commission.

The responsibility for employment and social policy lies primarily with the Member States. The European Union mostly supports and complements Member States' efforts by co-financing projects with ESF+ resources at national and regional level, therefore operating under shared competence.

The EU may also adopt minimum requirements in the form of directives, which enable EU Member States to adopt additional stricter provisions. Still, no financing is directly linked to the implementation of directives. Furthermore, in the context of the European Semester, underpinned by the employment guidelines, the Council on the proposal of the Commission may adopt country-specific recommendations for areas covered by named guidelines. These recommendations play an important role in setting the priorities for ESF+ support.

In addition to the ESF+ regulation, the shared management strand of the ESF+, as part of the cohesion policy, is mainly regulated by the common provisions regulation. The rules on management, programming, implementation, monitoring, and auditing to be applied are provided for in the common provisions regulation, whereas the specific objectives, fund-specific rules on the methods of implementation, programming, thematic concentration, eligibility, indicators and reporting are provided for in the ESF+ regulation.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The ESF+ merges several funds/programmes from the 2014-2020 multiannual financial framework, namely the ESF, the YEI, the FEAD and the EaSI programme. The merging of the funds is expected to reduce the administrative burden linked to the management of different funds. The merger is based both on the results of evaluations and on stakeholder consultations.

ESF+ offers an optimised design compared to the 2014-2020 period. In the 2014-2020 multiannual financial framework, the above programmes were addressing similar policy objectives but were implemented independently according to different sets of rules, making it difficult to develop synergies. In the 2021-2027 multiannual financial framework, these funds are merged into a single programme to pool available resources to support integrated investments in people, to streamline and simplify the funding landscape and to create additional opportunities for synergies. The ESF+ has thirteen specific objectives that have a broader scope but are fewer and more streamlined than the previous ESF, which had nineteen specific objectives.

Furthermore, the 'categories of regions' apply less stringently on the ESF+ strand's programming compared to its predecessor programmes, as the funding follows the end beneficiary. Member States are allowed to use funding from any category of region of the programme to provide support to operations across the territory of the Member State. The only condition is that these operations contribute to the objectives of the programme, irrespective of where they are implemented.

FURTHER INFORMATION

– Programme website:
    - ESF+
– Impact assessment:
    - The impact assessment of the ESF+ was carried out in 2018 ([78]).
– Relevant regulations:
    - Regulation (EU) 2021/1057 of the European Parliament and of the Council;
    - Regulation (EU) 2021/1060 of the European Parliament and Council (the common provisions regulation –for the shared management strand of ESF+).

Evaluations.

(1) European Social Fund.

Four thematic evaluations on ESF support between 2014 and 2018 were finalised in 2020:

- evaluation of the ESF/YEI support to youth employment ([79]);
- evaluation of the ESF support to employment and labour mobility (Thematic Objective 8 excluding support to youth employment) ([80]);
- evaluation of ESF support to social inclusion (Thematic Objective 9) ([81]); and
- evaluation of ESF to education and training (Thematic Objective 10) ([82]).

Their key findings were presented in the ESF+ Programme Statement for the 2022 Draft Budget.

In 2022, DG Employment, Social Affairs and Inclusion carried out an evaluation and a study in preparation of the ESF *ex post* evaluation.

([78]) Impact assessment.

([79]) Evaluation of the ESF/YEI Support to Youth Employment.

([80]) Evaluation of ESF Support to Employment and Labour Mobility.

([81]) Evaluation of ESF Support to Social Inclusion.

([82]) Evaluation of ESF to Education and Training.

- The evaluation of the Coronavirus Response Investment Initiative and the Coronavirus Response Investment Initiative Plus, which focuses on whether the ESF has been able to provide the necessary type of support to the right target groups in a timely manner. The related staff working document will be finalised by the second quarter of 2023.
- The meta-analysis of ESF evaluations, which attempts to generalise national ESF evaluations' findings through statistical methods.

(2) FEAD.

The key findings of the latest evaluation ([83]) have been presented in the ESF Programme Statement accompanying the 2020 Draft Budget.

In 2022, managing authorities of FEAD operational programmes type I (i.e. providing food and/or basic material assistance and accompanying measures) carried out a structured survey on end-recipients, to be reported to the Commission in June 2023.

According to Article 18 of the FEAD regulation, the Commission shall carry out an *ex post* evaluation to assess the effectiveness and efficiency of the fund and the sustainability of results obtained, as well as to measure the added value of the fund. This *ex post* evaluation shall be completed by 31 December 2024.

(3) EaSI programme.

The EaSI programme's midterm evaluation covered the implementation 2014-2016 period ([84]) and the findings were included in the ESF Programme Statement for Draft Budget 2020.

In 2022, the EaSI *ex post* evaluation, covering the overall implementation 2014-2020 period, and the European Progress Microfinance Facility final evaluation were completed. For further information please consult the evaluation supporting study ([85]).

The third EaSI performance monitoring report covering the activities in 2017 and 2018 was published in March 2020 ([86]) and the conclusions were presented in the ESF+ Programme Statement accompanying Draft Budget 2022.

The fourth EaSI performance monitoring report covering the 2019-2020 period was published in 2022 ([87]).

Ex post evaluation of the Programme for Employment and Social Innovation for 2014-2020 and the final evaluation of the European Progress Microfinance for 2010-2016 will be completed in the second quarter of 2024.

([83]) FEAD midterm evaluation (SWD(2019) 148).

([84]) EaSI Mid-Term Evaluation.

([85]) Study supporting the EaSI ex post evaluation and the European Progress Microfinance Facility final evaluation.

([86]) EaSI Performance Monitoring Report.

([87]) Performance monitoring report of the European Union programme for employment and social innovation (EaSI) 2019-2020.

Budget implementation and performance

Budget programming

Budget programming of the ESF+ (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming (*)	173.9	16 003.2	16 389.3	16 831.6	17 234.0	14 572.1	15 022.0	96 226.0
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (**)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	7.2	2.6	2.9	0.0	0.0	0.0	0.0	12.7
Total	181.1	16 005.8	16 392.2	16 831.6	17 234.0	14 572.1	15 022.0	96 238.7

(*) These amounts take into account the contribution of the ESF+ to the Just Transition Fund, the Border Management and Visa Instrument and other instruments (if any). The total does not include financing under the recovery assistance for cohesion and the territories of Europe programme.

(**) Only Article 15(3) of the financial regulation.

Budget programming of REACT-EU under the ESF (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NextGenerationEU	15 434.9	5 151.8	26.4	0.0	0.0	0.0	0.0	20 613.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**15 434.9**	**5 151.8**	**26.4**	**0.0**	**0.0**	**0.0**	**0.0**	**20 613.0**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

– EUR 3 035.2 million (– 3%)

compared to the legal basis (*).

(*) Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

– Due to the late adoption of the ESF+ in 2021, its implementation had a slow start in 2022, but all programmes are now adopted and implementation on the ground started in 2023. Member States submitted close to EUR 197 million in their interim payments until December 2023. In some cases, the multiple transmissions of data already have the number of selected operations listed together with the total eligible cost of selected operations. These data signal that the implementation is quickly picking up the pace.

  Like in the previous year, the implementation of the 2014-2020 programmes was still ongoing. In particular, Cohesion's Action for Refugees in Europe (CARE), Flexible Assistance to Territories (FAST-CARE) introduced the necessary flexibility for Member States to reallocate the remaining budget of the 2014-2020 period. This is also the case for REACT-EU, which bridges the two programming periods and allows for 100% co-financing of Member States actions.

– The difference between the financial programming and the reference amount in the legal basis relates to budget transfers between the ESF+ budget and other EU funds, in particular the European Regional Development Fund and the Cohesion Fund, but also the Border Management and Visa Instrument, Erasmus+ and the Just Transition Fund.

– In total, nine countries (Czechia, Greece, Croatia, Lithuania, Hungary, Poland, Romania, Slovenia and Slovakia) transferred ESF+ budget to the European Regional Development Fund and the Cohesion Fund, amounting to a total transfer of EUR 3.9 billion. With budget transfers, Member States made good use of the flexibility offered in the common provisions regulation to adjust their national envelope to their national specificities. Budget transfers to the European Regional Development Fund and Cohesion Fund were made, among other reasons, to invest more in the reduction of regional disparities, invest in the construction of transport and environmental infrastructure, and to improve the interconnection between the ESF+, the European Regional Development Fund and the Cohesion Fund. For example, for the activities planned through the ESF+, a complementary infrastructure needs to be provided, which oftentimes corresponds with the European Regional Development Fund and the Cohesion Fund. Other transfers from the ESF+ took place to (in)direct funds (EUR 57 million), to the Border Management and Visa Instrument (EUR 175 million), and Just Transition Fund (EUR 109 million).

– Nine Member States proposed transfers from the European Regional Development Fund to increase the ESF+ allocation (Belgium, Germany, Estonia, Spain, Italy, Latvia, Luxembourg, Austria and Portugal). The transfers from other funds to the ESF+ amounts to EUR 1.4 billion in total. The rationale for transfers to the ESF+ could be found in lower allocations in certain tranches, and, in some cases, less general allocation compared to previous years, which would

impede the continuity of policies developed in the previous programming period. Moreover, certain Member States want to allocate more funding to ESF+ to address pressing labour market constraints and thus respond to structural challenges in fields of employment, skills and social inclusion, made worse in the wake of the pandemic that has exacerbated inequalities and social exclusion.

– The previously mentioned reallocations from and to ESF+ were made to better suit the different needs of Member States and specificities of their respective regions, but they should not negatively impact the performance of the ESF+ programme and the overall objectives of the respective funds.

– It should be recalled that 50% of the allocations corresponding to 2026 and 2027 represent the flexibility amounts, which will definitely be allocated to the cohesion policy programmes after the midterm review of March 2025. The midterm review, which will be carried out by the Member States, may results in reallocations, depending on the conclusions of this process.

Budget implementation

Cumulative implementation rate of the ESF+ (million EUR): at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	32 393.9	96 238.7	33.7%
Payments	2 767.4		2.9%

Cumulative implementation rate of REACT-EU under the ESF (million EUR): at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	20 598.8	20 613.0	99.9%
Payments	10 432.6		50.6%

Voted budget implementation (million EUR) (*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	143.1	12 914.6	4.9	552.8
2022	15 909 4	13 280.0	1 524.1	1 078.0
2023	16 323.7	16 807.0	1 230.3	1 750.9

(*) Voted appropriations (C1) only.

– The implementation of the shared management strand of the ESF+ started slowly in 2022 after it was significantly delayed in 2021. All programmes with an ESF+ contribution (except for one technical assistance programme which was carried over to 2023 and adopted in the beginning of the year) were adopted. As a result, the relevant budget appropriation was fully committed in 2022 (budget commitment) and the pre-financing amount of 0.5% was paid, complemented by an additional 0.5% pre-financing for the FAST-CARE Initiative.
– For 2023, the budget implementation of the ESF+ programmes continued. The relevant budget allocation can be committed and the outstanding pre-financing payments were executed, including a second additional pre-financing of 0.5% under the FAST-CARE initiative. In addition, close to EUR 197 million of interim payment requests will be submitted by the Member States and paid.
– Despite the slow start in implementation of the 2021-2027 ESF+ programmes, a smooth transition between the 2014-2020 programmes and the new programmes was ensured. In addition to REACT-EU, which was adopted in 2022, and one in 2023 to support Member States' recovery from the economic and social consequences of the COVID-19 crisis, three other amendments to the common provisions regulation were adopted in 2022. These allowed for the increase in flexibility of the 2014-2020 cohesion policy rules necessary to react to crises. Namely, the CARE and FAST-CARE initiatives allow Member States to reallocate available funding from the 2014-2020 programming period to provide emergency assistance to people fleeing Ukraine and to address the consequences. In addition, the SAFE (Supporting affordable energy) amendment introduces further flexibility, allowing Member States to use available funds under their 2014-2020 allocation to provide direct support to vulnerable families and small and medium-sized businesses to help them face increased energy costs.
– The request for 2025 draft budget builds on the adopted financing plans for the 2022-2027 period accompanying the programmes. In total, it amounts to EUR 17.1 billion for 2025.
– The main implementation challenges mentioned by the Member States relate to the complexity of programming and planning the measures, delays due to consultation of different public administrations, administrative issues related to tender procedures, problems with the payment system, administrative burden for applicants, requirements from the general data protection regulation, and delays at governance level due to a focus on preparing or setting up organisational or programme management, rather than on attracting proposals. In 2023, additional and considerable obstacles to the successful implementation of programmes were the continued high inflation rates and, the end of the eligibility period for the expenditure, and preparation for closure of the 2014-2020 programmes.
– All these issues faced by the programme authorities have been addressed with DG Employment, Social Affairs and Inclusion during regular meetings, such as the annual review meetings and monitoring committee meetings. Where necessary, the programmes have also been adapted to better address new challenges for changes in the socioeconomic context, such as those arising from the Russia's war of aggression against Ukraine.
– In 2023, DG Employment, Social Affairs and Inclusion continued to work towards simplification for the implementation of ESF+. The Commission adopted a new delegated act on simplified cost options and financing not linked to cost schemes for operations in the field of social inclusion – Commission Delegated Regulation (EU) 2023/1676 of 7 July 2023. The act also introduced increased rates for operations in the field of education, employment counselling services and training to employed or to unemployed persons to meet the specific needs of non-EU nationals or refugees, including people having fled the Russian war of aggression against

Ukraine. The delegated act aims to simplify the financial management of the Member States and is expected to help with the implementation of the 2021-2027 period.

– Concerning the EaSI strand, the delays in the 2021 budget implementation due to the late entry into force of the ESF+ regulation, the impact of the pandemic and the launch of a new IT tool for submitting and managing grants (eGrants) have been partially compensated. The execution in commitments reached 100% of the 2023 credits and a similar amount was requested for 2024.

– Under the EaSI strand, the Commission awarded 23 calls for proposals from 2021. Regarding 2023, the Commission already awarded five calls for proposals and three more are under evaluation or under the award process. The Commission will continue to support the implementation of the European Pillar of Social Rights. In 2024 through the implementation of activities to support the effectiveness of employment and social policies; keeping the support to evidence-based policymaking, and supporting initiatives of the Commission work programme relating to EaSI, and the European Pillar of Social Rights action plan ([88]), either through preparatory work or monitoring and assessing the implementation. It includes the following.

SOCIAL INVESTMENT MARKET AND MICROFINANCE ECOSYSTEM. EUR 20 million is dedicated to enhancing the social investment market and microfinance ecosystem through improved collaboration between the EaSI strand and InvestEU. This will provide much-needed support to microfinance institutions, microenterprises, and social enterprises, and will facilitate the funding of projects that are typically considered too risky.

ADVANCING SOCIAL INNOVATION AND IMPACT ACCOUNTABILITY. With EUR 4.5 million, this focuses on refining social impact measurement to better inform sustainable investments, an essential part of the Commission's sustainable finance package.

FAIR TRANSITION TOWARDS CLIMATE NEUTRALITY. An allocation of EUR 0.8 million supports the goal of reaching climate neutrality by 2050. This includes implementing and monitoring the Fair Transition Recommendation and establishing a fair transition observatory.

– In 2024, the Commission will allocate through the ESF+ under direct and indirect management (EaSI strand) EUR 127 105 890, from which EUR 40 985 000 in grants and 25 260 750 in procurement under direct management, and EUR 37 675 140 in actions under indirect management.

– Supported by an ambitious draft work plan for the start of the new Commission, DG Employment, Social Affairs and Inclusion expects to return to the full programming amounts for the remainder of the multiannual financial framework.

– In 2023, DG Employment, Social Affairs and Inclusion also worked towards the implementation of the ALMA initiative, under both shared and indirect management. Whereas 15 Member States have committed to implement ALMA at national or regional level, a total of 4 managing authorities (Brussels Region (Belgium), Catalunya (Spain), Czechia, Germany) have started implementing the initiative so far.

– Moreover, an ALMA call was launched at EU level by the Lithuanian ESF+ Agency, an entrusted entity under indirect management. The agency selected 29 projects, involving implementers from 16 Member States and targeting around 800 young people. 26 projects have already entered the start-up phase, where they are creating new transnational partnerships and potentially involving new Member States.

([88]) The European Pillar of Social Rights action plan.

– Since its launch, the ALMA initiative has raised increasing interest from several Managing Authorities. The ALMA Network – bringing together ESF+ Managing Authorities and Implementing Bodies that are currently implementing or planning to implement ALMA – includes 37 active members. In 2024, DG Employment, Social Affairs and Inclusion will continue to actively promote and support ALMA's implementation in Member States and regions.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	0.4	1 263.7	1 304.1	945.3	969.3	817.8	843.2	6 143.9	**5%**
Climate mainstreaming (REACT-EU)	1 202.2	401.0	23.0					1 626.2	
Biodiversity mainstreaming									
Clean air									

– The ESF+ fully supports the climate change objectives by promoting green skills jobs and contributing to the green economy. Climate actions can be undertaken under the majority (if not all) of the ESF's investment priorities (whether in the context of support for small and medium-sized enterprises, vocational education and training systems, lifelong learning or youth employment measures, among other things). It is for this reason that the Commission decided to add a dimension to the ESF to track climate change expenditure: the ESF+ secondary theme. All expenditure under the ESF secondary theme has a 100% coefficient.

– This contribution corresponds to the amount earmarked for the secondary theme (01) 'Contributing to green skills and jobs and the green economy' in the ESF + programmes.

– The ESF+ promotes green skills and jobs and contributes to the green economy by:

  (1) supporting the labour force by enhancing knowledge and skills to develop, produce, use and apply new efficient and low-carbon technologies in a broad range of sectors and by matching these skills to jobs;

  (2) offering support to the labour force to alleviate any negative impact on employment as a result of shifting to a low-carbon and climate-resilient economy, namely job cuts in energy-intensive industries.

– Through this type of investment, the programme also partially supports the development of biodiversity-relevant skills and jobs. However, the contribution of the ESF+ to biodiversity is marginal compared to the broader contribution to climate mainstreaming and cannot be tracked, as tracking is not envisaged in the regulation.

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2		654.5	670.4	1 324.9

1	0.0	13 461.8	13 787.9	27 249.8
0*	143.1	1 077.3	1 132.3	2 352.7
0		715.8	733.1	1 448.9

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender-disaggregated information.

All common indicators on participants are broken down by gender. In ESF+ shared management, Member States transmit data twice a year on supported participants with a gender breakdown. By the end of 2023, ESF+ had supported 1.4 million participants, of whom 680 000 were women, 690 000 were men and 10 000 were non-binary. Of these participations, 310 000 led to an active job search, entry into education or training, the gaining of a qualification or employment, 130 000 (42%) of which were by women.

– Under ESF+ shared management, Member States were obliged to programme targeted actions aimed at increasing sustainable participation, making progress in terms of women in employment and guaranteeing that all ESF+ selection criteria and procedures ensure gender equality. Gender equality is one of six thematic enabling conditions used for the first time in the 2021-2027 period. This means that gender equality is a prerequisite for the effective and efficient implementation of the specific objectives of the fund(s). Member States had to assess in their programmes whether the enabling conditions linked to the selected specific objectives were fulfilled. DG Employment, Social Affairs and Inclusion reviewed Member States' own assessments on the fulfilment of enabling conditions and, when necessary, recommended possible remedies. Moreover, the directorate-general sits as an advisor on the monitoring committees with Member States, the task of which is to ensure the correct application of selection criteria and procedures. It is also important to underline that all ESF+ personal data and indicators are broken down by gender (female, male, non-binary). The amounts provided correspond to those earmarked for the gender codes of the common provisions regulation: '01' for gender targeting (corresponding to a score of 2), '02' for gender mainstreaming (corresponding to a score of 1) and '03' for gender neutral (corresponding to a score of 0).

– To strengthen gender equality in the 2021-2027 partnership agreements and programmes, DG Employment, Social Affairs and Inclusion has given dedicated presentations on this topic during several technical webinars and meetings addressed to the managing authorities of all common provisions regulation funds. The directorate-general requested that all Member States include a strong commitment in their partnership agreements to respect horizontal principles. It also asked the Member States for more specific information in each common provisions regulation programme to make sure that gender mainstreaming is taken into account at all stages of programming and implementation. Specific questions on this topic have been included in the partnership agreements and programme internal checklists to ensure that all geographical desk officers assess this. The arrangements set out by managing authorities are also assessed in the context of the horizontal enabling conditions, which are prerequisite conditions for the effective and efficient implementation of the specific objectives of the funds. Horizontal enabling conditions include the implementation of the Charter of Fundamental Rights and the implementation and application of the United Nations Convention on the Rights

of Persons with Disabilities. A dedicated procedure was set up for the horizontal enabling conditions and their implementation that involves all relevant Commission services at both the technical level and the cabinet level.

– The COVID-19 crisis has disproportionally affected people in our society, including women, and in particular single mothers, the low skilled, those with a migrant background or with a disability and older women living in institutional care. Member States have been invited to pay particular attention to the needs of these groups when programming the additional resources provided for through the funding instruments aiming to support recovery from the crisis, including the recovery assistance for cohesion and the territories of Europe programme and the ESF+.

– Gender equality is also a horizontal priority for the direct management strand of the ESF+, and should be taken into account in all activities. To identify to what extent the employment and social innovation strand is successful in mainstreaming horizontal principles in EaSI-supported activities, the performance framework of the strand includes an indicator on the percentage of stakeholders who declare that the activities funded through EaSI promote gender equality and non-discrimination. This indicator is directly linked to sustainable development goal (SDG) 5 ([89]).

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution		1 132.2	1 059.6	2 291.8	4%

The digital transition is supported by the ESF+ through its investment in digital skills. In particular, the amounts provided correspond to those earmarked for ‘Developing digital skills and jobs’ (secondary theme 02) in the ESF+ programmes. Digital-relevant activities are well represented by the Recovery and Resilience Facility intervention field grid, a detailed and specific methodology for tracking digital expenditure used to provide estimations of the financial contribution to the digital transition in 2022 and 2023.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results (**)	Assessment

([89]) More information is available below in the section on sustainable development goals, under SDG 5: ‘Achieve gender equality and empower all women and girls’.

Unemployed participants reached (including long-term ones)	0	**2%**	25 million in 2029	390 000 compared to a target of 25 million in 2029	No data
Number of participants aged 55 years and above reached	0	**2%**	5.7 million in 2029	110 000 compared to a target of 5.7 million in 2029	No data
Participants with lower-secondary education or less (ISCED 0-2) reached	0	**2%**	34.8 million in 2029	670 000 compared to a target of 34.8 million in 2029	No data
Participants considered part of disadvantaged groups reached (participants with a foreign background, minorities including participants from the Roma community, non-EU-country nationals)	0	**3%**	12.1 million in 2029	420 000 compared to a target of 12.1 million in 2029	No data
Quantity of food distributed [90]	0	**NA**	NA	23 000 tonnes	NA
Number of children below 18 years of age benefiting from food, material or voucher support [91]	0	**NA**	NA	2 million	NA
Number of information-sharing and mutual-learning activities	0	**34%**	191 in 2029	65 compared to a target of 191 in 2029	On track
Number of social experimentations	0	**57%**	14 in 2029	8 compared to a target of 14 in 2029	On track

(*) % of target achieved by the end of 2023.

(**) Results in 2023

– The COVID-19 pandemic has shown that special attention needs to be paid to vulnerable groups, as they have been hit the hardest by the crisis and risk being left behind. The need to further support the development of digital skills across the EU has also become evident. Member States should focus on these target groups and priorities for medium- and long-term recovery through the ESF, the recovery assistance for cohesion and the territories of Europe programme and ESF+ programming. The ESF+ regulation sets out thematic concentration requirements that will ensure an increased focus on actions promoting social inclusion, fighting

[90] Regulation 2021/1057 is not requiring Member States to set baselines, milestones, or targets for these indicators

[91] Regulation 2021/1057 is not requiring Member States to set baselines, milestones, or targets for these indicators

poverty and developing the skills needed for the digital and green transitions. It also includes a more ambitious requirement for investing in young people and addressing child poverty. Moreover, learning from the COVID-19 crisis, a derogation article was added to the ESF+ regulation setting out the possibility to adopt temporary measures to respond to future exceptional and unusual circumstances.

– All of the national programmes including an ESF+ contribution were adopted by the Commission at the end of 2022, with one technical assistance programme adopted in early 2023. This means that pre-financing amounts were paid to Member States and that they recently started to implement the programmes. DG Employment, Social Affairs and Inclusion is attending the Monitoring Committee meetings for the 2021-2027 programming period and working together with the Member States on addressing any arising issues. So far, the focus of the monitoring committee meetings was on discussing the committee's rules of procedure and the selection criteria of operations with the Member States, along with measures to address any implementation issues. The performance of programmes is normally discussed during the annual performance review meetings, in accordance with Article 41 of the common provisions regulation. Given the adoption of the ESF+ programmes in late 2022, the period for achieving the milestones was reduced from 4 years to a little more than 2 years; however, the managing authorities were aware of the difficulty of setting milestones under such circumstances.

– As previously mentioned, the Commission is trying to simplify the financial management aspects of the ESF+ strand, for example with Commission Delegated Regulation (EU) 2023/1676 of 7 July 2023 on simplified cost options and financing, which is not linked to cost schemes for operations in the field of social inclusion. The act also introduced increased rates for operations in the field of education, employment counselling services and training for employed or to unemployed people to meet the specific needs of non-EU nationals or refugees, including people who have fled the Russian war of aggression against Ukraine. The act is expected to help improve the delayed implementation of the ESF+ and to achieve with its expected performance.

– For the 2021-2027 programming period, at least 25% of the budget is planned to be implemented through financing not linked to cost and simplified cost options. This represents a budget of approximately EUR 17.5 billion for simplified cost options and financing not linked to cost approved by the Commission and an estimated EUR 17 billion for operations below EUR 200 000, for which the use of simplified cost options is compulsory. This excludes operations based on off-the-shelf tools provided for in the common provisions regulation (e.g. flat rates) or simplified cost options and financing not linked to cost under the delegated-act projects that need no approval at the programme level. DG Employment, Social Affairs and Inclusion is currently assessing the approximate value of this group, which is likely to be considerable.

– With regard to the direct and indirect management strand of the ESF+ (EaSI), support structures have been established, such as the EaSI national contact points in EU Member States providing information about EaSI calls, projects and results. These will serve to improve participation in the EaSI strand and to assist in upscaling, mainstreaming and replicating EaSI project results, for instance by using other funds.

– DG Employment, Social Affairs and Inclusion has designed a set of indicators for the EaSI strand based on the principle of proportionality, simplifying the collection of data and shortening the content of questionnaires to the minimum necessary for monitoring and evaluation. This proposal considers the limitations offered by the current sources available to the directorate-general and avoids placing any additional burdens on operational units to perform desk research and administrative checks. Automation using existing IT tools (such as the financial programming tool FINAP) and existing data from other studies and monitoring reports is prioritised to save time and increase the coherence of results.

– The number of EaSI/ESF+ information-sharing and mutual-learning activities is making progress, even though it remains slightly below the expected average per year (27). The figures can partially be explained by the low number of activities in 2021 (only 15, almost half of the indicative average of 27). DG Employment, Social Affairs and Inclusion will closely follow its evolution from the programming phase 2025 (now under discussion) and subsequent programming processes (2026 and 2027 annual work programmes).

– The number of EaSI/ESF+ social experimentation activities is on track. The current level of execution per year should allow the target to be reached by the end of the current multiannual financial framework (14 activities).

Horizontal synergies

– The ESF enables synergies between different horizontal priorities, and quite a few projects exploit the synergies between at least two horizontal priorities. Digital and green priorities frequently go hand in hand, as there is a need for digital skills to work in renewable energy sectors. Moreover, the pairing of gender equality and digital skills is a common occurrence, as some of the training activities provided by the funds and targeting disadvantaged women include digital skills, which are often a prerequisite for today's labour market.

– For example, the renewable energy new electric skills (92) project addresses the need for new skills by creating training courses for electrotechnical roles. The new skills are acquired through augmented reality, which makes the training more engaging and ensures that it remains relevant in a rapidly advancing digital landscape. Therefore, the participants are continually working on updating their digital skills while acquiring knowledge and skills that will help them work in renewable energy sectors such as wind and solar, along with the electric vehicle technology sector.

– Another example of a project is Línia Dona (93), which helps disadvantaged women find work in Catalonia, Spain. Those supported by the project include victims of gender violence, older women and women with disabilities. The training complements the job placement and includes digital skills, languages, social and basic skills, and health and safety, and therefore contributes to two horizontal priorities: gender and digital.

(92) Renewing skills for a renewable future in Schleswig-Holstein | European Social Fund Plus (europa.eu).

(93) A route back to employment for disadvantaged women | European Social Fund Plus (europa.eu)

2014-2020 multiannual financial framework – European Social Fund

The ESF is the EU's main 2014-2020 multiannual financial framework instrument for supporting jobs, helping people get better jobs, ensuring fairer job opportunities for all and supporting upskilling and reskilling. It works by investing in the EU's human capital – its workers, its young people and all those seeking a job. ESF financing improves job prospects for millions of people, in particular those who find it difficult to get work.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	93 619.5	93 630.6	100.0%
Payments	79 143.0		84.5%

– The ESF implementation is on course, with, end 2023, no decommitments of funding in Member States due to delays in implementation.

– Implementation progress and challenges were addressed in the regular ESF Technical Working Group under the ESF Committee and the ESF Committee Plenary meetings. Discussions focused, for example, on promoting the use of simplified cost options in ESF programmes and getting all relevant stakeholders more involved by sharing best practices. Also more emphasis is being placed in this group on exchanges between Member States, so that good practices are widely promoted. This practice will continue, with the aim of continuing the sharing of innovative ways and to simplify the implementation in the 2021-2027 period. For example, this includes Member State presentations on their experience with the use of financing not linked to cost, reception of refugees fleeing the war of aggression against Ukraine or electronic vouchers in FEAD/food and material support for the most deprived implementation.

– By the end of 2023 the overall ESF project selection rate, including for the additional allocation for REACT-EU, stood at 114%. In 2022, nearly EUR 9.1 billion had been paid to the 2014-2020 ESF programmes, along with nearly EUR 5.6 billion for REACT-EU, lifting the absorption rate to 87.13% (total payments made compared to allocation, including REACT-EU). The level of ESF expenditure certified to the Commission remained high in 2023. This confirms that a mature phase of implementation has been reached for the majority of the programmes. Implementation has not been affected by the COVID-19 health crisis thanks to the effects of the programme amendments under the Coronavirus Response Investment Initiatives and the higher flexibility provided for all European structural and investment funds.

– In regard to the YEI, the mature phase of implementation continued in 2023. By the end of 2023, the total eligible cost of YEI operations selected for support was EUR 12.2 billion, and more than EUR 8.3 billion had been declared by beneficiaries. By the end of 2023, nearly EUR 5.1 billion had been paid to the Member States in relation to the YEI (including interim payments and pre-financing).

– According to the 2021 annual implementation reports, most ESF programmes advanced with implementation rates increasing by 10-20 percentage points compared to 2020. However, differences still exist in terms of expenditure declared as some Member States achieved full budget implementation and others are still lagging behind on implementing their ESF and/or YEI budget. The most common reason for this is capacity constraints on the part of Member State authorities. Implementation weaknesses are regularly addressed bilaterally by DG Employment, Social Affairs and Inclusion's geographical desk officers in the context of ESF implementation and ESF+ programming negotiations with managing authorities.

– The use of financial instruments also increased. Eleven Member States included them in 31 operational programmes for the 2014-2020 programming period; overall, 94 financial instruments were set up. Operational programme contributions of EUR 866 million were committed to these financial instruments including EUR 629 million of ESF. Most financial instruments supported by ESF and YEI were established under Thematic Objective 8 'promoting sustainable and quality employment and supporting labour mobility'. There were also financial instruments under Thematic Objective 9 'promoting social inclusion, combating poverty and any discrimination' in BG, CZ, HU, IT and PL. Thematic Objective 10 'investing in education, training and lifelong learning' was addressed by financial instruments in IT, MT and PT. Managing authorities mainly established loan or micro-loan with some exceptions, including equity and guaranty schemes. In 2014-2020 their use was extended to all thematic objectives and was intensified thanks to an improved regulatory framework and more flexible implementation options. The increased take-up of financial instruments was also supported by fi-compass (94) advisory platform, a joint initiative of the European Commission and the European Investment Bank aiming at building capacity within the ESF managing authorities.

– In 2023, DG Employment, Social Affairs and Inclusion continued providing technical and policy guidance on the programmes through the monitoring committees to ensure that they are on track to deliver the expected results.

– For the 2021-2027 period, transnational cooperation activities are taking place under the ESF+ social innovation initiative. With a budget of EUR 197 million, this initiative is implemented under indirect management by the Lithuanian European Social Fund Agency (EFSA) and has been officially launched in November 2022. In this frame, EFSA is organising transnational exchange and cooperation through knowledge sharing, mutual learning, and capacity building for social innovation stakeholders. This includes five Communities of Practice on Employment, Education and Skills, Social Inclusion, Social Innovation, Migrant Integration and Material Support. In addition, EFSA supports the work of the ALMA network and the EU Roma network.

– Secondly, EFSA has launched three calls for proposals with a total budget of EUR 28 million to support transnational, social innovation projects with a focus on upscaling and transferring promising models and approaches.

– The gap between the project selection rate on the ground and the implementation rate of the ESF is expected to reduce significantly in 2024. According to the Member States' forecasts, EUR 6.8 billion is expected to be sent to the Commission for reimbursement in 2024, lifting the implementation rate to 97% of the total envelope. Moreover, DG Employment, Social Affairs and Inclusion will continue its work on assessing programme amendment requests submitted by Member States to ensure that the ESF and YEI programmes are policy and result oriented.

– In March 2022, in order to help Member States and regions to provide emergency support to people fleeing from Russia's invasion of Ukraine, the Commission adopted CARE. The initiative introduced the necessary flexibility into the 2014-2020 cohesion policy rules to allow the swift reallocation of available funding to provide such emergency support. It was extended in June

(94) FI-compass.

2022 with the adoption of the FAST-CARE initiative. It added further flexibility to the rules of cohesion policy for those welcoming and integrating displaced persons. In particular, it introduced the possibility of a 100% co-financing option for priorities promoting the socioeconomic integration of non-EU nationals and introduced EUR 3.5 billion of additional pre-financing available to Member States in 2022 and 2023. As part of the repowerEU legislative package, the Commission proposed the 'Supporting affordable energy' initiative which aims to introduce further flexibility, allowing Member States to use unspent funds under their 2014-2020 allocation to provide direct support to vulnerable families and small and medium-sized businesses to help them face increased energy costs.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Participants in employment, including self-employment, upon leaving the ESF intervention	0%	> 100%	24% in 2023	30% of participants compared to a target of 24%	On track
Participants gaining a qualification upon leaving the ESF intervention in education, training and vocational training for skills and lifelong learning	0%	> 100%	23% in 2023	26% of participants compared to a target of 23%	On track
Inactive young people not in employment, education or training gaining a qualification or in employment upon leaving the YEI intervention	0	> 100%	0.26 million in 2020	0.28 million compared to 0.26 million inactive participants	Achieved

(*) % of target achieved by the end of 2021.

The ESF has been successfully promoting sustainable and quality employment (in line with specific objective 1). Operations that promote sustainable and quality employment supported almost 18.5 million participations and led to over 7.1 million positive results (i.e. people either found a

job, gained a qualification or otherwise improved their labour market position). Almost 3.9 million participants entered employment after participating in an ESF-supported intervention, which amounts to a total of 32% of participations recorded for unemployed and inactive persons. This is well above the target of the core performance indicator set in the 2014-2020 multiannual financial framework for this objective (24%).

In the field of social inclusion (specific objective 2), the ESF contributes to reducing poverty in the EU, typically through attention for active inclusion, by targeting specific groups such as low-skilled people, (long-term) unemployed, older people, people with disabilities, and people with a migrant/foreign background. In 2022, this specific objective supported almost 14.9 million participations and led to 4.1 million positive results. A total of 0.7 million of inactive participants were engaged in job searching upon leaving, which amounts to 13% of all participations recorded for inactive persons. Consistent progress was made towards the targets defined for output indicators. At the end of 2022 at least half of all indicators had achieved 103% of their defined output targets. The achievements for results were not as far, reaching a median of 60.9% by the end of 2022. This underlines that also in the field of social inclusion, challenges remain to reach their targets by the end of 2023.

Implementation of the key investment priorities focusing on education and training (specific objective 3) steadily progressed each year. By the end of 2022, a total of 23.7 million participations were recorded for all operations in education, of which 8.2 million had achieved an individual short-term result. More than 5.8 million participants gained a qualification through ESF investments with an education objective, which represents 25% of all participations recorded in this objective. This is already above the target defined as core performance indicator by 2023 (23%). Another 1.4 million persons were in education/training when they left the intervention. As expected, the numbers of people engaged in education were higher than those engaged in job search or those that had entered employment. Another relevant result recorded in various education programmes relates to improved skills (not necessarily leading to a qualification), which was recorded by another 5.3 million participants. The implementation rate for education investments was about average across all investment priorities, with higher implementation rates in measures focusing on labour market relevance of education (91.5%), while those funding measures supporting access to higher education were at 77.1%.

Institutional capacity investments (specific objective 4) have supported projects targeting public administrations or public services at the national, regional or local level. Interventions mainly contributed to public officials gaining a certain type of qualification (325 000 participants). The most meaningful results were procedural, such as improvements in the administrative time required for certain procedures, or specific positive results for organisations, public administrations, the judiciary, and civil society organisations. Good examples include the numbers of institutions implementing certain IT systems, revised and/or simplified procedures, and increased regulatory scrutiny. Implementation was slightly behind, with an overall implementation rate of 71.2%. More specifically, investments in capacity-building have not progressed as much as others, with an implementation rate of 61.2% at the end of 2022.

Regarding fostering crisis repair and resilience, the programme amendments across the EU after the introduction of REACT-EU in 2020 resulted in an aggregated additional EUR 19.8 billion of European funds available for implementation of ESF across the various objectives (EUR 20.2 billion

when including national co-financing). Most of these funds were allocated to supporting employment objectives (EUR 12.8 billion), followed by investments in education (EUR 3.4 billion) and social inclusion (EUR 2.5 billion). Remaining investments were reserved for institutional capacity (EUR 0.8 billion) and technical assistance (EUR 0.5 billion).

While the investments under this objective are directed to existing investment priorities, they focused transversally on crisis repair and fighting the COVID-19 pandemic, as well as future-oriented investments. They were also used to finance emergency support measures for Ukrainian refugees in 2022. For the latter, it is too early to report on the specific approaches taken; so far only four Member States report a small number of Ukrainian refugees reached.

As the investments for REACT-EU are only recently programmed and are linked to the financial years 2021 and 2022, implementation cannot be expected to have reached similar levels as other ESF budgets. By the end of 2022, a total of EUR 2.6 billion (16%) had been declared as expenditure (compared to 83% of original ESF investments). Implementation of the transversal REACT-EU investments with employment objectives show the lowest implementation rates to date (9%).

In the field of support for young people not in employment, education or training (specific objective 5), by the end of 2022 a total of 3.7 million young people had benefited from YEI support. At the EU level, participants are well balanced from a gender perspective. Out of the 432 common result indicator records measuring progress for the YEI, Member States set targets for a total of 371 indicators. By the end of 2022, 356 indicators are progressing towards their final targets. Overall the implementation rates of YEI by 2022 are behind of ESF overall (79% against 83%), due to significant delays in some Member States.

2014-2020 multiannual financial framework – Fund for European Aid to the Most Deprived

FEAD supports EU Member States' measures to provide assistance (including food, clothing and other essential items for personal use, such as shoes, soap and shampoo) to the most deprived. Material assistance goes hand in hand with social inclusion measures, such as guidance and support to help people out of poverty. National authorities may also support stand-alone social inclusion measures that help the most deprived people integrate better into society.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	3 813.7	3 813.7	100.0%
Payments	3 102.8		81.4%

– In 2022, a total of 14.2 million individuals received food assistance through FEAD, and another 0.8 million persons received basic material assistance. A total of 9 127 persons received social inclusion support. This total is slightly lower than the high figures in COVID-19 years of 2020 and 2021 but lies above the average estimates for 2017-2019. Among this total of 15.0 million persons, 49% were women, 30% children and 10% above 65 years old. 12% were migrants, people with a foreign background or minorities, 5% persons with disabilities and 6% homeless.

– By the end of 2021, the total approved expenditures reached EUR 5 468 million, which is the equivalent of 109% of the total resources allocated for the 2014-2020 programming period by 2022, or EUR 5.0 billion. This total budget includes both EU funds and national co-financing of FEAD programmes by the end of 2021, as well as an increase of 0.5 billion related to REACT-EU.

– The annual amount of expenditure incurred by beneficiaries and paid for the implementation of operations in 2022 has increased considerably in comparison to earlier years to EUR 593.2 million reaching a total of EUR 4 215 million by the end of 2022 (or 84% of the total budget). In terms of declared expenditure, an acceleration in comparison to earlier years can be observed as well, reaching an annual amount of declared expenditures of EUR 668.9 million, reaching EUR 3 778 million in total, or 76% of the total budgets.

– By 2023, Denmark, Germany, Estonia, Ireland, Cyprus, Lithuania, Latvia, Hungary, Malta, the Netherlands, Austria, Poland and Portugal had fully implemented their budget from the food and/or basic material assistance operational programme. The average implementation rate at EU level is 92%. Currently, Bulgaria, Greece (99%), Spain (95%), Luxembourg (97%) and Slovakia (95%) are advancing relatively well and on the current track of implementation are projected to receive payments at the level of their entire budgets by the end of 2024. Additional efforts will be necessary particularly in France (86%), Croatia (74%) and Italy (*c*.82%) to accelerate implementation to avoid decommitment of FEAD budgets at closure.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Number of persons receiving assistance from the Fund	0	> 100%	12.7 million annually from 2015 to 2020	17.1 million compared to 12.7 million (**)	Achieved

(*) Average of results for 2014-2021 compared to target.

(**) A person may be the recipient of multiple forms of FEAD support and thus reported for more than once.

FEAD remains an important instrument to support the ambitions in the European Pillar of Social Rights' Action Plan to reduce the number of persons at risk of poverty and social exclusion. It presents a versatile way of implementing the additional crisis budget made available by REACT-EU and to address the increased levels of precariousness across the EU caused by COVID-19 in 2021 and 2022 and the inflation of basic goods that was observed as sanitary restrictions ended.

Annual implementation reports for 2022 also provide clear examples how FEAD was used to provide food aid and basic material assistance to people fleeing Russian's war of aggression against Ukraine.

In the last year before the final implementation reports are due, implementation of FEAD still needs to accelerate substantially to ensure that all budgets are spent. Austria, the Netherlands, Sweden, and Ireland report to have concluded all operational activities for FEAD before the end of 2022. However, FEAD programmes in most other Member States are still in implementation. Annual declared expenditures continued to advance in 2022 but have not accelerated sufficiently to ensure that implementation goals can be reached by the end of 2023. Annual implementation reports in 2022 declared expenditures of a total of EUR 669 million in 2022, slightly lower than the EUR 704 million in 2021, resulting in a total implementation rate of 7% by the end of 2022. With only the last year to go in which expenditures can be declared, many programmes still have substantial ground to cover. So far, a cumulative total of EUR 5.6 billion (109% of the allocated budget) is reported as approved budgets, and a total of EUR 4.2 billion (or 82% of the allocated budgets) had been incurred or paid by beneficiaries by the end of 2022.

The estimated number of recipients of food support (14.2 million) and basic material assistance (0.8 million) is slightly lower in comparison to the previous year. COVID-19 restrictions in 2020 and 2021 had major impacts on FEAD, both by increasing demand for FEAD support as well as in limiting the ability to adequately respond to precariousness. As these restrictions were lifted in the course of 2022, the Russian's war of aggression against Ukraine and flow of people that followed created another additional demand, to which Member States were able to respond with the additional budgets made available through REACT-EU. The amount of food counted in tonnes has provided in 2022 is estimated at almost 400 thousand tonnes in 2022, which is slightly lower than in pandemic years 2020 and 2021, but above that of the years before. The overall monetary value of basic material assistance shows a rising trend over practically the entire programming period and reached to a level of EUR 40.6 million of basic material, of which half is taken up by voucher schemes in Romania. No major changes to the types of recipients before and during the pandemic were observed either, except in a small number of Member States.

Based on the above, the final year of implementation of FEAD will not be without its challenges. While budgets have been allocated beyond the existing financial envelopes, it seems that reaching full implementation will require a remarkable increase in implementation in the final year, which may prove difficult in at least half of the Member States. In the meantime, implementation may already have started of ESF+ programmes, where under SO(m) programmes addressing material deprivation will be continued.

2014-2020 multiannual financial framework – Employment and Social Innovation

The EaSI programme is a financing instrument at the EU level promoting a high level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions. EaSI has three axes, supporting respectively the

modernisation of employment and social policies (progress axis), job mobility (EURES axis) and access to microfinance and social entrepreneurship (microfinance / social entrepreneurship axis).

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	882.7	899.6	98.1%
Payments	743.2		82.6%

– Up to the end of 2023, EaSI had committed close to EUR 898 million. Of this, 56% supported activities under the progress axis, 20% supported activities under the EURES axis and 22% supported activities under the microfinance / social entrepreneurship axis. Therefore, the commitments made under all three axes were well in line with the indicative percentages envisaged in the EaSI legal basis.

– **The Progress axis** has supported actions in three thematic sections. Over the whole period of the programme, the thematic section of social protection received the largest share of funding (50%), with the thematic section of employment accounting for 28%. The thematic section of working conditions received the smallest share of funding per axis (10%). The shares of funding for the three thematic sections under the progress axis exceeded the minimum shares of financial commitments envisaged in the EaSI legal basis. In 2021, the progress axis focused on gathering evidence through studies, analyses and statistics to shape policy developments. The axis fostered a shared understanding of policy options through policy debates. It also promoted the involvement of civil society by providing financial support for 23 key EU-level non-governmental organisations via 23 operating grants.

– **The EURES axis** has supported actions in three thematic sections. Over the whole period of the EaSI Programme, the development of services for the recruitment and placing of workers in employment through the clearance of job vacancies and applications at the EU level received the largest share of funding (49%), while activities to induce transparency of job vacancies and applications accounted for 33%. The smallest share of funding was dedicated to cross-border mobility (10%). The committed funding for activities related to transparency of job vacancies and the development of services doubled the minimum shares set in the EaSI legal basis while commitments made for cross-border partnerships were below the set target (Figure 2). The minimum target of the cross-border partnerships (> 18%) was not reached, and this was mainly because of the quantity and quality of applications received. The intra-mobility report explaining the mobility flows of cross-border workers revealed that cross-border commuting is more frequent between Member States such as Belgium, Czechia, Denmark, France, Luxembourg and the Netherlands while it is less frequent between newer Member States. Therefore, there was less demand and equally fewer proposals submitted. In 2022, the EURES axis supported the European Job Mobility Portal and training courses on EURES services and provided horizontal support to the member organisations of the EURES network. It continued financing cross-border partnerships supporting mobility for frontier workers in the cross-border regions, along with targeted mobility schemes. The 13 EURES calls for proposals launched between 2014 and 2020 resulted in 94 contracts. Activities under the thematic section focusing on cross-border partnerships have not reached the minimum indicative target for financial

commitments, mainly due to the quality of the applications received under the call for proposals. Furthermore, as indicated in the intra-mobility report, cross-border commuting affects certain Member States to a higher degree, with newer Member States affected to a much lesser extent. This affects the level of demand, the proposals submitted, and the projects implemented.

– **The Microfinance and Social Entrepreneurship axis** supported actions in two thematic sections. Over the period of the EaSI programme, the thematic section of Microfinance received 48% of funding while the activities under the thematic section of Social Entrepreneurship accounted for 38%. The shares of funding committed for both Microfinance and Social Entrepreneurship thematic sections exceeded the minimum shares of financial commitments envisaged in the EaSI legal basis (>35%)

– In the 2021-2027 programming period, EaSI is a strand of the ESF+ and is no longer structured in axes. The financial instruments under the former microfinance and social entrepreneurship axes will be implemented under the InvestEU Fund.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Businesses created or consolidated – EaSI microfinance guarantee	0	> 100%	41 000 in 2020	161 398 compared to a target of 41 000	Achieved
Businesses created or consolidated – social EaSI social entrepreneurship guarantee	0	> 100%	1 100 in 2020	6 150 compared to a target of 1 100	Achieved

(*) % of target achieved by the end of 2022.

– Compared to 2019, values for the integration of all the horizontal principles showed an increasing trend, paying particular attention to vulnerable groups. However, the scaling-up of EaSI projects is hindered by inadequate follow-up in terms of promoting the projects and their results. EaSI's efforts to this end will be amplified under the ESF+ through the European Competence Centre on Social Innovation, a database of social innovation projects and the creation of national contact points to guide applicants and beneficiaries. Furthermore, EaSI calls for proposal will be published on the Funding and Tenders portal. This will provide each project with a dedicated place to make its results available to a wider audience. Furthermore, the merger of EaSI into the ESF+ could facilitate the uptake of EaSI projects by the ESF+ managing authorities for further support.

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– **Progress axis.** The 2020 EaSI stakeholder surveys show that EaSI's stakeholders provided positive feedback on its deliverables. Throughout the reporting period, EaSI continued to support the development and dissemination of both high-quality comparative analytical knowledge and policy initiatives in the field of employment and social affairs.

– **EURES axis.** In 2019-2020, EURES acted as a catalyst for the provision of transparent labour market information and for the effective recruitment and placing of workers. In 2020, 1 189 798 jobseekers were registered on the EURES portal. This marks a significant increase (+ 110.2%) compared to 2019. However, the number of employers registered increased by only 3%. The major increase in the number of registered jobseekers can be directly related to changes in the labour market due to the COVID-19 crisis and its dampening immediate effect on mobility patterns. Cross-border partnerships reported 195 060 contacts with jobseekers and job changers in 2019-2020. Targeted mobility schemes (such as 'your first EURES job'), in comparison, provided services to several hundred jobseekers per year / per scheme, but were more targeted and customised. 0.76% of contacts facilitated by cross-border partnerships resulted in actual placements, along with 29.1% of targeted mobility schemes.

– **Microfinance / social entrepreneurship axis.** In the reporting period, EaSI continued to provide added value to expand access to and the availability of microfinance, while support for increasing the overall availability of and access to finance for social enterprises gained momentum. A significant increase in support for people from non-EU countries was observed (22.1% in 2020, compared to 14.3% in 2019 and 11.9% in 2018). A slight but steady increase in the category of people aged 51 years and above can also be seen. However, support for women, unemployed or inactive people and people aged less than 25 years is decreasing, while people with disabilities received a somewhat equal amount of financing from 2018 to 2020. The reporting is subject to limitations because a large number of applicants for EU microfinance and social entrepreneurship support under the EaSI programme are legal persons (enterprises) and therefore do not provide social data (e.g. gender, age, employment status).

– Regarding the efficiency of the programme, overall the activities implemented helped increase awareness and ownership of EU policy inputs into social inclusion and poverty reduction (benefiting to EU-level and national policy makers but also to individual citizens). They facilitated notably policy change through comparative perspectives and capacity building, helping stakeholders (in particular EU-level non-governmental organisation networks and national administrations) to formulate and implement socioeconomic policies in the participating countries. They also improved the perceptions and use of cross-border potential for employment (from both the jobseeker's and the employer's perspective) and allowed to test rapidly innovative approaches (beneficial to policymakers, notably to the national authorities). Despite their small scale/budget, the European Progress Microfinance Facility and EaSI also contributed to social and economic inclusion, through the support to social enterprises and specific categories of social entrepreneurs. A number of shortcomings undermined however the EaSI programme's effectiveness and efficiency. The evaluation underscored notably the insufficient communication/dissemination of results and of mutual learning opportunities, the unexploited scalability of social experimentations, the incomplete posting of national vacancies on the EURES Portal, the insufficient visibility of the EURES placement services to the employers as well as the fact that women and unemployed still encounter barriers in accessing microfinance. Moreover, disability and accessibility matters were mainstreamed to a more limited extent through the EaSI-funded actions compared to the other horizontal principles.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	YES	ESF+ (EaSI strand), 2021-2027 The ESF+ funding supports the European Anti-poverty Network (EAPN), which aims to promote a socially inclusive and sustainable Europe, free from poverty and inequalities. Their 2023 work plan focuses on defending the rights of people experiencing poverty, counting on their voices and the political analysis of 32 national networks and 13 European organisations that form EAPN. Their plan supports the implementation, awareness raising and dissemination of adopted or upcoming EU policy initiatives (notably those announced in the Action Plan of the European Pillar of Social Rights) and monitors the poverty target, both at EU and the Member States level. Member State: Belgium EU Contribution: EUR 1 129 412.25 Duration: 1 January 2023 – 31 December 2023

SDG2	YES	ESF+ (EaSI strand), 2021-2027 The fund supports the ‘Food4Inclusion’ project that aims to upscale food systems for the mitigation and exclusion of poverty. The project revolves around two focus areas: 1) vulnerable children food literacy and 2) food accessibility and redistribution. The former aims to break off malnutrition trends by developing training and workshops offering proper education on food and related health issues. The latter focuses on food redistribution and accessibility for at-risk populations to guarantee equal access to healthy foods. Member State: Belgium EU contribution: EUR 269 100.00 Duration: 1 January 2023 – 31 December 2023
SDG3	YES	EuroHealthNet is the European Partnership for health, equity and wellbeing. It is made up of 64 national and regional organisations, agencies and statutory bodies working on public health, disease prevention, promoting health, and reducing inequalities. EuroHealthNet’s mission is to help build a sustainable, fair, and inclusive Social Europe through healthier communities, and to tackle health inequalities within and between European States. EuroHealthNet contributes to EU social and health policy objectives by improving understanding of ‘what works’ to promote health and social equity. Member State: Belgium EU Contribution: EUR 773 919.00 Duration: 1 January 2023 – 31 December 2023

SDG4	YES	ESF+ (2021-2027) The investment in education, training and vocational training is one of the core objectives of the ESF. Therefore, the ‘Further Studies Made Affordable’ (FSMA) scheme and its successor, FSMA+, have created a financial lifeline for nearly 530 Maltese students over four years, offering loans amounting to around EUR 20 million. The initiative, in collaboration with the Malta Development Bank (MDB) and Bank of Valletta (BOV), has opened doors for students that once seemed firmly shut. They’ve enabled students to pursue courses in innovative fields like environmental economics, climate change, and health management. The financing model stands out for its comprehensive support, covering not just tuition fees but also accommodation, living, and travel expenses for overseas studies. This holistic approach eases the financial burden on students, allowing them to focus on their education. Member State: Malta EU contribution: 3 000 000 Project duration: 2021-2027
SDG5	YES	ESF+ (EaSI strand) Project titled ‘For a Social Economy that Reduces Gender Inequalities in Europe,’ aims to develop new data on and investigate the impact of the social economy on gender equality to identify areas of improvement and to make social economy stakeholders more aware and knowledgeable about the topic. It also aims to develop hands-on pedagogical contents to help European social enterprises push for more gender-equal practises and develop fairer and more women-inclusive business models. Finally, it strives to contribute to the emergence of 30 women-inclusive businesses in France, Italy and Portugal to generate a wider ripple effect on women’s economic empowerment and shed light on business champions leading the way towards a more inclusive European social economy. Member States: France, Italy, Portugal EU Contribution: EUR 628 861.15 Duration: 2023 – 2025
SDG6	NO	

SDG7	YES	ESF+ (2021-2027) GESEK, one of eight business lighthouses established by the Danish Business Promotion Board is a project aiming to accelerate the transition to green energy and share South Jutland's experiences on both national and international platforms. It aims to identify sustainable frameworks that support forward-looking solutions in the green sector. GESEK recognises the importance of a skilled workforce in the green transition. Thus, it strives to make the energy sector an attractive career path by bolstering vocational education and training, upskilling the current workforce, and attracting international talent. Member State: Denmark Duration: 2023-2026
SDG8	YES	'Robo CO. – Robotics and AI as future colleagues' – a collaborative effort among the city of Riihimäki, Häme University of Applied Sciences, and Hyria Education in Finland – was designed to advance expertise in robotics and AI withing a changing workforce. It is increasingly clear that the transformation of work will affect every sector, reducing routine tasks, increasing productivity, and opening new possibilities for creative, AI-supported thinking. A basic understanding of application of robots and AI will therefore be a fundamental skill in almost every job. Collaborations with industry players provide invaluable hands-on experience, bridging the gap between theoretical knowledge and practical application, and allowing students to connect with the world of work. Member State: Finland EU Contribution: EUR 433 133 Duration: 2023-2026
SDG9	NO	

SDG10	YES	ESF+ (EaSI Strand), 2021-2027 period ESF+ supports the YES Forum with an operating grant. YES Forum is a European network of organisations working with and for young people with fewer opportunities. By promoting their social inclusion and developing their professional skills, YES Forum acts to improve the life chances of vulnerable young people, hence combating poverty and inequalities. YES Forum implemented activities that provided access to opportunities for rural and remote areas, enhanced the promotion and recognition of education professionals, worked on decreasing NEETs rate by improving vocational education and training. Member State: Germany EU Contribution: EUR 209 728.00 Duration: 01 December 2022 – 31 December 2022
SDG11	YES	ESF+ (2021-2027) The project titled ‘Business Lighthouse for Sustainable Construction and Business Development’ aspires to make Denmark a leader in sustainable construction, paving the way towards a greener future. At the heart of this project is the Fehmarnbelt tunnel, Northern Europe’s largest construction endeavour, extending 18 km under the sea between Denmark and Germany. The tunnel is a bridge to new opportunities – fostering growth, generating employment, and expanding export potential for Zealand and the islands. The project aims to leverage the Fehmarnbelt tunnel as a springboard for future regional development, nurturing innovation, and green solutions in the construction industry. A key focus is on strengthening the recruitment and upskilling of skilled labour, particularly from overseas, and establishing a knowledge and teaching hub for sustainable construction. Member State: Denmark EU Contribution: EUR 4 000 000 Duration: 2023-2026

SDG12	YES	ESF+ (2021-2027) The renewable energy new electric skills project addresses the need for new skills by creating training courses for electrotechnical roles. These courses cover key areas such as the installation of photovoltaic systems and the conversion of traditional vehicles to electric models. The project aims to equip the local workforce with the skills needed to thrive in this evolving sector. Member State: Germany EU contribution: EUR 199 130 Duration: 2022-2024
SDG13	YES	ESF+ (EaSI strand), 2021-2027 period. ESF+ is contributing to the Green and Social Hub, which aims to integrate local actions supporting changes toward the green transition into the overall strategy to remove inequalities and poverty. The Hub is expected to improve the knowledge and competences of local administrators, provide tools and strategies to tackle energy poverty in the overall multidimensional concept of poverty and make local communities more sustainable, preparing three local communities to become an energy community, equip disadvantaged groups with knowledge and skills to actively face and contribute to the green transition. Member States: Italy, Belgium EU Contribution: EUR 727 401.20 Duration: 1 September 2023 – 31 August 2025
SDG14	NO	
SDG15	NO	
SDG16	NO	
SDG17	NO	

ERASMUS+

ERASMUS+ PROGRAMME

Programme in a nutshell

Concrete examples of achievements

2.3 million European student cards had been issued by universities and other institutions by the end of 2023.	**More than 430** higher education institutions had taken part in the European universities initiative by the end of 2023.	**More than 20 300** Erasmus Mundus scholarships have been awarded since 2014.	**47%** of the budget for cooperation projects supported environment and climate change in 2022.
59% of the budget for Erasmus+ cooperation projects supported the digital transition in 2022.	**Around 354 000** pupils and staff in school education took part in mobility activities in 2022. .	**32%** of young people in mobility activities in 2022 came from an underprivileged background. .	**More than 224 000** Learners and staff in vocational education and training took part in mobility activities in 2022.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	25 **833.9**
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	709.1
Total budget 2021-2027	**26 543.0**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

Erasmus+ is the EU's programme to support mobility and cooperation in education, training, youth and sport in Europe and beyond. The 2021-2027 programme places a strong focus on social inclusion and diversity, the green and digital transitions, and on promoting young people's participation in democratic life. It supports priorities and activities set out inter alia in the European education area, the digital education action plan and the European skills agenda.

CHALLENGE

Encouraging Europeans (young people, school pupils, apprentices, students, adults and sports people, along with their teachers and educators) to study and train abroad aims to equip them with the necessary set of knowledge, skills and competences, from a lifelong learning perspective, to make them resilient, support high employment rates and foster social cohesion. Giving people with otherwise fewer opportunities access to such experiences in all fields of education, training, youth and sport is especially important. It also contributes to better understanding of and appreciation for the EU and to the promotion of European values.

The added value of tackling related challenges at the EU level stems from the fact that national programmes cannot offer comparable scale, scope and/or coverage in terms of sectors and countries. Indeed, the midterm evaluation of the 2014-2020 Erasmus+ programme found that, in the absence of this EU programme, mobility of learners and staff, and European cooperation in the sectors covered by the programme, would be substantially reduced.

At the same time, it is important to equip individuals with forward-looking knowledge, skills and competences needed to cope with technological and economic changes and to adequately fulfil the potential for innovation, creativity, and entrepreneurship. In this context, international cooperation is a catalyst for innovative or value-added ways to support learners in their personal, educational and professional development, while it also facilitates circulation of ideas and the transmission of practices and expertise, thus contributing to high quality education in Europe and beyond.

MISSION

The general objective of Erasmus+ is to support, through lifelong learning, the educational, professional and personal development of people in education, training, youth and sport, in Europe and beyond, thereby

contributing to sustainable growth, quality jobs and social cohesion, driving innovation and strengthening European identity and active citizenship.

OBJECTIVES

Erasmus+ has the following specific objectives:

1. To offer learning mobility opportunities to individuals and groups, and foster cooperation, quality, inclusion and equity, excellence, creativity and innovation at the level of organisations and policies in the field of education and training;
2. To offer non-formal and informal learning mobility opportunities involving active participation to young people, and foster cooperation, quality, inclusion, creativity and innovation at the level of organisations and policies in the field of youth;
3. To offer learning mobility opportunities to sport staff, and foster cooperation, quality, inclusion, creativity and innovation at the level of sport organisations and sport policies.

ACTIONS

The objectives of the programme shall be pursued through the following three key actions:

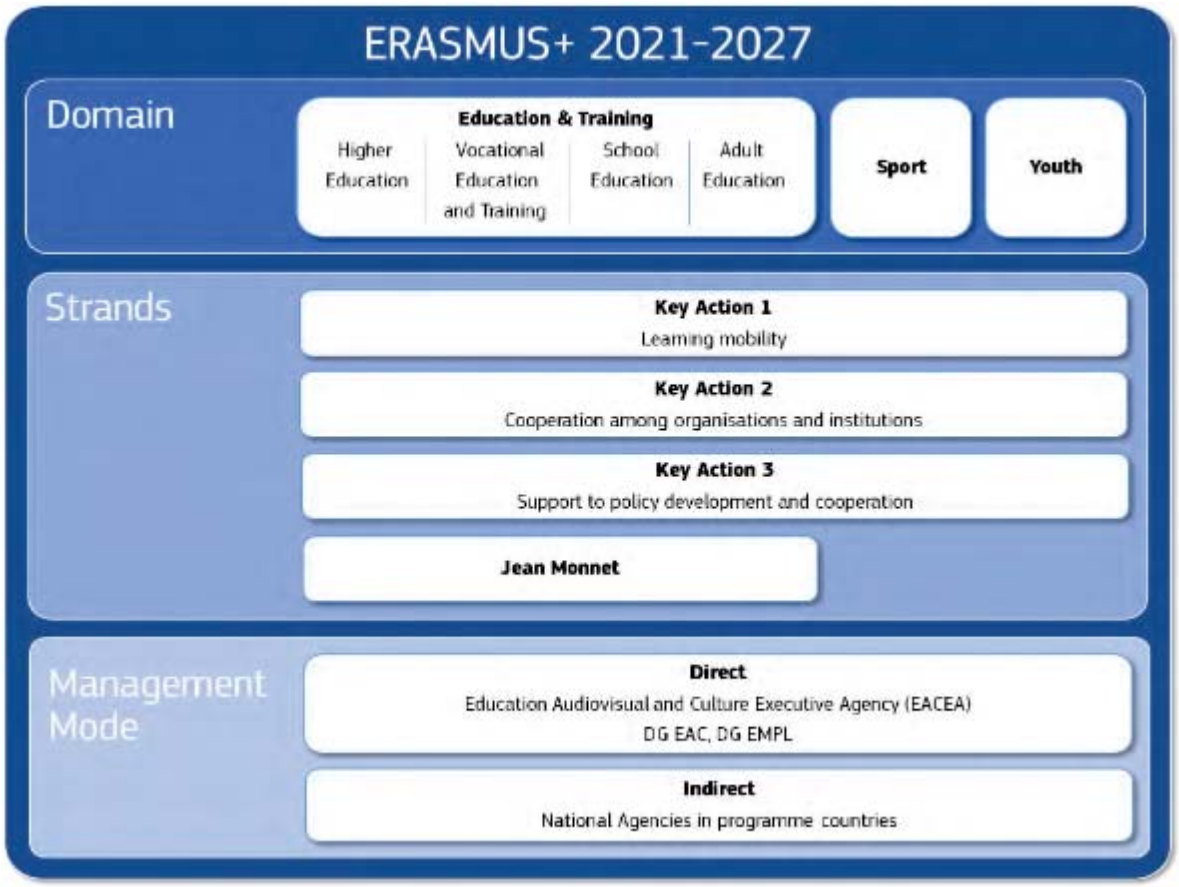
a. learning mobility of individuals (key action 1);
b. cooperation among organisations and institutions (key action 2);
c. support for policy development and cooperation (key action 3).

The objectives shall also be pursued through Jean Monnet actions, which support teaching, learning, research and debates on European integration matters, including on the EU's future challenges and opportunities.

STRUCTURAL SET-UP OF THE PROGRAMME

Erasmus+ is implemented directly by the European Commission under the leadership of DG Education, Youth, Sport and Culture, in cooperation with DG Employment, Social Affairs and Inclusion for parts of the programme concerning skills and qualifications policy, adult learning and vocational education and training, and with the European Education and Culture Executive Agency as concerns indirect centralised management. Most of the programme is implemented through indirect management via the Erasmus+ national agencies. The latter help to bring the programme closer to its target audience, to take into account the diversity of national education systems, and to better align European and national priorities. DG Education, Youth, Sport and Culture bears the overall responsibility for the supervision and coordination of the agencies in charge of implementing the programme.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The interim evaluation of the previous programme pointed out to the need to do more to reach out to the more vulnerable ones in society and to facilitate the participation of smaller organisations; it recommended that priorities be reduced in number and better focused to maximise the programme's impact, and that procedures and tools made easier to use to reduce the administrative burden on implementing bodies and beneficiaries.

Based on lessons learned from the previous programme, the 2021-2027 Erasmus+ programme aims to be more inclusive and accessible, more forward-looking, more digital, simpler and greener, and more international, while continuing to support lifelong learning and innovative education and training in Europe. It offers reinforced opportunities for transnational learning mobility and cooperation, including through the European universities initiative and the centres for vocational excellence, and offers new opportunities for school pupils, adult learners, young people and sport staff. The programme gives more attention to fields that are strategic to Europe's knowledge creation and sustainable growth, by targeting mobility and cooperation projects in strategic forward-looking sectors (climate change, clean energy, digitisation, artificial intelligence, bioscience, etc.), thus contributing to the development of crucial skills, increasing Europe's innovation capacity and tackling societal challenges. Erasmus+ features 33 participating countries and it includes activities open to the rest of the world; first through the mobility of students and staff between higher education institutions, outgoing mobility towards non-EU countries for vocational education and training learners and staff, and dedicated scholarships for excellent students worldwide. The programme

also supports capacity building actions in higher education, vocational education and training, youth and sport.

FURTHER INFORMATION

- Programme website:
  - ERASMUS+
- Impact assessment:
  - the impact assessment of the Erasmus+ programme was carried out in 2018;
  - for further information, please consult: https://europa.eu/!xV33fD
- Relevant regulation:
  - Regulation (EU) 2021/817 of the European Parliament and of the Council.
- Evaluations:
  - the midterm evaluation of the Erasmus+ programme (2014-2020) was finalised in 2018;
  - for further information, please consult: m-t_evaluation_erasmus_swd_2018_40.pdf (europa.eu)

The final evaluation of the 2014-2020 programme and the midterm evaluation of the 2021-2027 programme will be finalised in the fourth quarter of 2024.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	2 663.0	3 420.7	3 684.0	3 806.1	3 977.2	3 866.6	4 416.2	25 833.9
NextGenerationEU	0	0	0	0	0	0	0	0
Decommitments made available again (*)	N/A	N/A	N/A					0
Contributions from other countries and entities	256	209.2	243.9	0	0	0	0	709.1
Total	**2 919.0**	**3 630.0**	**3 927.9**	**3 806.1**	**3 977.2**	**3 866.6**	**4 416.2**	**26 543.0**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 185.5 million (+ 1%)

compared to the legal basis.*

* Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

– The budget profile of the Erasmus + programme is strongly backloaded, growing at a regular, though not even, rhythm year-over-year between 2021 and 2026, with a sharp increase in 2027. Taking into account this multiannual financial framework profile, the Commission proposed a frontloading of EUR 100 million from 2027 to 2023, actually voted in the final EU budget for 2023, to reinforce the support of the programme to pupils, students, teachers and qualified staff fleeing from Ukraine.

– The difference of the budget between the financial programming and the legal basis can be explained as follows: In 2022, 2023 and 2024, the Erasmus+ programme received additional credits as a result of the final EU voted budget, respectively EUR 35 million in 2022, EUR 20 million in 2023 and EUR 60 million in 2024. In 2022 and 2023, a total amount of EUR 7.5 million, resulting from a surplus in the employment and social innovation programme, has been transferred to the Erasmus+ programme to optimise the budget implementation within the title 07 of the budget. Finally, the Erasmus+ programme benefits from an additional contribution of EUR 57 million deriving from the European Social Fund Plus for the 2022-2027 period to be allocated to the German national agency.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	**10 414.1**	**26 543.0**	39.2**%**
Payments	8 549.9		32.2%

Voted budget implementation (million EUR) (*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	2 663.0	2 662.6	1 787.4	2 034.2
2022	3 420.7	3 401.7	2 997.9	2 988.6
2023	3 684.0	3 680.5	3 256.5	3 155.0

(*) Voted appropriations (C1) only.

– Following the complex challenges in the first year of the new multiannual financial framework, triggered by the late adoption of programme regulations and annual work programmes, combined with the impacts of the COVID-19 pandemic, 2023 had also its share of unexpected and exceptional challenges. Russia's war of aggression against Ukraine, combined with the impacts of quickly rising inflation on beneficiaries, required our programmes to adapt and take appropriate measures, both at operational and budgetary levels (e.g. reviewing upwards individual support rates for mobility to address the rising inflation keeping the programme inclusive, using flexibility of the programme to provide support for the publication of Ukrainian school books).

– Despite this challenging context, the Commission, together with the European Education and Culture Executive Agency, managed to close the year 2022 with outstanding budgetary performance, reaching a nearly full budget execution, both in commitments and payments appropriations for the EU voted budget.

– In 2022 and 2023, an acceleration of the budget implementation could be clearly noticed with a nearly full consumption of all voted budget at year end. As a result, reinforcement of credits redeployed from other programmes were needed to cover the payment needs until the year end.

– Halfway through the current multiannual financial framework, 2023 should be remembered as a remarkable budgetary year. Running in exceptionally challenging context with the Russian war of aggression against Ukraine, high persistent inflation, the multiannual financial framework midterm revision and the preparation of the future multiannual financial framework after 2027, the programme has now reached its cruising speed, implementing actions faster than first years of the current multiannual financial framework, and even able to absorb additional credits. In 2023, the programme achieved outstanding budgetary performance reaching a full (100%) budget execution both in commitment and payment appropriations.

– In 2024, the total budget planned for support to Education and training under Heading 2 (all fund sources) is over EUR 3.7 billion, of which about EUR 2.5 billion will support learning mobility. Commitment appropriations are distributed in the Erasmus+ annual work programme by budget line as voted by the budget authority including EUR 51 million additional credits for education and training in indirect management and EUR 9 million for youth. As regards payment appropriations, we expect that the cruising speed status with the acceleration of implementation as observed in 2023 will be confirmed in 2024.

– The 2025 planned commitment appropriations are aligned with the Financial Programming 2021-2027 between education and training, Youth and Sport, including top-ups pursuant to

Article 5 of the multiannual financial framework regulations. The estimated needs in payment appropriations take into account the cruising speed status reached by the programme, the past average payment trends and the most recent forecast provided by national agencies.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	226.4	384.6	438.1					1 049.1	4%
Biodiversity mainstreaming									
Clean air									

– The actions supported by the programme contribute to the overall climate objective, both by prioritising the green transition in cooperation activities and by promoting green practices at the project level throughout the programme.

– In this respect, the programme supports the use of innovative and awareness-raising practices to make learners, volunteers, staff and youth workers true factors of change (e.g. save resources, reduce energy use and waste, compensate carbon footprint emissions, opt for sustainable food and mobility choices).

– Funding rules have been revised so that, from 2024, sustainable travel will become the default option, and the programme will offer stronger incentives for those who travel in a sustainable way. Participants in learning mobility activities will be encouraged to prioritise green travel as their first choice when planning their trip.

– The yearly contribution to climate objectives is based on beneficiary organisations' applications for funding for the cooperation of projects (key action 2) with climate-related topics. The environment and the fight against climate change are among the horizontal priorities of the programme, which aims to support, across all sectors, awareness raising about the green transition and about environmental and climate-change challenges. Examples of cooperation projects addressing climate objectives can be found in the Erasmus+ Annual Report 2022 and on the Erasmus+ projects results platform.

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2	313.9	315.4	309.0	938.3
1	498.6	751.6	780.0	2 030.2
0*	1 850.4	2 353.6	2 595.0	6 799.1
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender-disaggregated information.

Erasmus+ supports gender equality and encourages women to participate in mobility activities. In 2022, 60% of the mobility opportunities provided were taken up by women. The gender distribution varies depending on the field of education: school education has the highest percentage of women (70%), followed by adult education (69%), higher education (61%), youth (57%) and vocational education and training (52%) (95).

Examples of cooperation projects addressing inclusion and diversity, including gender equality, can be found in the *Erasmus+ Annual Report 2022* and on the Erasmus+ projects results platform.

– The programme framework of inclusion measures was adopted in 2021 to reinforce inclusion measures that had already been implemented and to help adapt them to different circumstances in the Member States. With these measures in place, which also include the setting up of national inclusion plans and the nomination of inclusion contact points in each national agency, the programme opens up opportunities for many people to have a learning experience in another country, in particular by reaching out to increasing numbers of people with fewer opportunities. These measures are starting to bear fruit, with an estimated share in 2023 of 15% of participants with fewer opportunities under key action 1 of the programme (compared with 13% in 2022).

– In line with the principles of the 2020-2025 gender equality strategy, Erasmus+ contributes to fostering equality, including gender equality, in all of the sectors it addresses. The programme seeks, among other aims, to help overcome gender stereotypes in education and educational careers and to strengthen the promotion of participation of women in the area of science, technology, engineering and mathematics education, especially in engineering, information and communication technologies and advanced digital skills. For instance, the programme contributes to fostering gender balance in higher education institutions, across fields of study and in leadership positions, while in the vocational education and training sector it supports targeted measures promoting gender balance in traditionally ‘male’ or ‘female’ professions and addressing gender and other stereotypes. The main programme indicators are disaggregated by gender when relevant and possible.

– Regarding interventions the principal objective of which is to improve gender equality (score 2), the yearly contribution to gender is based on beneficiary organisations’ applications for receiving funding for cooperation projects (key action 2) with gender-related topics.

– Regarding interventions with a likely but not yet clear impact on gender equality (score 0*), the yearly contribution to gender is the difference between the programme’s budget as indicated in the relevant annual work programme and the yearly contribution to gender based on beneficiary organisations’ applications for receiving funding for cooperation projects (key action 2) with gender-related topics.

(95) Erasmus+ Annual Report 2022.

– The data are provisional, as the final results will only be available upon completion of the projects (normally 2-3 years after they start).

– Due to the specificities of the Erasmus+ programme, it is not possible to fully discern the gender contribution from voted budget implementation commitments only. The split presented in the table above represents a pro rata division based on the scores' proportions of the total implementation included in the relevant annual work programmes. This total of EUR 11 310 million includes other sources of funding on top of the voted budget implementation.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	541.8	774.9	701.4	2 018.1	21%

– Erasmus+ is heavily mobilised to respond to the necessary digital transformation of education and training, youth and sport. 2022 saw the launch of the Digital SALTO (support advanced learning and training opportunities) project, with the aim of supporting the qualitative implementation of the digital priority in the programme and bringing the programme closer to policies in the field of digital education.

– The programme's mobility actions provide an increased number of opportunities to acquire and develop digital skills through initiatives such as the digital opportunity traineeships scheme. The programme also complements physical mobility by promoting distance and blended learning. Moreover, it provides a broad range of learning opportunities focusing on basic and advanced digital competence development and virtual exchanges, and supports cooperation projects on digital education.

– The programme supports the implementation of the 2021-2027 digital education action plan. In line with the action plan's priorities, the programme contributes to the development of digital skills and competences; promotes accessible and high-quality digital learning; fosters teachers' capacity to use digital tools, services and content to enhance student learning and develop student digital skills; and provides blended learning opportunities (combinations of more than one approach to the learning process, blending school-site and distance-learning environments and digital and non-digital learning tools). Erasmus+ also supports European online platforms for virtual cooperation and digital education.

– In 2023, completed key actions included the adoption of the digital education and skills package, consisting of two Council recommendations, adopted by the Commission in April 2023 and by the Council in November 2023: (1) a Council recommendation on the key enabling factors for successful digital education and training; and (2) a Council recommendation on improving the provision of digital skills and competences in education and training.

– Throughout 2023, the Commission continued to implement the Selfie tool ('Self-reflection on effective learning by fostering the use of innovative educational technologies'), which has now been used by 5.8 million people in 29 758 schools in 86 countries.

– The European Digital Education Hub was launched in 2022. In 2023, the hub continued to expand its activities and its membership, which reached 4 000. In June 2023, a higher education interoperability working group was established within the European Digital Education Hub with the aim of exchanging good practices, developing a framework for seamless higher education data and content exchange, and producing practical implementation guidelines.

– The European student card initiative aims to make it as easy as possible for students across Europe to be mobile. Through its key components – the Erasmus+ mobile app, the European student card and the digitalisation of student mobility management – the initiative constitutes a real revolution in simplifying the way universities manage student mobility. By the end of 2023, the Erasmus+ mobile app had been downloaded more than 218 000 times and more than 2.3 million European student cards had been produced. The Erasmus Without Paper network has become the default option for higher education institutions to prepare intra-European student mobility. By the end of 2023, more than 102 000 interinstitutional agreements and 92 000 learning agreements had been digitally exchanged and approved by partners.

– The yearly contribution to digital objectives is based on, among other things, beneficiary organisations' applications for receiving funding for cooperation projects (key action 2) with digital-related topics. Results also include centralised projects supporting digital education and managed directly by DG Education, Youth, Sport and Culture, and digital platforms supporting learners, staff and organisations.

  The data are provisional as the final results will only be available upon completion of the projects (normally 2-3 years after they start).

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Number of participants in learning mobility activities – learners (education and training)	0	34% (*)	4.9 million in 2027	1.8 million compared to a target of 4.9 million	On track
Number of participants in learning mobility activities – staff (education and training)	0	44% (*)	1.4 million in 2027	612 090 compared to a target of 1.4 million	On track
Number of participants in virtual learning (education and training)	0	16% (*)	224 300 in 2027	36 600 compared to a target of 224 300	On track
Number of organisations and institutions taking part in the programme (youth)	0	15% (*)	156 210 in 2027	22 819 compared to a target of 156 210	On track

Number of organisations and institutions taking part in the programme (sport)	0	19%	2 119 in 2027	2 119 compared to a target of 11 422	On track
Number of small-scale partnerships supported by the programme (education and training)	0	47% (*)	8 700 in 2027	4 110 compared to a target of 8 700	On track
Share of projects addressing climate objectives under cooperation projects (youth)	0	43% (**)	25% in 2027	Milestones achieved for 2021, 2022 and 2023	On track

(*) % of target achieved by the end of 2023.

(**) % of years for which the milestones have been achieved during the 2021-2027 period.

– In 2023, despite persisting external challenges (notably some long-lasting effects of the pandemic and a fast-growing inflation rate caused by the energy crisis following Russia's war of aggression against Ukraine), the programme could fully resume its long-standing mission to support transnational learning mobility, while continuously promoting cooperation between organisations and policy development.

– 2023 was the year when, for the first time ever, the programme provided learning mobility opportunities for sports coaches and other sports staff. This was greatly appreciated by grassroots sports organisations and has attracted considerable demand.

– Some novelties of the programme, for instance the accreditation scheme (inspired from the mechanism already established for higher education, but now extended to the other main sectors of the programme), have been very successful and have attracted considerable demand. This scheme simplifies the application process and enables easier access to funds for mobilities activities.

– The programme continued rolling out the numerous initiatives that will contribute to achieving the European education area by 2025. The programme supported this through flagship initiatives like the European universities, centres of vocational excellence and Erasmus+ teacher academies. Its many actions in support of young people were particularly highlighted during the 2022 European Year of Youth and its legacy.

Delivering on the main priorities

– In 2023, the programme also continued to focus on its four main horizontal priorities, promoting inclusion and diversity and contributing to the green and digital transitions, and also to democratic participation and EU values via support to projects and to specific activities. Indicators monitoring the evolution of the programme's cross-cutting priorities track their performance at various levels. For example, the share of activities addressing climate objectives under key action 1 shows a positive trend for all sectors. The relevance of the green priority is also confirmed by the data under key action 2, where progress is ahead of target and increasing. The inclusion priority is measured through various indicators tracking the number of participants with fewer opportunities taking part in the different strands of the programme. The trends here are positive, and the numbers overall have been growing through the early years of programme implementation. This shows the positive results of the framework of inclusion and diversity measures set up in 2021, but also the inclusiveness of the programme through the number of newcomer organisations

reached thanks to the simplification measures introduced in the new programme. The set of result indicators introduced through the delegated act also monitors the progress of the four priorities by tracking positive changes and learning outcomes linked to such priorities in participants, while additional output indicators complete the set monitoring the contribution to the priorities through projects under key action 2. Synergies between Erasmus+ and European Solidarity Corps programmes are visible in the recently adopted monitoring and evaluation frameworks, where similar indicators (adapted to the peculiarities of the two programmes and their actions) are available, in particular to monitor contributions to the priorities of the cross-cutting programmes. Moreover, SALTO resource centres provide support to both national agencies and beneficiaries for high-quality implementation of the four priorities across Erasmus+ and the European Solidarity Corps, fostering synergies among the programmes.

– Besides the dedicated existing resource centres for support, advanced learning and training opportunities (known as SALTO) on inclusion and on democratic participation, other centres have been set up since 2022 to support the qualitative implementation of both the digital and the green horizontal priorities in the programme. The aim of the centres is to improve the quality and impact of the Erasmus+ programme at a systemic level by providing expertise, resources, analysis, information and training activities in specific areas for Erasmus+ national agencies and other relevant actors.

– Rising inflation put increasing pressure on mobile learners' costs. Therefore, the Commission adjusted the rates of individual support for the 2023 call for proposals of the Erasmus+ programme, with a focus on supporting individual mobility participants, as they are the people most affected by the increase in the cost of living.

– Under the 2024 call, the Commission has even more thoroughly revised the funding rules for learning mobility participants in order to improve the programme's inclusiveness. Travel support, which was until now included within the monthly grant, has now been generalised for all categories of students, thus substantially improving the support provided to these participants. For youth mobilities, rates have also been considerably increased to match current market prices. For the other categories of participants, rates have also been adjusted to compensate for the impact of inflation.

Democratic participation and EU values

- In the 2023 Erasmus+ call, all three Jean Monnet actions in other fields of education and training (Jean Monnet for schools) were included, promoting teaching and learning about the EU in schools and in vocational education and training institutions and enhancing teachers' competences in this field. The objective of these funding opportunities is to empower teachers to teach about the EU, to improve learning outcomes on EU matters, to strengthen EU literacy and to create interest in the EU and democratic processes among learners (students and pupils), thus promoting active citizenship education in the programme countries. In 2023, two schools networks and 10 teacher training projects were selected, along with 44 projects under the learning EU initiatives action. The Jean Monnet actions in the field of higher education continue to stimulate teaching, learning and research in European integration matters, to promote debates and contribute to spreading knowledge about the EU.
- Youth participation activities have also been launched as a new action aiming to enhance young people's skills and competences and foster active citizenship. This action complements the existing support for non-formal learning activities, such as youth exchanges bringing together young people from different countries to exchange and learn outside their formal educational system. From 2021 to 2023, EUR 80 million was devoted to this action.
- In line with the Erasmus+ regulation, the 2023 and 2024 Erasmus+ annual work programmes reaffirmed the key role of the programme in strengthening European identity and values and in contributing to a more democratic EU. Entities that are beneficiaries from EU projects have the obligation to commit to and ensure the respect of basic EU values. The implementing documents have strengthened this dimension from 2024 with an award criterion assessing the extent to which the proposal is relevant for the respect and promotion of shared EU values, and a check box on EU values in the application forms.

The international dimension

- After the successful launch of the international actions in 2022, Erasmus+ has now reached its cruising speed. In 2025, our objective is to support around 1 200 international credit mobility projects that aim to provide opportunities to more than 50 000 higher education students and staff to carry out their mobility periods abroad, all around the world. In 2023, through Erasmus Mundus actions, around 108 higher education institutions from 26 countries were involved in developing joint international master's degree programmes. Additionally, 274 capacity-building projects are under way, promoting cooperation among institutions and organisations engaged in higher education, vocational education and training, youth and sport.

Continuing support for Ukraine

- Since the start of Russia's war of aggression against Ukraine, the Erasmus+ programme has been mobilised, thanks to its built-in flexibility, to support projects promoting educational activities and facilitating the integration of people fleeing the war in Ukraine into their new learning environments, along with activities assisting organisations, learners and staff in Ukraine. Participating organisations have been encouraged to focus their activities as they see fit. A focus was placed on key action 1 (mobility) projects, relating to their capacity to support incoming mobility from Ukraine and facilitate the integration of learners and staff fleeing the war in Ukraine.

– In 2025, Ukraine will continue to be a key focus for the programme, and sector-specific priorities have been added, in particular to partnerships for cooperation (key action 2) in the fields of education, training and youth seeking to support those affected by the war. The range of actions in support of Ukraine is expected to be very broad, as there are many different needs in the education sector, on the part of pupils and students, teachers and trainers, and universities and schools, along with non-governmental organisations.

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Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3	X	The project ‘A Digital VET Toolkit for Promoting the 4th Industrial Revolution in the European Health’ aims to develop a digital toolkit by which European vocational education and training trainers and health sector mentors can reach out and assist healthcare professionals and stakeholders to catch up with technologies of the 4th Industrial Revolution.
SDG4	X	The objectives of the project ‘ProuD to Teach All: Professional Development Strengthening Competencies to Teach All Learners in an Inclusive Learning Environment’ are 1. to investigate professional development strategies that are effective, feasible and replicable to make teachers eager to learn to teach all learners, 2. to devise an accessible online inspiration centre that engages teachers to use evidence-based resources, 3. to strengthen teachers’ interprofessional collaboration skills in inclusive networks and to enhance the coaching skills of experienced teachers, school leaders and other senior educational professionals to enable them to lead professional learning communities. Its key message to all European communities is: ‘Everybody can learn, no matter what your family background or initial capacities are. By strengthening your interprofessional collaboration, you can raise each other’s learning potential and make an inclusive pedagogy work’.

SDG5	X	Under the action Capacity Building in Higher Education, the Elevate-HER project strategically focusses on advancing Senegalese female researchers in STEAM fields. The project's primary goal is to prioritise their career development and equip them with essential skills to ensure sustained employability. By empowering these women, the Elevate-HER project aims to provide individually tailored career development plans and necessary tools, fostering the visibility of women researchers. This, in turn, will establish the groundwork for impactful systemic changes at the higher education institution level.
SDG6		
SDG7		.
SDG8	X	The project 'Femme Forward– Fast-tracking women into new tech careers and supporting successful female-led start-ups' is a forward-looking project targeting the low representation of women in digital jobs and start-ups. Through an innovative and comprehensive training programme, women with various backgrounds are empowered to either start a career in tech or employ their experience and knowledge to set up a tech start-up. Femme Forward supports women with various backgrounds with a special focus on: migrants and refugees whose qualifications are not recognised in the EU; professionals and women who want to change careers for better job prospects; young graduates from non-tech degrees who want to move into tech positions; women who have a tech business idea and want to make it a reality; women re-entering the labour market after maternity, etc.
SDG9		
SDG10		

SDG11	X	The project ‘SHARKS – Sustainability Heroes and Restless Knights in School’ aimed at empowering students to become sustainability champions and equip them with the knowledge and skills to build a more sustainable future. The project brought together pupils and teachers from six European countries – Luxembourg, Poland, Italy, Portugal, Spain and North Macedonia. Throughout the project, students learned about the 17 SDGs outlined in the United Nations’ 2030 Agenda. They explored various sustainability challenges, such as climate change, species extinction, waste reduction, and human rights. By understanding these issues, students developed the ability to think critically and take responsible actions for their own lives and the well-being of future generations.
SDG12	X	The European University Alliance on Responsible Consumption and Production (Eureca-Pro) focuses its activities on responsible consumption and production. The project ‘Development of Higher Education Content Aimed to Support Industries for Sustainable Production of Qualitative Agri-food’ aims to modernise Higher Education content for promotion of development of national agro-food production systems, where farm-enterprises will apply internationally recognised good agricultural practices and sustainable agro-business management principles and approaches, thus increasing agro-food production industry effectiveness and competitiveness.
SDG13	X	The project ‘Digitally for Climate (Digi4Clima)’ established international cooperation to contribute to the raising awareness of two global issues – the fight against climate change and digital transformation. It aimed at developing and promoting a digital learning tool on climate change that provides knowledge, raises awareness of environmental sustainability and promotes digital literacy. The tool supports teachers when educating primary school students about the dangerous effects of climate change on earth, developing a caring attitude towards nature, making them become aware of the consequences of their daily actions, encouraging them to live more environmentally friendly.
SDG14		
SDG15		

SDG16	X	Under the action for Capacity Building in Higher Education, the project ‘Academic Alliance for Reconciliation in the Field of Higher Education in Peace, Conflict Transformation, and Reconciliation Studies in the Middle East and North Africa’ aims at building capacity in the field of Higher Education (HE) in Peace, Reconciliation and Conflict Transformation Studies in the Middle East and North Africa (MENA) region.
SDG17		

EUROPEAN SOLIDARITY CORPS

Programme in a nutshell

Concrete examples of achievements

Nearly 550 000	**Nearly 7 000**	**Nearly 3 600**	**Nearly 65 000**
young people have expressed an interest in joining the European Solidarity Corps by registering since the launch of the new-generation programme in 2021.	Projects have received programme grants since the launch of the programme in 2021.	Organisations have participated in projects supported by the programme since its launch in 2021.	opportunities for young people have been created under the programme since 2021.
35%	**63%**		
of participants in the programme since its launch in 2021 have been people with fewer opportunities.	of the total number of programme participants since its launch in 2021 have been women.		

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	1 **015.0**
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	25.4
Total budget 2021-2027	**1 040.4**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The programme finances projects to give young people a chance to take part in solidary activities addressing societal challenges through volunteering or to set up their own solidary projects. It provides supports to young people wishing to engage in solidary activities in a variety of areas, from helping the disadvantaged and delivering humanitarian aid to contributing to health and environmental action across the EU and beyond.

CHALLENGE

The EU is built on solidarity, a shared value strongly felt throughout European society. Solidarity is a fundamental pillar of the European integration project, providing a clear compass to guide EU citizens, and especially the young ones, in their aspirations for a better EU. Many young people wish to engage in solidarity activities. Communities have unmet needs that could be addressed by involving younger generations in such activities, and many organisations engaged in solidarity initiatives are looking for motivated youngsters to help with their efforts. These imbalances of supply and demand require attention.

In the absence of measures to bring organisations and young people together to promote solidarity, there is a risk that a major potential for solidarity activities goes untapped. This could result in an unnecessary welfare loss to organisations, young people and society as a whole. Furthermore, there is room for improvement by simplifying processes and there are efficiency gains to be derived from economies of scale and scope.

Whereas tackling socio-economic issues is primarily the responsibility of Member States, intervention at the EU level enhances the European, cross-border dimension of solidarity, complementing existing national and regional public and private policies, programmes and activities without creating competition or substitution effects. This intervention also helps identify shared challenges, stimulate cooperation and transnational mobility, encourage synergies, and promote the sharing of good practices and mutual learning in addition to supporting an EU-wide approach to social innovation, where there is clear added value to European solutions.

With the COVID-19 pandemic behind, in 2023 Europe continued to be hit by the effects of the Russian invasion of Ukraine and the resulting significant inflow of refugees into the EU as well as continuous high inflation. Moreover, as a direct consequence of climate change, a series of extreme weather events and natural disasters (e.g. floods, large-scale forest fires) affected a number of countries, with many supported projects addressing their consequences.

MISSION

Against this background, the programme brings together young people and organisations to build a more inclusive society, supporting vulnerable people and responding to societal and humanitarian challenges. It offers an inspiring and empowering experience for young people who want to help, learn and develop, and provides a single entry point for such solidarity activities across the EU and beyond.

The general objective of the programme is to enhance the engagement of young people and organisations in accessible and high-quality solidarity activities, primarily volunteering, as a means to strengthen cohesion, solidarity, democracy, European identity and active citizenship in the EU and beyond. It will address societal and humanitarian challenges on the ground, with a particular focus on the promotion of sustainable development, social inclusion and equal opportunities.

The programme offers opportunities, which further energise solidarity between Europeans and mobilise young Europeans to support their local communities, bringing relief to one another during isolation or confinement, including helping older generations gain digital skills to stay connected and offering care for those hardest hit by the crisis. Overall, it enhances the European cross-border dimension of solidarity, complementing existing national and regional public and private policies, programmes and activities without creating competition or substitution effects.

Actions to tackle socio-economic problem areas are primarily the responsibility of the Member States and regions and must be taken closest to the citizens at national and subnational levels. The programme addresses the role the EU has to play in identifying shared challenges, stimulating cooperation and transnational mobility, encouraging synergies, and promoting the sharing of good practices and mutual learning in addition to supporting a Europe-wide approach to social innovation, where there is clear value added for European solutions.

OBJECTIVES

The specific objective of the programme is to provide young people, including young people with fewer opportunities, with easily accessible opportunities for engagement in solidarity activities that induce positive societal changes in the EU and beyond, while improving and properly validating their competences, as well as facilitating their continuous engagement as active citizens

ACTIONS

In order to achieve its objectives, the programme implements its actions structured into two strands.

(1) Participation of young people in solidarity activities:
- volunteering
- solidarity projects.

(2) Participation of young people in humanitarian aid related solidarity activities (‘Volunteering under the European Voluntary Humanitarian Aid Corps’):
- Humanitarian Aid Volunteering projects.

Additionally, the programme supports a series of activities and measures aiming at providing high-quality solidarity activities:

- networking activities
- quality and support measures.

STRUCTURAL SET-UP OF THE PROGRAMME

The programme is implemented directly both by the European Commission, under the leadership of the European Commission's Directorate-General for Education and Culture (which bears the overall responsibility for supervision and coordination), and by the European Education and Culture Executive Agency. The bulk of the programme's activities are implemented through indirect management with the support of a network of national agencies, which brings the programme closer to its target audience, adapting it to the different national systems, and offers the possibility to align it with national priorities.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The programme builds on achievements of the predecessor programme in its first years of existence and on the EU Aid Volunteers initiative, further consolidating efforts to have a single entry point for young people wishing to engage in solidarity activities and extending the scope to cover volunteering activities in support of humanitarian aid operations.

Its inclusion and diversity framework will help further improve access to solidarity opportunities, especially for participants with fewer opportunities. The programme will also give more emphasis to the Commission's priorities and contribute to the EU's sustainable growth and digitalisation.

FURTHER INFORMATION

- Programme website:
  - European Solidarity Corps.
- Impact assessment:
  - *ex ante* evaluation of the programme: https://europa.eu/!ht93mJ.
- Relevant regulation:
  - Regulation (EU) 2021/888 of the European Parliament and of the Council.
- Evaluation:
  - European Solidarity Corps – evaluation of current and former programmes

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	135.7	141.4	144.2	144	146.9	149.8	152.9	1 015.0
NextGenerationEU	0	0	0	0	0	0	0	0
Decommitments made available again (*)	N/A	N/A	N/A					0
Contributions from other countries and entities	11	7	7.4	0	0	0	0	25.4
Total	**146.7**	**148.4**	**151.6**	**144**	**147**	**149.8**	**153**	**1 040.4**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 6.0 million (+ 1%)

compared to the legal basis (*).

(*) Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

– The 2021-2027 financial programming has a rather linear and flat profile with a moderate increase of the programme over the programming period (initially about 2% by year). In 2022 and 2023, the programme received additional budget as a result of the final EU voted budget (EUR 3 million each year). Moreover, and not included in the figures above, in 2023 and 2024, the programme is benefitting from co-delegated funds from Horizon Europe missions, which are topping up the volunteering budget.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	439.9	1 040.4	42.3%
Payments	333.7		32.1%

Voted budget implementation (million EUR) (*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	135.7	135.7	75.0	90.7
2022	141.4	141.4	122.0	99.7
2023	144.2	144.2	120.4	112.9

(*) Voted appropriations (C1) only.

2021-2022-2023

– Following the challenging and complex first year of the new multiannual financial framework, triggered by the late adoption of programme regulations and annual work programmes, combined with the impacts of the COVID-19 pandemic, 2022 aimed to be a decisive year to demonstrate the ability of the programme to enter steadily in cruising speed as regards budget implementation.

– However, 2022 also had its share of unexpected and exceptional challenges. Russia's war of aggression against Ukraine combined with the impacts of quickly rising inflation on beneficiaries required our programmes to adapt and take appropriate measures, both at the operational and budgetary levels.

– In this challenging context, the Commission quickly adapted flexibility measures to allow projects to refocus, on a voluntary basis, parts of their activities to provide short-term support to Ukraine.

– The extremely high inflation rate in the EU in 2021-2022 particularly affects subsistence costs (e.g.; food and housing) for the programme. For this reason, a review of individual support amounts (unit costs) for the grants was applied under the 2023 call:

    • cumulative EU inflation rate in the 2017-2020 period of 5.92% is applied for those actions, which were not yet increased at the start of the programming period;

    • an adjustment of 12.27% based on the comparative increase of the price indices between January 2021 and July 2022 (latest monthly index available).

The proposed adjustment is the start of a more in-depth and comprehensive revision of the applicable rates, based on the impact of the inflation increase.

– In 2022 the programme also strongly contributed to the European Year of Youth. The European Parliament and the Council approved a EUR 3 million reinforcement to the programme for 2022 for activities related to the European Year of Youth. The reinforcement was allocated to certain programme actions dedicated to preparing and carrying out activities in line with the European Year of Youth 2022 such as volunteering activities, solidarity projects, networking activities, European Solidarity Corps Portal developments, etc. 'Solidarity Projects', which allow groups of young people to design and implement their own projects and to deal with issues faced directly by the communities where they live, were the format that benefited most from the budgetary reinforcement as it is an easy-access action format that best reflected the year's objective to empower young people.

– The Commission, together with the European Education and Culture Executive Agency, managed to close 2022 with outstanding budgetary performance, reaching an overall budget execution of 100%, both in commitments and payments appropriations for the EU voted budget available at year end.

– In 2022, we clearly noticed an acceleration of budget implementation in payment appropriations compared to 2021. As a result, reinforcement of credits redeployed from other programmes were needed to cover the payment needs until the year end.

– In 2023, on top of the additional EU voted budget for the 2023 programme (EUR 3 million), the volunteering strand of the European Solidarity Corps was topped up by Horizon Europe missions funds (EUR 16.53 million) to further mobilise young citizens to be active players and vectors of change in climate, environmental and health issues, linked to the goals of the Missions. This connection will help to deliver a systemic change as young people across the EU and associated countries will support the aims

of the Missions through their participation in volunteering activities. This top up is not included in the figures above.

2024

– The 2024 budget will be topped up by EUR 7 253 million from reallocation of internal resources. Moreover, similarly to 2023, thanks to the synergy with Horizon Europe missions, the programme is expected to be topped up by means of co-delegated funds. The exact amount will be known as soon as the Horizon Europe annual work programme is formally adopted.

2025

– The 2025 planned commitment appropriations are aligned with the 2021-2027 financial programming. The estimated needs in payment appropriations for 2025 take into account the acceleration in budget implementation observed in 2023, the past average payment trends and the most recent forecast provided by national agencies. The possibility to co-delegate funds from Horizon Europe to the European Solidarity Corps in 2025 may be explored again during the budget preparation in 2024.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	18.0	15.8	16.5					50.2	5%
Biodiversity mainstreaming									
Clean air									

– The programme contributes to the mainstreaming of climate action by targeting organisations and young people wishing to tackle current societal challenges, including climate action, through projects that benefit people and communities across Europe and beyond. A coefficient of 40% is applied to the relevant projects' budget, in accordance with the EU climate coefficients methodology. Young people between the ages of 18 and 30 can take part in a wide range of solidarity activities, such as tackling societal challenges and supporting vulnerable people, and can contribute to positive change in communities across Europe and beyond, all while gaining valuable skills. Climate action, the environment and nature protection are increasingly popular areas within the programme. A strategic approach towards carbon-neutral and more environmentally friendly post-2020 EU programmes for education, training, youth, sport and solidarity is under preparation. Meanwhile, the programme already supports sustainability and climate action in the following ways:

- supporting projects with the themes of climate action and sustainability;
- assigning a dedicated priority in its specific calls for ‘volunteering teams in high-priority areas’ to climate change and sustainability;
- promoting sustainable awareness among programme participants.

– Since 2021, the programme has supported projects and activities aiming to protect, conserve and enhance natural capital, to raise awareness about environmental sustainability and to enable behavioural changes linked to individual preferences, consumption habits and lifestyles. The programme supports initiatives aimed at preventing and mitigating or repairing the adverse effects of extreme weather events and natural disasters, along with activities that provide support to affected communities in the aftermath of such events or disasters.

– In general, the programme promotes the incorporation of green practices in all projects, regardless of the main focus of their activities. Organisations and participants involved with the programme should have an environmentally friendly approach when designing their activities. Activities contributing to other existing EU initiatives in the area of environmental sustainability (e.g. the New European Bauhaus) are highly encouraged.

– Funding rules have been revised so that from 2024, sustainable travel will become the default option, and the programme will offer stronger incentives for those who travel in a sustainable way. Participants will be encouraged to prioritise green travel as their first choice when planning their trip.

– Combining funding from the programme and Horizon Europe EU missions in 2023 and 2024 will further mobilise young citizens to give their time to climate and environmental projects, along with health projects, linked to the goals of the missions. Creating a connection between the missions and the programme will help to deliver systemic change. The extra budget allocated from Horizon Europe EU missions to the programme addresses the following priorities: green, health, digital, culture, civil security and food bioeconomy.

– - The yearly contribution to climate objectives is based on beneficiary organisations’ applications to receive funding for projects with climate-related topics

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2	12.8	36.0	65.7	114.6
1				
0*	122.9	105.4	78.5	306.8
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender-disaggregated information.

The European Solidarity Corps supports gender equality and encourages women to participate in volunteering and solidarity projects. 63% of the total number of programme participants since the launch of the programme in 2021 have been women, while 37% have been men.

Examples of gender-related projects addressing gender equality can be found on the European Solidarity Corps Platform.

- The programme aims to promote social inclusion by facilitating access by young people with fewer opportunities. In some cases, young people need additional support to face various obstacles such as gender-based discrimination, harassment and gender-based violence. A number of solidarity and volunteering projects address issues such as the promotion of gender equality, the fight against sexual violence, the promotion of LGBTQ+ equality, etc.
- Regarding interventions the principal objective of which is to improve gender equality (score 2), the total yearly contribution to gender is based on beneficiary organisations' applications for receiving funding for projects with gender-related topics (e.g. the promotion of equality between women and men in the fields of arts and sports, fighting violence and discrimination against women and girls).
- Since the beginning of the programming period, 8 321 of the participants with fewer opportunities have been women, representing 62% of this category.
- Regarding interventions with a likely but not yet clear impact on gender equality (score 0*), the total yearly contribution to gender is the difference between the programme budget as indicated in the relevant annual work programme and the yearly contribution to gender, based on beneficiary organisations' applications for receiving funding for projects with gender-related topics.
- Data are provisional, as the final results will only be available upon completion of the projects.
- Due to the specificities of the European Solidarity Corps programme, it is not possible to fully discern the gender contribution from voted budget implementation commitments only. The split presented in the table above represents a pro rata division based on the scores' proportions of the total implementation included in the relevant annual work programmes. This total of EUR 431 million includes administrative credits on top of the voted budget implementation.

Examples of gender-related projects addressing gender equality can be found on the European Solidarity Corps Platform.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	13.8	38.2	32.3	84.3	20%

– The programme aims to help Europeans, regardless of their gender, age and background, to live and thrive in the digital age through projects and activities that help to improve digital skills in general and/or foster digital literacy, and to develop an understanding of the risks and opportunities of digital technology.

– In general, the programme promotes the use of appropriate information, communication and technology tools in all projects, regardless of the main focus of their activities.

– The yearly contribution to digital objectives is based on beneficiary organisations' applications for receiving funding for projects with digital-related topics. Data are provisional, as the final results will only be available upon completion of the projects (normally 2-3 years after they start).

– 2022 saw the launch of the Digital SALTO (support, advanced learning and training opportunities) with the aim of supporting the qualitative implementation of the digital priority in the programme and of bringing the programme and policy closer towards the digital objectives.

– The European Solidarity Corps also supports virtual cooperation and digital education through the European Solidarity Corps portal embedded in the European Youth Portal, which manages the registration and implementation of volunteering and solidarity activities. By the end of 2023, 246 620 new users had registered on the portal and the European Solidarity Corps app had been downloaded more than 21 000 times.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Number of participants in solidarity activities	0	**36%**	185 755 in 2027	66 695 compared to a target of 185 755	Moderate progress
Number of organisations holding a quality label	0	**55%**	5 665 in 2027	3 130 compared to a target of 5 665	Moderate progress
Share of participants with fewer opportunities	0%	**43%**	30% annually from 2022	Milestones achieved for 2021, 2022 and 2023	On track
Share of activities that address climate objectives	0%	**43%**	20% annually from 2026	Milestones achieved for 2021, 2022 and 2023	On track

(*) % of target achieved by the end of 2023.

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– The late adoption of the programme's legal basis delayed the publication of the 2021 call and consequently the selection of proposals for funding. As a result, projects were chosen and contracted later than usual. In addition, many organisations postponed their project activities from 2019 and 2020 until 2021 due to the COVID-19 pandemic. Consequently, some of them did not have the operational capacity to initiate new projects under the new multiannual financial framework (i.e. in response to the 2021 call). In 2021, these factors further exacerbated the lower budget take-up that is typical for the first year of each programming period, i.e. the time needed by potential applicants to adjust to new rules and procedures.

– After 3 years of implementation, we see that the programme's volunteering projects have absorbed the allocated budget to a very large extent, due to the high level of demand by young people for volunteering opportunities. However, we also observe that the number of young people who can be supported with the available budget is lower than initially expected. This is due to a lower-than-estimated take-up of short-term activities, which are less costly, and higher-than-estimated take-up of long-term volunteering activities.

– Short-term activities, which typically last from 2 weeks to 2 months, cost on average about 8 to 10 times less than longer-term activities, which last between several months and 1 year. These activities are designed mainly for young people with fewer opportunities. The original estimations of the budget split between short- and long-term activities was 35% short-term versus 65% long-term, whereas we now observe a split closer to 15% for short-term and 85% for long-term activities. This goes a long way towards explaining the implementation figures (in terms of the number of volunteers). Additional factors influencing these figures are inflation and a more significant uptake of the programme by young people with fewer opportunities, which has exceeded the programme's original ambitions. At the time of the publication of this document, it is too early to report on the performance of the 2021-2027 programme. The ongoing midterm evaluation of the programme is due to be finalised by the end of 2024, and will provide factual input on the programme's performance.

– Rising inflation and overall hosting costs have put increasing pressure on the costs of corps participants. Therefore, the Commission has adjusted the rates of individual support for the 2023 European Solidarity Corps call for proposals, with a focus on supporting individual participants, who are most affected by the increase in the cost of living.

– Under the 2024 call, the Commission has even more thoroughly revised the funding rules in order to improve the programme's inclusiveness and to ensure that volunteers will have full support through their hosting organisations by adjusting the rates to compensate for the impact of inflation.

– This may result in a decreased number of participants in volunteering and solidarity activities, assuming no substantial changes in the budget until 2027. However, such a reduction will partly be mitigated by the co-delegation of Horizon Europe missions funds to European Solidarity Corps, which was implemented in 2023 and 2024. This is a very concrete example of a fruitful synergy between two Commission programmes, and will be further explored in the coming years until the end of the multiannual financial framework.

– Building on past experience, the programme implementation scheme is evolving to become more efficient and to address issues that came up in the previous multiannual financial framework. In 2021, a specific priority, prevention, promotion and support in

the field of health, was added to mobilise volunteers in addressing the impact of the pandemic and the recovery. In 2022, two priorities were added: promoting healthy lifestyles and preservation of cultural heritage. In 2023, inclusion and diversity, environmental sustainability and climate goals, digital transformation and participation in democratic life were added, along with relief for people fleeing armed conflicts and other victims of natural or human-made disasters. The latter will be maintained in 2024, and seconded by fostering positive learning experiences and outcomes for young people with fewer opportunities.

– The programme and its entire community once again showed extreme resilience and adaptability by quickly mobilising to provide relief to Ukrainian residents fleeing the war, along with communities across the EU that offered them a safe haven. With the conflict still ongoing, the programme will continue to contribute to the provision of relief for people fleeing armed conflicts and other victims of disasters such as floods, fires and earthquakes in the coming years.

– Launched in 2022, the European Voluntary Humanitarian Aid Corps is a new centralised action that allows the deployment of young volunteers in non-EU countries. The first call for proposals was published in the 2022 programme guide, enabling organisations that had been awarded the specific quality label to request funding for volunteering opportunities in support of humanitarian aid projects. As 2023 was the first year of implementation, and based on the results of the first two calls, we can make more accurate estimates for the coming years, notably regarding deployment in teams, which is at a much lower level than had initially been expected. In practice, the number of volunteers is now expected to be much lower than the initial estimate, but their deployments are expected to last longer.

– During the active programme, the European Voluntary Service and the European Solidarity Corps were merged to provide better coherence and to address the deficiencies of the previous programmes. Corrective measures were put in place for the new humanitarian aid strand to prevent the low take-up experienced by the corresponding action in the 2014-2020 multiannual financial framework: the EU aid volunteers initiative. Concerning training in particular, a new and much more effective training cycle was devised. Deeper integration with the features of other programme strands was ensured. The deadline for humanitarian aid applications for the 2024 call is in April.

– In 2023, the programme also continued to focus on its four main cross-cutting priorities:

  • inclusion and diversity,

  • digital transformation,

  • environmental protection, sustainable development and climate action,

  • participation in democratic life.

– For example, projects address the social and digital inclusion of people with intellectual and developmental disabilities and young people’s civic engagement in the local decision-making process. In 2023, 43% of the projects addressed climate objectives.

– Besides the dedicated existing support, advanced learning and training opportunities (SALTO) resource centres on inclusion and on democratic participation, other centres were set up in 2022 to support the qualitative implementation of the digital and green horizontal priorities in the programme. The aim of the centres is to improve the quality and impact of the European Solidarity Corps at a systemic level by providing expertise, resources, analysis, information and training activities in specific areas for Erasmus+ and European Solidarity Corps national agencies and other relevant actors.

2014-2020 multiannual financial framework – European Solidarity Corps

The former programme (2018-2020) was aimed at giving young people the chance to take part in a range of solidarity activities that address challenging situations across the EU, such as rebuilding communities following natural disasters and addressing social issues such as social exclusion, poverty and health, and demographic challenges. The programme supported volunteering, traineeships and job placements in a wide range of sectors engaged in solidarity and provided young people with opportunities to set up their own solidarity projects or volunteer as a group.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	352.0	352.2	99.9%
Payments	279.8		79.4%

- The programme started in 2018 for a period of 3 years (2018-2020).
- During the 2018-2020 period, its total budget was consumed at nearly 100% in terms of commitments and at about 79% in terms of payments.
- The late adoption of the regulation in October 2018 delayed the effective start of the programme and consequently the launch of the 2018 and 2019 calls for proposals. This slow take-off affected the implementation of the programme, which was spread over more years than initially planned, and the related payment consumption. Moreover, the COVID-19 pandemic had an impact on the solidarity activities in the last year of the programming period. DG Education, Youth, Sport and Culture granted extensions of the duration for ongoing projects, which also had the technical effect of reducing payments scheduled for 2021, moving them to 2022 and 2023. In some limited cases, the non-receipt of interim reports in time led to a reduced volume of payment appropriations consumed in 2021.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment

Participants in volunteering	0	42%	61 900	25 911 compared to a target of 61 900	Deserves attention
Participants in traineeships	0	5%	11 200	541 compared to a target of 11 200	Deserves attention
Participants in solidarity projects	0	46%	18 900	8 629 compared to a target of 18 900	Deserves attention

(*) Cumulative results for 2014-2020 compared to target.

– The programme builds on the achievements of the European Voluntary Service and on the first phase of the programme, launched in December 2016, whereby different EU programmes were mobilised to offer volunteering, traineeships or job activities to young people across the EU. In 2018, the first programme regulation created a new, coherent framework for solidarity-related activities.

– The programme proved successful in providing opportunities to address horizontal priorities such as inclusion (with more than 30% of participants being people with fewer opportunities) or climate change (13% of projects supported under the programme address climate action, the environment and nature protection). It offered support for projects revolving around a range of solidarity (in the form of individual or team volunteering, traineeships, jobs and solidarity projects) involving young people between 18 and 30 years of age.

– The programme performed well in terms of budget absorption. However, it is now clear that the initial assumptions on targets were inaccurate. The combination of full budget absorption and low participant numbers (44%-46% of relevant target) shows that the cost of supporting individual solidarity opportunities was severely underestimated. The overestimated overall number of participants may be the consequence of an inaccurate estimation of the budget split between short- and long-term activities. The applicants' strong preference for (more costly) long-term activities only became apparent during the implementation of the programme and explains to a great extent the implementation figures (in terms of the number of volunteers).

– The 'Traineeships and jobs' strand, which represented the biggest novelty under the programme, faced additional challenges. The performance targets had been designed with the expectation of a full 3 years of implementation over the 2018-2020 period. The short programme period (end of 2018-2020) had an impact on the possibilities for successful outreach to an entirely new category of stakeholders (potential participating organisations), and the 'Traineeships and jobs' strand did not manage to carve out a niche in the relatively vast range of national and EU tools aimed at improving the employment prospects of young people.

– In terms of participation rates, the number of young people in volunteering and solidarity projects continued to rise. In 2021, the total number of participants from the 2018–2020 calls exceeded 12 000. In 2021 alone, over 3 000 volunteering participants took part in programme activities despite the COVID-19 restrictions. The programme continued to provide relief where possible, for example by providing assistance to elderly people during the pandemic.

– Nearly 280 000 young people from across the EU registered with the programme by the end of 2020.

– The combination of the high number of young people who expressed their wish to engage in the programme (through registration) and 100% budget absorption showed that the programme is relevant for the target groups and – together with positive feedback from stakeholders in the youth and solidarity sectors – led the Commission to propose that the programme should be renewed for the 2021-2027 period.

2014-2020 multiannual financial framework – EU Aid Volunteers

The EU Aid Volunteers initiative brought together volunteers and organisations from different countries, providing practical support to humanitarian aid projects in non-programme countries and contributing to strengthening the local capacity and resilience of disaster-affected communities. The programme incentivised and fostered collaboration and the exchange of knowledge and good practices by building partnerships between organisations in the field of humanitarian aid.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	89.2	89.5	99.7%
Payments	68.2		76.2%

– The EU Aid Volunteers initiative was managed until 2020 by DG European Civil Protection and Humanitarian Aid Operations. During the 2014-2020 period, the total EU budget was allocated at nearly 100% in terms of commitments and at 76% in terms of payments.

The COVID-19 pandemic further affected the already unsatisfactory level of volunteering activities in support of humanitarian aid in the last year of the programming period. A call for proposals was cancelled and extensions of the duration of ongoing projects were granted to beneficiaries, thereby reducing payments scheduled in 2021. The payments appropriation in 2022 and 2023 have served to support final payments of projects and actions implemented by the European Education and Culture Executive Agency.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Number of EU aid volunteers trained	0	32%	4 300 in 2020	1 383 compared to a target of 4 300	Deserves attention
Number of EU aid volunteers deployed	0	27%	4 175 in 2020	1 144 compared to a target of 4 175	Deserves attention
Number of hosting and sending organisations participating in the EU aid volunteers initiative	0	82%	535 in 2020	439 compared to a target of 535	Moderate progress

(*) Cumulative results for 2014-2022 compared to target.

– After the launch of the initiative, the uptake of this new programme was below expectations. For the 2014-2020 period, the EU Aid Volunteers initiative aimed to finance the training of an initial target of 4 400 volunteers and the deployment of 4 000 volunteers, the provision of technical assistance and capacity-building to participating organisations, and the implementation of communication and other support activities. By the end of 2022, 1 192 deployments were financed, amounting to 29% of the initial target, and 788 deployments had taken place.

– The EU Aid Volunteers initiative introduced a thorough certification mechanism that required the sending and hosting organisations to prove that they had procedures and policies in place to achieve the high volunteering standards of the programme. This mechanism did not exist during the pilot phase. Consequently, challenging targets were set in terms of certified organisations and volunteers trained and deployed, which did not produce satisfactory results.

– In light of these issues, the aim to achieve better coherence and synergies with the European Voluntary Service and the programme gave rise to the creation of a new humanitarian aid strand in the European Solidarity Corps (2021-2027 multiannual financial framework), which followed the EU Aid Volunteers initiative. The expansion of the European Solidarity Corps' scope to humanitarian aid in non-EU countries as of 2021 (i.e. taking over the legacy of the EU Aid Volunteers initiative) further confirms the programme's role as a unique gateway for volunteering and other solidarity activities of young people in Europe, improving its visibility and impact across the EU and beyond.

– At the implementation level, the lessons learned from the previous programme have led to significantly simplified access for interested young people and organisations, including better provisions for involving young people with fewer opportunities in the programme. The programme's quality and support mechanisms have also been

enhanced, for example with more training and support options available to the young participants before, during and after their engagement in the programme.

– In order to ensure efficient and effective implementation, the 2021-2027 European Solidarity Corps programme makes maximum use of existing management arrangements already in place in the youth field. This allows a better focus on maximising delivery and performance of the programme’s actions while minimising administrative burden.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3	X	The programme plays an important role in supporting health and social care systems, improving people's experience of care, building stronger relationships between services and communities. Through its activities, it also aims at mobilising volunteers around key health challenges, such as those related to cancer, mental health and wellbeing overall.
SDG4	X	The programme aims, among other things, at developing the skills and competences of participants for professional, social and civic development. In addition, given its strong focus on inclusion, this includes young people with fewer opportunities (35% of total participants since its launch in 2021), including young people with disabilities.
SDG5	X	The programme aims at removing social obstacles for participation of people facing gender-based discrimination, among other reasons. It also supports projects dealing with the issue of gender equality, such as focusing on changing mentalities, sensitising communities to gender and diversity or contributing to breaking down barriers for women's access to employment. For example, Humanitarian aid volunteers can be recruited as gender experts to promote gender sensitivity and mainstreaming of gender considerations in disaster risk management in affected communities.
SDG6		
SDG7		

SDG8	X	All of the programme actions contribute to increase the employability of the young people who participate, as shown by several studies. This is achieved through a combination of outcomes, for example the acquisition of new skills, increased autonomy, increased knowledge of foreign languages. Additionally, solidarity projects can further help the entrepreneurial and innovative spirit of young participants. Finally, the emphasis on inclusion aims to ensure that everyone can reap these benefits, including people with fewer opportunities.
SDG9		
SDG10	X	Through its activities, the programme aims to strengthen cohesion and solidarity. It supports projects and activities actively addressing the issue of inclusion in society. Special attention ensures that activities supported by the programme are accessible to all young people, notably the most disadvantaged ones. To this end, special measures are in place to promote social inclusion, the participation of young people with fewer opportunities, as well as to take into account the constraints imposed by the remoteness of the outermost EU regions and overseas countries and territories. Similarly, the participating countries should endeavour to adopt all appropriate measures to remove legal and administrative obstacles to the proper functioning of the programme. These include – wherever possible and without prejudice to the Schengen *acquis* and EU law on the entry and residence of non-EU nationals – resolving administrative issues that create difficulties in obtaining visas and residence permits.
SDG11	X	Through its activities aiming at addressing societal challenges, the programme supports efforts to promote sustainable development of urban areas, and to protect and safeguard Europe's cultural heritage. In call year 2023, 57 solidarity projects focused on the development of disadvantaged rural and urban areas.
SDG12		

SDG13	X	The programme aims at integrating green practices into all projects and activities, and promoting environmentally sustainable and responsible behaviour among participants and participating organisations. Organisations and participants should thus have an environment friendly approach when designing and implementing their activities. The programme also supports projects and activities addressing the topics of environmental protection, sustainability and climate goals, and aiming to protect, conserve and enhance natural capital, as well as raising awareness about environmental sustainability and enabling behavioural changes for individual preferences, consumption habits and lifestyles.
SDG14		
SDG15		
SDG16		
SDG17		

JUSTICE PROGRAMME

Programme in a nutshell

Concrete examples of achievements

4.9 million	24 208	2.60 million	
exchanges of information occurred in 2023 in the European criminal records information system.	justice professionals were trained in 2022 through the justice programme's financial support for cross-border training activities and thanks to the European Judicial Training Network.	visits were made to the pages addressing the need for information on cross-border civil and criminal cases on the European e-Justice Portal in 2023.	

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	296.8
NextGenerationEU	0.0
Decommitments made available again (*)	N/A

Contributions from other countries and entities	0.0
Total budget 2021-2027	**296.8**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The Justice programme supports a broad range of beneficiaries that play an important role in the development of an EU area of justice. This includes, primarily, members of the judiciary and judicial staff, but also public authorities, academic/research institutes and training bodies, along with civil-society and non-profit organisations.

CHALLENGE

A working EU area of justice and effective national justice systems are necessary for a flourishing internal market and for upholding the common values of the EU. Promoting EU values also means protecting them and ensuring an environment respectful of the rule of law and the independence of the judiciary, with mutual recognition and mutual trust among Member States.

In this context, several challenges persist.

- Judicial cooperation in civil and criminal matters is insufficient and access to justice across Member States remains difficult. Tools for collecting comparative information about the quality, independence and efficiency of Member States' justice systems need to be improved. One major obstacle to mutual recognition and judicial cooperation is a lack of trust in other Member States' judicial systems. There is a need to simplify and digitalise communications, access to procedures and legal information and connection to and between national systems.
- The level of knowledge of the EU *acquis* and of EU instruments needs to be improved across the Member States. However, national training providers tend to invest their resources in training on national law rather than on EU law, and in national training activities rather than in cross-border ones.
- In periods of economic crisis, persistent inequalities and challenges (e.g. migration) test fundamental rights and the EU's fundamental values, including the rule of law, access to justice, space for civil society and the independence of the judiciary.

These challenges are common to all Member States and have cross-border dimensions. While action at the national level is important, it is through EU-level initiatives that inefficiencies, such as insufficient judicial cooperation and the incomplete implementation of EU law, can best be tackled.

MISSION

The justice programme supports the further development of an EU area of justice based on EU's values, the rule of law, and mutual recognition and trust. It facilitates access to justice and promotes judicial cooperation in civil and criminal matters and the effectiveness of national justice systems.

OBJECTIVES

The specific objectives of the justice programme are to:

(1) facilitate and support judicial cooperation in civil and criminal matters, and promote the rule of law, the independence and impartiality of the judiciary – including by supporting the efforts to improve the effectiveness of national justice systems – and the effective enforcement of decisions;

(2) support and promote judicial training, with a view to fostering a common legal, judicial and rule-of-law culture, and the consistent and effective implementation of relevant EU legal instruments;

(3) facilitate effective and non-discriminatory access to justice and effective redress, including by electronic means (e-justice), by promoting efficient civil and criminal procedures and by promoting and supporting the rights of all victims of crime, along with the procedural rights of suspects and accused persons in criminal proceedings.

ACTIONS

The justice programme mainly supports activities for the judiciary and judicial staff by their representative bodies, public authorities and training bodies. It is also open to academic/research institutes and civil-society organisations that contribute to the development of an EU area of justice.

It funds activities to improve mutual trust, cooperation (including through information and communication technology) and knowledge of EU law. It also covers judicial cooperation instruments, the relevant case-law of the Court of Justice of the European Union and comparative law (notably through supporting the European Judicial Training Network). Finally, it assists in the understanding of civil and criminal law and the legal and judicial systems of the Member States, and in recognising potential obstacles to the smooth functioning of an EU area of justice. The programme also supports relevant civil-society and non-profit organisations to ensure that all citizens have adequate access to their services and to counselling and support activities.

In particular, the following types of activities shall be eligible for funding:

- awareness-raising activities;

- mutual learning through exchange of good practices among stakeholders;

- analytical and monitoring activities;

- training for relevant stakeholders;

- information and communication technology, and the development and maintenance of e-justice tools;

- developing capacity of key European-level networks;

- supporting civil-society organisations and non-profit stakeholders active in the areas of the programme;

- enhancing knowledge of the programme and dissemination, transferability and transparency of its results;

- fostering citizen outreach, including by organising forums for discussion for stakeholders.

STRUCTURAL SET-UP OF THE PROGRAMME

The programme is implemented through direct management by the Commission under the lead of DG Justice and Consumers. A limited number of initiatives is usually implemented under indirect management by the Council of Europe.

The justice programme supports the further development of an EU area of justice based on EU's values, the rule of law, and mutual recognition and trust. The Treaty on the Functioning of the European Union (TFEU) establishes the creation of an area of freedom, security and justice, with respect for fundamental rights and the different legal systems and traditions of the Member States. Hence, the competence of the EU in this area is shared with Member States. The creation of a common area requires transnational cooperation mechanisms and networking opportunities, which can typically not be achieved by Member States acting alone. Principles such as mutual trust and mutual recognition of judicial and extra-judicial decisions can be supported more efficiently by action at EU level.

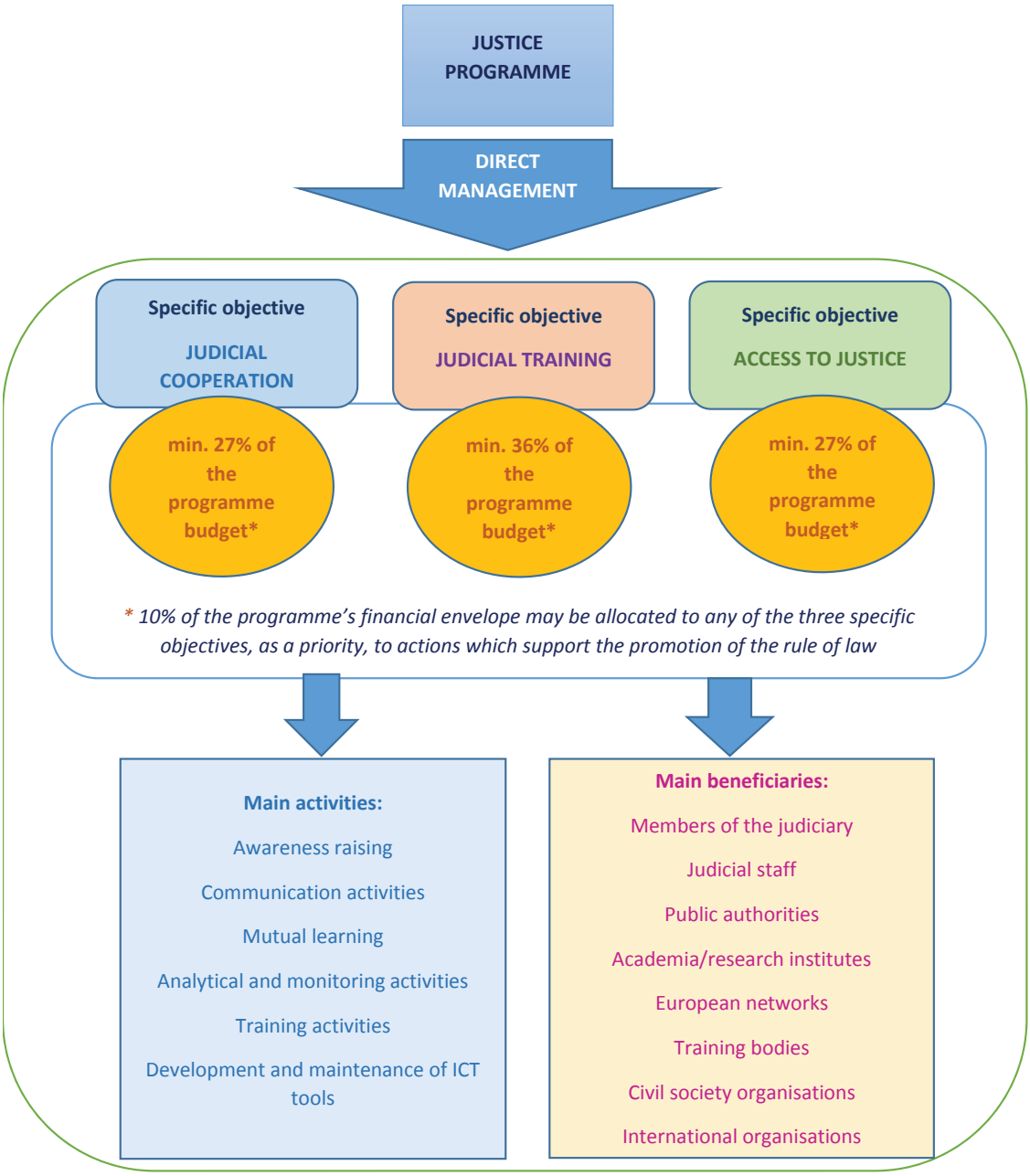
The justice programme is a key player in the area of judicial training where the actual results demonstrate an improvement in the impact of the programme's actions in this field. In addition to this, the justice programme is one of the tools to implement the strategy on European judicial training for 2021-2024.

In the area of victims' rights, the Commission focuses on the implementation of actions under the first-ever EU strategy on victims' rights (2020-2025).

Digitalisation of justice systems is another important objective as part of a new push for European democracy and in line with the political priority of a Europe fit for the digital age. The general objective for 2023-2024 is to implement initiatives identified in the 2020 Commission communication on the digitalisation of justice in the EU and in the 2019-2023 Council e-justice strategy and action plan. This will be accomplished by implementing support actions for digitalisation of justice, introducing new features and enhancements to the European e-Justice Portal, as well as supporting the implementation of e-justice projects, insofar as project initiatives have a European dimension and bring added value.

Consistency, complementarity and synergies exist, in particular, with the following EU instruments: the Citizens, Rights, Equality and Values Programme, the Single Market Programme, the Integrated Border Management Fund, the Internal Security Fund, the Asylum, Migration and Integration Fund, the Digital Europe programme, the Anti-Fraud Programme, the European Social Fund+, the Erasmus+ Programme, the Framework Programme for research and innovation Horizon Europe, the Instrument for Pre-accession Assistance, the LIFE Regulation, the Recovery and Resilience Facility and the Technical Support Instrument. Coordination within the EU legal and policy framework on trafficking in human beings, as relevant, is also ensured. The justice programme supports the implementation of many EU strategic policy initiatives, such as: the European judicial training strategy for 2021-2024, the EU strategy on victims' rights (2020-2025), the Commission communication on the digitalisation of justice in the EU, the 2019-2023 Council e-justice strategy and action plan, the European security union strategy and the EU strategy on the rights of the child.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The justice programme builds on the programme of the same name in the 2014-2020 multiannual financial framework, while reinforcing efforts to promote the rule of law and the digitalisation of justice systems.

FURTHER INFORMATION

Programme website:

Funding and Tender Portal

Justice and Consumers Funding, Tenders

Impact assessment:

The impact assessment of the justice programme was carried out in 2018.

For further information please consult the Proposal for a Regulation establishing the justice programme

Relevant regulation:

Regulation (EU) 2021/693 of the European Parliament and of the Council.

Evaluations:

First part of the ex post evaluation of the 2014-2020 justice programme

The second part of the *ex post* evaluation of the 2014-2020 justice programme is planned in 2024, together with the interim evaluation of the 2021-2027 justice programme. The evaluation aims to provide an independent assessment of the overall performance of the two justice programmes. Its results will help assessing synergies and the value added of the current justice programme and in drawing up recommendations for this multiannual financial framework and for the future funding cycle.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	46.7	43.6	39.8	41.8	41.8	41.7	41.4	296.8
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**46.7**	**43.6**	**39.8**	**41.8**	**41.8**	**41.7**	**41.4**	**296.8**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

– EUR 2.2 million (– 1%)

compared to the legal basis (*).

(*) Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	130.1	296.8	43.8%
Payments	81.7		27.5%

Voted budget implementation (million EUR) ([1]):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	46.7	46.4	21.0	19.2
2022	43.6	43.6	29.5	27.4
2023	39.8	42.2	30.2	33.5

(*) Voted appropriations (C1) only.

In 2023, 3 open calls for proposals took place, with a total budget of EUR 13.3 million. The biennial call JUST-2023-JACC-EJUSTICE, which combines budget from both 2023 and 2024, is still under evaluation. Under these calls, 139 project proposals have been submitted of which 21 projects have

been awarded funding so far. The annual call to support the 15 justice framework partners took also place in 2023.

The 2023 commitment appropriations were used for individual commitments for grants and procurement (35 grants were signed in 2023 from the 2023 calls, for an amount of EUR 23.35 million). At the end of 2023, global commitments were made to sign the remaining grants (17) from the 2023 calls and for procurement activities. 6 grants from the 2022 justice calls remained to be signed in 2023, for an amount of EUR 2.18 million.

The 2023 payment appropriations were used to pay the pre-financing of the grants signed in 2023 from the 2023 calls (35) and from the remaining grants to be signed from the 2022 calls (6) as well as the payments for procurement activities. 12 final payments for an amount of EUR 1.64 million were made in 2023.

The programme's implementation in 2023 run smoothly. The objective of DG Justice and Consumers for 2023 and 2024 is to maintain the level of implementation in the years to come.

Based on the lessons learnt from the past in terms of budget implementation, it was decided to better streamline the calls for proposals when possible. For this reason, in 2023, a biennial call for proposal to support projects in the area of access to justice has been launched. The call merges the previous e-justice and access to justice calls for proposals.

Moreover, with the aim of focusing more on projects' results, lump-sums grants have been introduced for all calls for proposals (except those for operating grants) in 2023.

Under the adopted 2024 budget, EUR 40.6 million are available to support the activities of the justice programme. The 2024 calls for proposals were published in November 2023 and the submission deadlines have been set to allow the yearly budget to be respected, ensuring that all the 2024 calls can be processed on time.

The level of commitment appropriations requested in the context of the draft budget 2025 will be in line with the financial programming of the justice programme (as presented in the 2024 draft budget while accounting for the adoption of any new legislative proposals). The requested payment appropriations for the 2025 draft budget are calculated based on a preliminary planning because the 2025 work programme is currently under preparation. More specifically they include pre-financing for grants to be signed in 2025 stemming from the 2025 calls and for the remaining grants to be signed in 2025 from the 2024 calls as well as final payments for grants signed in previous years (average duration of the action grants is 2 years).

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	0.1	0.1						0.2	0%
Biodiversity mainstreaming									
Clean air									

In general, all of the projects funded under the justice programme must comply with EU policy interests and priorities, including in the environment field. Beneficiaries are always invited to limit the number of people from each co-beneficiary attending in-person meetings, to organise project meetings with partners in blended ways (in person, online and hybrid) and to prefer rail travel when it can be an efficient alternative to air travel.

In 2023, no projects funded under the calls for proposals on judicial cooperation and judicial training focused specifically on climate and the environment.

In 2023, several procurement contracts contributed to the 'do no harm' principle on the basis of their implementation methods (such as online meetings, information technology contracts, web application contracts); no procurement contracts were identified as contributing to climate/environmental goals based on the content.

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2	0.0	0.0	0.3	0.3
1	0.0	5.5	6.9	12.4
0*	46.7	27.9	22.1	96.7
0	0.0	10.2	10.4	20.6

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender-disaggregated information

The programme collects sex-disaggregated data of the target audience as follows.

First, the number of participants (people involved or targeted by projects), disaggregated by gender, is collected through a dedicated form which is filled in by the beneficiaries of all projects.

Second, through the EU Survey on Justice, Rights and Values, the programme collects data that feed sex-disaggregated programme performance indicators. For example, survey data provide an insight into the changing perceptions and behaviours of respondents. The survey is accessible to all participants in funded activities at the following link: https://ec.europa.eu/eusurvey/runner/Justice_2021-2027.

Observations from the disaggregated data

- In 2023, projects funded via grants targeted and reached women and men to almost the same degree. Overall, 46% of people involved and targeted by projects funded via grants were reported as being female and 47% were male. Around 7% were non-binary people. The 1% difference between the number of women and men involved is also small in absolute terms, as the total of people targeted and reached by the justice programme was 2 692 281. Therefore, the data collected show that the projects funded ensure gender-balanced participation, which is essential to achieving gender equality.
- The programme also collects data from the EU Survey on Justice, Rights and Values, which is completed by participants in activities carried out by projects funded under the justice programme. These data provide an insight into the degree of cooperation, changes in perception and changes in behaviour, disaggregated by sex. For the indicators measuring cooperation and changes in perception, a wider gap between women and men can be observed. On the degree of cooperation, 69.6% of male respondents confirm an improvement, compared to 62.8% of female respondents. A change in perception is confirmed by 70% of male respondents and 64.4% of female respondents. By contrast, women and men confirm a change in behaviour to almost the same extent, at 89.5% and 90.6% respectively.

Key achievements

The 2023 calls were systematically gender mainstreamed. Applicants were asked to demonstrate in their proposals how a gender equality perspective was incorporated at the design stage and how it will be ensured during project implementation. They were also asked to outline how gender equality is tracked in their project monitoring and results, and to ensure a gender-sensitive approach to data collection and information dissemination. The justice programme regulation itself supports the gender mainstreaming of calls for proposals via its recitals, which outline that gender equality should be promoted in all funded activities;.

The justice programme takes part in the pilot methodology developed by the Commission to measure the contribution of the EU budget to gender equality. It is important to clarify that the data provided below in relation to grants, which refer to the scores for this methodology (0, 0*, 1 and 2), are based on data collected at the evaluation stage. Moreover, by applying this methodology, 82% of funding from the justice programme in 2023 received a score of 0 or 0*. This reflects the technical thematic focus and nature of the programme, but does not account for the very good achievements of the programme in ensuring that participation in all project activities is gender balanced (as mentioned above), which is essential to the achievement of gender equality. As EU judicial training is one of the three specific objectives of the programme, ensuring gender-balanced participation in the activities offered is crucial. Indeed, equal participation in all spheres of life is an important dimension of gender equality: in the case of education and training, it has also an impact on other key dimensions of gender equality, such as economic independence, access to (and balanced) participation in decision-making, etc. Data on participation in judicial training offered by the European Judicial Training Network in 2023 show that 63% of participants were women and 33% were men, thus confirming that the programme contributes significantly to gender equality in the judiciary across the EU. In addition, mainstreaming efforts relating to grants resulted in more attention being paid by applicants to gender equality, going well beyond only ensuring gender-balanced participation in project activities. In fact, it is worth noting that a good 60% of funds provided under the judicial cooperation call and the justice operating grants in 2023 received a score of 1. Also, for the very first time, a grant was signed in 2023 with a gender score of 2.

While the Commission has also started to introduce a gender perspective in procurement activities, the data are not at the same level of granularity as the data collected for grants. Therefore, the estimate of the procurement activities' gender score is based on their programming. Similarly, data on projects funded via indirect management are also estimated based on their thematic focus.

Part of the programmed budget has been merged for the years 2023-2024. As a consequence, not all of the budget that was financially programmed in 2023 has yet been implemented, and therefore its gender score could not be evaluated. To account for the amount of the budget for which the gender score is still unknown, and taking into consideration the specific objectives of the justice programme, a score of 0* has been used as a default estimate. For the specific objective covering victim's rights, the estimate has been set at 1, as there is a stronger gender focus. Once the budget in question has been implemented, the gender scores will be revisited.

- **Gender score 2**

  The specific objectives of the justice programme are rather technical in nature, and focus on legal instruments and procedures. However, the efforts made to ensure gender mainstreaming in the call documents have contributed to more awareness of the topic. As a result, for the first time, a funded project received a score of 2, which denotes that gender equality is the principal objective. The project in question is funded under the judicial cooperation strand and focuses on the situation of LGBTQ detainees. No procurement or indirect management actions have received a score of 2.

- **Gender score 1**

  About 24% of the funding from grants, or EUR 5.4 million, received a score of 1. Grants funded under the specific objective of judicial cooperation contributed greatly to this score, with EUR 2.2 million from action grants. The operating grants promoting judicial cooperation and access to justice also promoted gender equality to the amount of EUR 2.4 million. This can be explained by the thematic focus, which includes topics such as detention conditions, the rehabilitation of detainees and mutual recognition instruments in family law. No procurement or indirect management actions have received a score of 1.

- **Gender score 0***

  The majority of funds implemented via grants, around 71% or EUR 16.2 million, received a score of 0*. Overall, the judicial training specific objective accounts for nearly two thirds of total funds and significantly impacts this score. A particularly large contribution to this score comes from the operating grant provided to the European Judicial Training Network (EUR 11.2 million), which provides judges, advocates general, magistrates, bailiffs and other judicial practitioners with training on EU law. While such training sessions provide an opportunity to address gender-related issues in judicial proceedings and the interpretation of EU law, this is not their main focus. Almost 10% of funding from procurement received this score. The contributions stem from activities such as awareness-raising campaigns on victims' rights that have the potential to promote gender equality. All indirect management actions have received a score of 0* as they have the potential to promote gender equality, for example by addressing detention conditions, but do not yet systematically integrate a gender perspective.

- **Gender score 0**

  3% of funds from grants, or EUR 0.7 million, were given a score of 0. This indicates a positive change from the previous year, in which some 20% of projects funded via grants received a score of 0. In this context, it should be considered that the budget earmarked for technical projects such as the ECRIS-TCN priority under the judicial cooperation call was much less prevalent, and only two IT projects were funded. In addition, the specific call that focuses on e-justice and the digitisation of justice will only provide funding in 2024. This explains the comparative low share of this score in 2023. Over 90% of funding provided via procurement received a score of 0. This high amount can be explained by the technical and procedural nature of the programme, which mostly funds information technology developers, information technology systems maintenance, the printing of handbooks on legal procedures and meetings of expert groups via procurement.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	6.1	6.6	11.0	23.6	18%

Contributing to the digital transition is one of the objectives of the justice programme.

The justice programme supports:

- actions aiming to improve the effectiveness of justice systems in the EU and facilitate access to justice for all by using electronic means (e-justice);
- actions aiming to achieve the objectives of the Commission communication on the digitalisation of justice in the European Union and the 2019-2023 Council e-justice strategy and action plan by supporting the implementation of e-justice projects at the EU and national levels, as far as they have an EU dimension;
- Member States joining existing or ongoing e-justice projects, such as the digitalisation of the European small claims and European payment order procedures, iSupport, the e-evidence digital exchange system, the European case-law identifier and interconnection with the search engine on the European e-Justice Portal;
- the maintenance of the European e-Justice Portal;
- the development of digital skills for legal professionals and other target groups and the digitalisation of training, in terms of both content and methodology;
- actions developing concrete use cases based on artificial intelligence and distributed ledger technology in the justice area.

Procurement contribution to digital

In 2023, several procurement contracts linked to digitalisation were signed amounting to around EUR 6 million, which was used to finance, among other items, information and communication technology contracts, maintenance of the European e-Justice Portal and other tools, and a 3-day conference on digitalisation of justice.

In addition, the justice programme is constantly monitoring whether and how inflation will impact information technology expenditure under procurement. The budget will be reshuffled if necessary to respond to emerging needs.

Grant contribution to digital

Concerning projects awarded in 2023 that support the development of digital skills for legal professionals or other target groups (always linked to the digitalisation of justice), the following results were achieved.

- Under the 2023 call for proposals for action grants to support transnational projects on the training of justice professionals covering civil law, criminal law or fundamental rights (JUST-2023-JTRA), five projects that are relevant for the digitalisation of justice were funded. For instance, the digitalisation AI project will organise training seminars on various challenges linked to digitalisation and artificial intelligence for judges, prosecutors and lawyers working in the field of EU criminal law. The EU-Baltic project will train judges

and prosecutors in the Baltic countries on digital skills, tools and digital legal databases such as Curia, HUDOC and EUR-Lex.

- Under the 2023 call for proposals for action grants to promote judicial cooperation in civil and criminal matters (JUST-2023-JCOO), seven projects that are relevant for the digitalisation of justice were funded. For instance, the Source project aims to promote judicial cooperation by supporting, particularly, the implementation and practical application of Directive 2014/41/EU in relation to the employment of new technologies in the field of interception and surveillance in transnational investigations. The Ephesus project will promote mutual learning and awareness-raising among judges and prosecutors on the identification of fundamental and procedural rights breaches involving the use of the European Arrest Warrant in online judicial proceedings.
- For e-justice action grants, the justice programme monitors the percentage of co-funded project proposals assessed as 'acceptable' or better (at the final assessment stage) as part of the digital tracking methodology. The e-justice projects funded in 2021 and 2022 have recently reached their end or are still running, and the evaluation of the call JUST-2023-JACC-EJUSTICE is still ongoing; it is therefore not yet possible to provide these data.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Exchanges of information in the European criminal records information system	4.1 million	**82%**	6 million in 2027	4.9 million compared to a target of 6 million	On track
Members of the judiciary and judicial staff who have participated in training activities	0	**> 100%** (**)	15 000 in 2027	24 208 compared to a target of 15 000	On track
Hits on the European e-Justice Portal / pages addressing the need for information on cross-border civil and criminal cases	0	**93%**	2.8 million in 2027	2.6 million compared to a target of 2.8 million	On track
Facilitate and support judicial cooperation in civil and criminal matters: civil-society organisations reached by support	0	**58%**	105 million in 2027	61 million compared to a target of 105 million	On track

and capacity-building activities					
Support and promote judicial training: civil-society organisations reached by support and capacity-building activities	0	**59%**	154 million in 2027	91 million compared to a target of 154 million	On track
Facilitate effective and non-discriminatory access to justice for all: civil-society organisations reached by support and capacity-building activities	0	**38%**	273 million in 2027	104 million compared to a target of 273 million	On track

(*) % of target achieved by the end of 2023.
(**) % of target achieved by the end of 2022.

fter 3 years of implementation of the current multiannual financial framework, running from 2021 to 2027, the main challenges identified in 2023 were the following.

- The COVID-19 crisis continued to have an impact in 2023, even if it was more minor than in previous years. In 2023, 10% of the total signed amendments were still motivated by the implications of the pandemic.
- The sharp increase in inflation continued to have a tangible impact on running grants in 2023. As the EU contribution is fixed, beneficiaries complained that they could not implement all of the activities provided for in their initial grant agreement because inflation was not reflected in the unit costs for travel, accommodation and subsistence. For this reason, the decision on unit costs was revised in June 2023 to try to compensate for the extreme inflation in the price of air travel since 2021. The rates for return air and rail travel above 400 km have increased by 25%. For all other unit costs, a separate review is currently under way that may result in a further amendment of the rates in the near future.
- In 2023, all justice calls (except those of operating grants) switched to lump sums. This change was introduced in order to alleviate the administrative burdens for beneficiaries and to simplify their reporting obligations, while keeping the focus on performance. Since this represented a novelty for the justice programme, a large amount of effort has been put into providing dedicated training for beneficiaries on how to apply and prepare a proposal's budget in line with the new lump-sum system.
- The increased information technology needs (specifically for procurement) and the policy focus on the digitalisation of justice systems are putting pressure on the limited budget of the programme.
- There was an absence of national contact points in the Member States to support the promotion of the programme, make it more visible and increase knowledge about it.

Despite these challenges, the justice programme is performing well and was able to address both ongoing crises (such as the Russian war of aggression against Ukraine) and other emerging priorities (such as digitalisation) within the limits of its competences and budget.

In 2023, the programme continued to provide support to 15 framework partners active in the areas of judicial cooperation in civil and criminal matters and access to justice, and also to support the European Judicial Training Network.

In 2023, the European Judicial Training Network provided a targeted training offer for the Ukrainian judiciary. At the same time, the justice framework partners have been encouraged to take into consideration, in their 2023 work programmes, the specific situation of victims of violence by armed forces fleeing from Ukraine and to address their specific needs inside the EU by supporting, for instance, capacity-building activities documenting violence as a war crime in Ukraine. Moreover, in the call for proposals on access to justice, particular attention was paid to access to information and to the support and protection of victims of war crimes. In addition, additional focus and efforts were required by justice framework partners on improving access to justice through the use of digital tools for all types of civil and criminal proceedings, facilitating the conduct of judicial proceedings through the use of digital tools and increasing awareness and knowledge of the use of the available digital tools. The network was encouraged to include the digitalisation of judicial proceedings (including cross-border proceedings) among its training topics, along with the protection of individuals' rights in the digital space).

A total of 55 civil-society organisations involved in activities funded through the justice programme in 2023 were reached by support and capacity-building activities.

In 2023, the justice programme also continued to support the Council of Europe in setting up a network of prison-monitoring bodies and in the delivery of the *SPACE* report, an annual report on prison statistics providing clear insights into the detention situations in the Member States, which have a direct impact on judicial cooperation in criminal matters. During the year, the programme also supported a new Council of Europe project on child-friendly justice. The objective of this initiative is to improve the general understanding and awareness of the current, factual state of child-friendly justice in the EU and to enhance the effective implementation of EU legal and policy frameworks in this field.

In 2023, around 110 procurement contracts, for a total amount of EUR 13.7 million, were concluded to support key EU policies in the justice field and to support activities such as an awareness-raising campaign on victims' rights, the EU justice scoreboard and various studies.

The justice programme and its actions can contribute to various horizontal priorities at the same time (such as digital and gender). This is supposed to happen more regularly from 2023 onwards, due to the increased focus on digitalisation in all priorities of the calls for proposals and the fact that achieving and improving gender equality in the justice field is a clear objective underlined in the programme's legal basis. The call for proposals on access to justice, currently still under evaluation, is the most suitable for providing good examples of synergies between different horizontal priorities.

Concerning the indicators that measure the performance of the programme, these show that the programme's objectives are generally on track. Specific examples can be seen below.

Indicators for specific objective 1: judicial cooperation in civil and criminal matters

In 2023, the Member States exchanged 4.9 million messages through the European criminal records information system (a decentralised information technology system operated by the central authorities of the EU Member States). This is a positive increase compared to 2022 (4.7 million messages exchanged) and the continuation of steady growth in this area since the post-COVID-19 period.

In 2023, 23 civil-society organisations involved in projects funded under the JCOO 2023 call were reached by support and capacity-building activities. In addition, seven such organisations, active in the area of facilitating and supporting judicial cooperation in civil and criminal matters, that receive an annual operating grant were supported.

Indicators for specific objective 2: judicial training

The justice programme is a key player in the area of judicial training, where the actual results demonstrate an improvement in the impact of the programme's actions in this field. In addition, the justice programme is one of the tools to implement the 2021-2024 strategy on European judicial training.

The year 2022 was significant as, after the years of the pandemic, the majority (62%) of training activities organised were again held face to face.

In 2022, 24 208 justice professionals took part in training supported by the justice programme (around 35.3% of all those who received EU (co-)funded training on EU law that year).

Under the specific European Judicial Training Network annual training programmes, which are also supported via the justice programme, the number of participants increased to 8 101 in 2022 (from 6 829 in 2021).

The cost-to-serve ratio (i.e. the price per person for 1 training day offered by the network) reached EUR 305 in 2022. This was a small increase compared to 2021 (EUR 304). In 2020, the cost-to-serve ration was particularly low (EUR 239) due to the pandemic and the fact that most training had to take place virtually.

The data for 2023 will be available by November 2024, following the preparation of the annual report on European judicial training. In 2023, 27 civil-society organisations involved in projects funded under the 2023 JTRA call were reached by support and capacity-building activities, including the European Judicial Training Network, which receives an annual operating grant.

Indicators for specific objective 3: access to justice

In the area of victims' rights, the programme focuses on the implementation of actions under the first-ever EU strategy on victims' rights (2020-2025).

Twenty-seven victim support services with national coverage have been established so far.

Under the 2021-2027 multiannual financial framework, we monitor only the number of hits on the pages of the European e-Justice Portal relating to cross-border civil and criminal topics, which is only one part of the portal. This gives an indication of the need for information on cross-border civil and criminal matters and of the level of relevance of these web pages favouring greater and easier access to justice by citizens. The European e-Justice Portal is a one-stop shop in justice matters, available in 23 languages. The portal aims to interconnect existing national justice applications, facilitate judicial cooperation and provide information to a wide variety of stakeholders. It should be noted that in 2021, due to a technical issue, the reported 2021 figure did not account for the traffic received during July-September of that year. The data have been updated. The 2024 milestone was achieved and surpassed as early as 2022.

In 2023, five civil-society organisations active in the field of access to justice were supported via an annual operating grant. The call for proposals on access to justice is still under evaluation, and the number of these organisations will therefore increase.

In 2023, around 311 786 people are expected to be reached within the framework of activities organised by projects funded under the justice programme or by justice framework partners. Considering that the JUST-2023-JACC-EJUSTICE call for proposals is still under evaluation, the expected number of people to be reached is expected to be bigger. These data have been extracted from Part C of the proposals awarded for funding in 2023 and are based on estimated values, to be verified at the reporting stage. Data about 2021 and 2022 were also collected in 2023. The total expected number of people to be reached in the first 3 years of implementation of the justice programme under the current multiannual financial framework is around 2 722 131.

As mentioned above, the justice programme's performance is also assessed through the EU Survey on Justice, Rights and Values, which is completed by participants in activities carried out by projects funded under the justice programme. The results from the survey are centrally collected by DG Justice and Consumers. The latest results, based on 2 421 answers received in 2023, show that 74% of respondents assessed the event in which they participated as good or very good. Respondents also indicated 'increased awareness' as the greatest benefit that the event brought to them, followed by 'increased knowledge', 'increased cooperation' and 'increased skills'. More than 65% of respondents indicated that their perception of the topic addressed at the various events has changed, and 90% declared that they are now likely to react differently when confronted with the topic. It is also worth noting that in 2023 the survey showed that the justice programme and its funding opportunities are much better known among key stakeholders – in fact, 76.5% of respondents have heard about available EU funding to further promote a European area of justice. As already mentioned above, having national contact points in the Member States to promote the activities of the programme could be helpful to give even more visibility to the funding opportunities available under the justice programme.

2014-2020 multiannual financial framework – Justice

The justice programme supports a broad range of beneficiaries that play an important role in the development of an EU area of justice. These include, primarily, members of the judiciary and judicial staff, but also public authorities, academic/research institutes and training bodies, along with civil-society and non-profit organisations

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	317.0	318.0	99.7%
Payments	250.8		78.9%

The completion line (legacy line) of the justice programme is used to provide the final payments from past commitments from the previous multiannual financial framework. In 2023, 42 final payments for grants from the 2014-2020 justice programme were paid amounting to EUR 4.55 million. As regards 2024, the payment appropriations will be used to cover the remaining final payments that are still outstanding.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Number of items of exchange information in the European criminal records information system	0.3 million	> 100% (*)	3.5 million in 2020	4.1 million compared to a target of 3.5 million	On track
Judiciary / judicial staff training	0	> 100% (**)	16 000 in 2020	22 423 compared to a target of 16 000	On track
Hits on the e-Justice Portal	0.4 million	> 100% (*)	4.6 million in 2020	4.6 million out of 4.6 million	On track

(*) % of target achieved by the end of 2022.

(**) % of target achieved by the end of 2020.

The outputs from the justice programme in 2014-2020 were closely linked to the Commission's activities relating to preparing, supporting and ensuring the correct implementation of an important number of EU legal instruments in civil and criminal law, improving their enforcement and remedy capacities in Member States and ensuring adequate cross-border and EU-level cooperation.

The proper application of EU law is a key element in allowing EU citizens and business to benefit from that law. This is achieved through both preventive action (workshops, expert meetings, stakeholder dialogues, technical guidelines for national authorities and training of justice professionals financed through the programme) and infringement procedures. The activities funded by the programme resulted in the better implementation and functioning of EU justice instruments (e.g. European Investigation Orders, European Arrest Warrants and surrender procedures, European Protection Orders, European Account Preservation Orders, family law). Analytical activities also helped prepare or accompanied new legislation, and responded to policy changes in the areas covered by the programme.

The justice programme also supported activities relating to the promotion of the rule of law via all its instruments.

The justice programme provided around EUR 330 million between 2014 and 2020 in support of the further development of a European area of justice based on mutual recognition and mutual trust. The main initiatives funded included analytical activities, mutual learning, awareness raising and dissemination activities, training activities and other actions to support the main actors and stakeholders. The programme succeeded in contributing to upholding EU values, such as the rule of law, the independence of the judiciary and the effectiveness of the justice system.

The first part of the *ex post* evaluation carried out in 2022 looked into the performance and results of the 2014-2020 justice programme. The evaluation showed that, despite the effects of the COVID-19 pandemic (which required many beneficiaries to re-design the implementation of their project or to cancel it), the programme has proved its high EU added value and its crucial role in providing financial resources to fund activities in key areas that are not necessarily high on the agenda of the Member States. The evaluation also showed that the relatively high costs of drafting a proposal are outweighed by the even higher benefits of participating in the programme.

Several internal and external factors affected the programme’s effectiveness. The main external factors were the COVID-19 pandemic, the macroeconomic conditions, the refugee crisis and the transposition of EU law by Member States. As for internal factors, the evaluation highlighted that the most salient areas for improvement are the application procedure, the need to provide more guidance and assistance to applicants, the timing of the application cycle which is not always in line with stakeholders’ needs and a better monitoring and results-based reporting systems.

The evaluation also showed that the justice programme created successful transnational partnerships as result of the programme's transnational nature. According to beneficiaries, the partnerships developed through operating grants and action grants funded under the justice programme have increased the capabilities of their respective organisations.

Concerning other areas for improvement, the evaluation highlighted, in particular, the programme’s geographical distribution of resources and the need to include more stakeholders relevant to the programme such as civil society organisations in the area of victims’ rights.

The second part of the ex-post evaluation is planned in 2024 and expected to be concluded in 2025. It will particulary focus on long-term effects and sustainability of the programme.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3	Ensure healthy lives and promote well-being for all at all ages	By supporting organisations working with victims of crime, the justice programme contributes to improved health outcomes.
SDG4		
SDG5	Achieve gender equality and empower all women and girls	The justice programme regulation stipulates in Article 4 that gender equality should be promoted in all funded activities. This is particularly the case for the specific objective ‘access to justice’ that promotes activities which help victims’ rights and helps victims of crime to receive gender-sensitive support. Also the specific objective ‘judicial training’ is important to promote gender equality. Training activities funded by the programme help legal practitioners and judicial staff to build gender expertise and raise awareness of gender aspects when applying and interpreting EU law. More information on the key achievements on gender equality is provided under the section ‘Contribution to gender equality’.
SDG6		
SDG7		
SDG8		
SDG9		
SDG10	Reduce inequality within and among countries	The justice programme supports transnational projects for justice professionals of different Member States. By funding sharing of good practices, training on EU law and awareness raising activities, the programme contributes to the reduction of inequalities and discriminations between EU citizens and among Member States in the justice field.
SDG11		
SDG12		

SDG13		
SDG14		
SDG15		
SDG16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Through the justice programme’s financial support to cross-border training activities and the activities of the European Judicial Training Network 24 208 justice professionals took part in training on EU law in 2023, thereby fostering a common legal and judicial culture. The European e-Justice Portal, established to facilitate access to justice throughout the EU, received 7 million visits in total in 2023.
SDG17		

CERV

CITIZENS, EQUALITY, RIGHTS AND VALUES PROGRAMME

Programme in a nutshell

Concrete examples of achievements

More than 85 000 individuals participated in exchange and mutual learning events funded by the rights, equality and citizenship programme in 2014-2020.	More than 1.5 million individuals took part in training activities funded by the rights, equality and citizenship programme in 2014-2020.	3 105 civil-society organisations have been supported by the citizens, equality, rights and values programme since 2021.	37 European citizens' initiatives were registered between 2020 and 2023.
645 cross-border tools and mechanisms funded by the rights, equality and citizenship programme in 2014-2020 kept going after the end of their rights, equality and citizenship programme project.	At least 31 421 657 people are expected to be reached by 2021-2023 citizens, equality, rights and values programme projects.	93% of participants assessed the event in which they participated in 2023 as good or very good	

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	1 **166.6**
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.1
Total budget 2021-2027	**1 166.7**

(*) Only Article 15(3) of the financial regulation for the years 2025-2027.

Rationale and design of the programme

The citizens, equality, rights and values programme (CERV) seeks to promote the rights and values of the EU.

CHALLENGE

The EU promotes peace and the well-being of its people. It is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of people belonging to minorities. To live up to its vocation, the EU needs to remember and learn from its history and to involve people in strengthening democratic societies.

However, emerging movements challenge the idea of open, inclusive, cohesive and democratic societies and threaten the enjoyment of rights and civic participation. In particular:

- inequality and discrimination on the grounds of sex, racial or ethnic origin, religion or belief, disability, age and sexual orientation still exist, and violence is still a reality in the daily lives of many women, children and other people at risk;
- the rights stemming from EU citizenship – free movement, consular protection and electoral rights – are still not fully implemented, thus hindering citizens' political and societal participation;
- economic crises, rising inequality and new or persisting challenges (e.g. migration) have led some to question the EU's fundamental rights and values, including the rule of law, access to justice, space for civil society and the independence of the judiciary.

These challenges are common to all Member States and have cross-border dimensions. While action at the national level is important, individual Member States do not have sufficient leverage to tackle these challenges on their own. Therefore, concerted efforts at the EU level are required.

MISSION

CERV seeks to protect and promote rights and values as enshrined in the EU treaties and in the EU Charter of Fundamental Rights in order to sustain open, rights-based, democratic, equal and inclusive societies based on the rule of law.

OBJECTIVES

CERV's specific objectives, which correspond to strands, are to:

1. contribute to protecting and promoting EU values by providing financial support to civil-society organisations active at the local, regional and transnational level (EU values strand);
2. promote rights, non-discrimination and equality, including gender equality, and advance gender and non-discrimination mainstreaming; protect and promote the rights of the child, the rights of people with disabilities, EU citizenship rights and the right to the protection of personal data (equality, rights and gender equality strand);
3. promote citizens' engagement and participation in the democratic life of the EU and exchanges between citizens of different Member States, and raise awareness of common European history (citizens' engagement and participation strand);
4. fight violence, including gender-based violence and violence against children and other groups at risk (Daphne: preventing and combating gender-based violence and violence against children strand).

ACTIONS

CERV supports a broad range of organisations that promote and protect EU values and rights, increase awareness of rights, values, principles culture, history, laws and policies, enhance capacity and foster cross-border cooperation and mutual knowledge, understanding and trust. It does also enhance civic participation at EU level (notably the European citizens' initiative – ECI).

CERV supports training, capacity building, the exchange of good practices between Member States' authorities and bodies, and town twinning. It supports the development of knowledge-based EU policies and legislation through surveys, studies and analyses. It also supports capacity development for key EU-level networks (notably the annual work programme of the EU Network of Equality Bodies).

STRUCTURAL SET-UP OF THE PROGRAMME

CERV is implemented mostly under direct management by the Commission, under the lead of DG Justice and Consumers. The implementation of two out of four strands is entrusted to the European Education and Culture Executive Agency. The implementation of actions under the specific objective to protect and promote the rights of persons with disabilities is managed by DG Employment, Social Affairs and Inclusion. The ECI is managed by the Secretariat-General. A limited number of initiatives is implemented under indirect management by international organisations.

The policy challenges identified and addressed by the CERV programme, and in particular the promotion and protection of rights and values, require transnational cooperation mechanisms and networking opportunities, which can typically not be achieved by Member States acting alone. In that respect, action at EU level is needed following the subsidiarity principle and the principle of shared competences between EU and Members States in the area of freedom, security and justice (Article 4 of the TFEU). In many areas, such as equality and non-discrimination or citizenship, individuals are protected by European legislation, but are not sufficiently aware of their rights. Awareness raising actions, exchanges of best practices and training at EU level can help ensuring that persons in all Member States are reached, and that administrative structures/authorities are informed. Moreover, Member States can be supported to ensure consistent interpretation and coherent application of legislative instruments throughout the EU. In the area of rights, equality and, in particular, in combatting violence against women, there is EU-added value to work with national authorities and all stakeholders to find adequate solutions to remaining challenges at European level. EU funding is crucial to support civil society directly.

The programme will ensure consistency, complementarity and synergies with other funding programmes supporting policy areas with close links to each other, in particular with the Justice programme, Erasmus+ programme, the European Social Fund+ as well as with Creative Europe programme. Synergies will be explored and created with other European funding programmes, in the fields of employment and fight against social exclusion, youth, health, citizenship, justice, migration, security, research, innovation, external relations and sustainable development.

The programme supports the implementation of many EU strategic policy initiatives.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP

The expected total budget of EUR 1.5 billion includes top-ups pursuant to fines, including amounts not yet voted on.

Citizens, Equality, Rights and Values Programme

The implementation of actions is directly managed by the Directorate-General of Justice and Consumers (DG JUST). In particular, the implementation of actions under the specific objective to promote and protect the rights of persons with disabilities is managed by the Directorate-General of Employment, Social Affairs and Inclusion (DG EMPL). The Commission delegates powers to implement actions in the Citizens engagement and participation strand and in the Union values stand to the European Education and Culture Executive Agency (EACEA).



Main activities:

- Training
- Mutual learning
- Town-twinning
- Awareness-raising
- Analytical activities /studies
- Development of ICT tools

Main beneficiaries:

- Civil society organisations
- Public authorities
- Human rights bodies
- Universities
- European networks
- Towns and municipalities
- The judiciary
- International organisations

LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

CERV is the result of the merger of two 2014-2020 multiannual financial framework funding programmes, namely the rights, equality and citizenship programme and the Europe for citizens programme, which both had a strong societal focus and were clearly related to EU values. This goal is to bring more visibility, simplification and mutual reinforcement, while acknowledging and maintaining the specificities of the single policies.

FURTHER INFORMATION

– Programme website:
  - Funding and Tender Portal
  - Justice and Consumers Funding, Tenders

– Impact assessment:
    - The impact assessment of the rights and values programme was carried out in 2018;
    - For further information please consult: https://europa.eu/!RX78mN.
– Relevant regulation:
    - Regulation (EU) 2021/692 of the European Parliament and of the Council.
– Evaluations:
    - Evaluation report on the 2014-2020 rights, equality and citizenship programme.

In 2024, the Commission is carrying out the evaluation of the following programmes:

1. The *ex post* evaluation of the 2014-2020 rights, equality and citizenship programme,
2. The *ex post* evaluation of the 2014-2020 Europe for citizens programme, and
3. The interim evaluation of the 2021-2027 citizenship, equality, rights and values programme.

   The results of the evaluation will help assessing synergies between the three programmes and the value added of the new programme architecture, and in drawing up recommendations for the current programme and future funding cycles.

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	98.9	214.9	214.3	219.5	235.3	92.2	91.5	1 166.6
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Total	**99.0**	**214.9**	**214.3**	**219.5**	**235.3**	**92.2**	**91.5**	**1 166.7**

(*) Only Article 15(3) of the financial regulation for the years 2025-2027.



Financial programming:

+ EUR 19.6 million (+ 3%)

compared to the legal basis (*).

(*) Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

This increase consists out of transfers to CERV lines in 2021 by pilot projects and preparatory actions and the European Institute for Gender Equality (EUR 1.8 million), 2022 conciliation (EUR 5.5 million), 2023 conciliation (EUR 3 million) and 2024 conciliation (EUR 4.5 million).

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	528.1	1 166.7	45.3%
Payments	274.6		23.5%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	98.9	97.2	19.3	34.5
2022	214.9	214.9	126.9	140.2
2023	214.3	215.3	126.6	141.0

(*) Voted appropriations (C1) only.

– In 2023 altogether, 11 calls for proposals took place, with a total budget of EUR 150.4 million. Under these calls, 2175 project applications have been received, of which 262 projects have been awarded funding.

– The projects awarded in 2023 will promote equality, including gender equality, and fight against racism, xenophobia and discrimination; and more generally will promote EU values and rights; will implement activities on European remembrance and on citizens engagement as well as on town-twinning, and will aim at preventing and combating gender-based violence and violence against children.

– In 2023, the Daphne strand of the CERV programme benefitted of an envelope of EUR 24.9 million for the call aiming to prevent and combat gender-based violence and violence against children. The purpose of the call was to select and support a limited number of transnational, national or regional actors (intermediaries of the financial support to third parties) who will re-grant and build the capacities of a large number of civil-society organisations active at the local, regional and national level in the field of gender-based violence and violence against children. The cascading grant scheme is a novelty for the Daphne strand. Altogether, 13 projects with intermediaries were selected for funding, which will then granularly reach a great number of grassroots entities and smaller organisations and to guarantee their inclusion in EU-funded projects.

– With a budget of EUR 20 million the programme supported via a dedicated call on equality the fight against racism, xenophobia, discrimination, and other forms of intolerance. The call attracted a record high number of proposals. Due to the high interest from civil-society organisations, public authorities, research organisations and businesses across participating countries many quality proposals competed for funding and many excellent projects could not be funded due to the limited budget available in the strand ‘Equality and rights, and Gender equality’. However, the high interest and competition underpins at the same time the importance of the call and the need to promote equality in Europe. The 44 selected projects champion equality and provide direct support to stakeholders implementing EU equality strategies on the ground, including through innovative actions such as the development of approaches that avoid biases and discrimination in automated decision-making used by public authorities.

– The first ever call for proposals to promote capacity building and awareness on the EU Charter of Fundamental Rights was published in 2022 and attracted high interest from stakeholders. The 2023 call was endowed with a EUR 16 million budget, an eightfold increase compared to 2022, with an extended scope to address new developments and challenges for fundamental rights such as fundamental rights in the digital age and the intersection of hate crime and hate speech with freedom of expression. Altogether, 37 projects have been funded under the call.

– The programme continues providing support to 83 framework partners active in the area of EU values and also to the European Network of Equality Bodies, which was named as beneficiary in the legal basis of the programme. This partnership strengthens the capacity of these organisations and is of key importance to develop evidence-based and impactful policymaking. In 2023, CERV Framework Partners that qualify as European networks started to re-grant funds to their network member organisation, thus amplifying CERV support to civil-society organisations across the EU.

– In 2023, 65 procurement contracts have been concluded for the total amount of EUR 19.4 million to support DG Justice and Consumers activities in promoting equality, rights and non-discrimination. The procurement activities, for example, have allowed to organise workshop on ‘public campaigns for combating hate speech and hate crime’; mutual learning and exchanges of good practices on gender equality; an event on ‘30 years of citizenship rights’, a number of Eurobarometer surveys and many others. In

addition, procurement activities of DG Employment, Social Affairs and Inclusion for about EUR 2 million allowed to carry out a number of activities contributing to ensuring full participation of persons with disabilities and enjoyment of their rights on an equal basis with others. For example, this included support to the organisation of meetings of the Disability Platform and to further development of the Disability Employment Package, one of the seven flagship initiatives of the Strategy for the Rights of Persons with Disabilities (2021-2030).

– In 2023, the Access City Award 2024, recognising leading European cities in terms of accessibility and promoting cities that contribute to improve accessibility following a 'design-for all' approach, went to: San Cristóbal de la Laguna, Spain (first-place winner), Łódź, Poland (second-place winner) and Saint-Quentin, France (third-place winner). Moreover, Tübingen (Germany) was awarded a Special Mention on the New European Bauhaus, and South Dublin County (Ireland) was awarded a Special Mention on Landscape and Playground Areas.

– In 2023, the programme supported several indirect management actions with international organisations. For example, the programme supported a project of the Council of Europe combating anti-LGBTIQ violence and hate speech and strengthening awareness-raising and fact-based narratives about LGBTIQ persons. Another example is support to UNESCO to help combat Holocaust distortion and trivialisation.

– Finally, the programme supported with EUR 2 million the implementation of the ECI in line with the requirements of Regulation (EU) 2019/788, the ECI regulation, by allowing for the maintenance and further development of the IT tools underpinning the management of the ECI (ECI register, ECI Forum, the central online collection system, the modules for administrating the initiatives by the Commission, the module dedicated to organisers and the module dedicated to managing data controller responsibilities). The programme also supported the continuation of the 'EU Take the Initiative' communication campaign with targeted social media and local promotion activities in the Member States, which led to a 37% increase of the traffic to the ECI website (compared to the previous year), 13 new requests for registrations and an increasing number of initiatives having reached the 1 million signatures threshold; 3 successful initiatives were submitted to the Commission for examination, while the Commission adopted 4 replies (to the 3 valid initiatives submitted in 2023: 'Stop finning', 'Save cruelty-free cosmetics' and 'Fur Free Europe', as well as to the 'Save bees and farmers!' ECI submitted in 2022).

– The 2023 commitment appropriations were used for individual commitments for grants, procurement and indirect management (140 grants were signed by DG Justice and Consumers, DG Employment, Social Affairs and Inclusion and the European Education and Culture Executive Agency in 2023 from the 2023 calls, amounting to EUR 74.12 million). At the end of 2023, global commitments were made to sign the remaining grants from the 2023 calls. In 2023, 106 grants from 2022 calls of CERV were signed (DG Justice and Consumers, DG Employment, Social Affairs and Inclusion and the European Education and Culture Executive Agency).

– The 2023 payment appropriations were used to pay the pre-financing of the grants signed in 2023 from the 2023 calls (140 by DG Justice and Consumers, DG Employment, Social Affairs and Inclusion and the European Education and Culture Executive Agency), the pre-financing for the remaining grants from the 2022 calls as well as the payments for procurement activities. 190 final payments for an amount of EUR 7.62 million were made in 2023.

– The programme's implementation in 2023 was very positive and the objective is now to maintain a good level of implementation in the years to come. Under the adopted 2024

budget, there will be EUR 209.5 million available to implement activities under the CERV programme. This amount also includes the additional funds voted by the European Parliament (EUR 4.5 million). The 2024 calls for proposals were published in end 2023 (except three calls run by the European Education and Culture Executive Agency to be published in 2024) and the submission deadlines have been set to allow the yearly budget to be respected, ensuring that all the 2024 calls can be processed on time.

– The level of commitment appropriations requested in the context of the 2025 draft budget will be in line with the financial programming of the CERV programme (as presented in the 2024 draft budget while accounting for the adoption of any new legislative proposals). The requested payment appropriations for the 2025 draft budget include pre-financing for grants to be signed in 2025 stemming from the 2025 calls and for the remaining grants to be signed in 2025 from the 2024 calls as well as final payments for grants signed in previous years (average duration of the action grants is 2 years).

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	0.4	2.9	1.1					4.4	0%
Biodiversity mainstreaming									
Clean air									

– In 2023, the CERV programme supported the horizontal Commission priority on climate by rewarding several additional projects engaging citizens and communities in discussions and action related to our climate and environment under the 2022 call for proposals on citizens' engagement and participation. Further to this, 13 projects supporting the priority on the climate were rewarded under the call for networks of towns. For example, one of these projects, greengaged citizens, is an initiative promoted by the municipality of Pinhel, Portugal, the goal of which is to place municipalities and local entities at the centre of climate action, transforming climate and environmental challenges into opportunities.

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2	22.0	35.7	28.3	86.0

1	68.9	109.9	125.9	304.6
0*	0.0	54.6	47.5	102.1
0	8.0	14.8	12.6	35.4

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Part of the programmed budget has been merged between the years 2023-2024. As a consequence, not all of the budget that was financially programmed in 2023 has been implemented yet, and it could not be evaluated concerning its gender score. To account for the amount of budget for which the gender score is unknown, it is reported at the scores that are most appropriate considering the thematic focus of the budget. As the CERV programme's thematic focus is inherently linked to promoting gender equality, the score of 1 is the default estimate, but this is adapted if necessary. Once the budget in question has been implemented, gender scores will be revisited. This ensures that the budget for 2023 is considered appropriately.

Gender-disaggregated information.

- The programme collects sex-disaggregated data on the target audience as follows.

  First, the number of participants (people involved or targeted by projects), disaggregated by gender, is collected through a dedicated form that is filled in by the beneficiaries of all projects.

  Second, through the EU Survey on Justice, Rights and Values, the programme collects data that feed sex-disaggregated programme performance indicators. For example, survey data provide an insight into the percentage of respondents indicating that they are engaged in civic activities at the local, national or EU levels. The survey is accessible to all participants in CERV-funded activities at the following link: https://ec.europa.eu/eusurvey/runner/CERV_2021-2027.

Observations from the disaggregated data ([96]).

The data collected show that projects selected for funding in 2023 planned to involve and target more women than men (52% vs 45%). The projects estimate that around 3% of the people targeted and involved will be non-binary. Considering the total number of people involved and targeted, as estimated by the selected projects (11 988 147), the higher level of participation of women in the programme, if confirmed, will be significant. At the same time, the higher share of women targeted

([96]) Data referring to action grants are estimates from beneficiaries at the very start of their project. Data do not reflect actual project implementation.

denotes that the programme effectively addresses relevant gender inequalities that underlie the programme's specific objectives.

The EU survey data provide an insight into the shift in perspective and the change in behaviour. In total, and albeit by a small margin, more female respondents indicated that their perspective had shifted (82.8% male, 83.8% female) and their behaviour had changed (83.2% male, 84.3% female). Overall, more female participants also rated the activities funded as being either very good or good. (92.2% male, 93.6% female). The high positive share of both women and men that indicated a shift in perception and behaviour indicates that both sexes were meaningfully involved and targeted by the programme.

Key achievements.

The design of the CERV programme puts the promotion of equality at its heart. In 2023, the programme continued to promote gender equality through all of its strands. Each project financed through grants has been assessed concerning its contribution to the promotion of gender equality and has been attributed a score. The data on grants show that the CERV programme has a strong focus on promoting gender equality, as two thirds of funding from grants received a score of 1 and 2. The Commission has also started to introduce a gender perspective into procurement activities. Gender mainstreaming of procurement was piloted in relation to selection and evaluation criteria, for example via requirements for gender expertise on the project team. Another example is a requirement to ensure a good gender balance when collecting data and interviewing people, because points of view can differ depending on the gender of the respondents. However, the data are not at the same level of granularity as the data collected for grants. Therefore, the estimate of the procurement activities' gender score is based on their programming. Similarly, the contribution of projects funded via indirect management is also estimated based on their thematic focus.

Score 2.

Around 23% of funding provided via grants received a score of 2. Thus, approximately every fourth euro of financing from grants contributes strongly to gender equality. This is especially true for the Daphne strand, with its focus on preventing and combating gender-based violence. Around a third of the organisations funded via operating grants made the promotion of gender equality an essential part of their agenda. European remembrance emerges as another strongly performing policy area with, around 30% of EU funds from the call contributing with a score of 2. This can be linked to the design of the call, which highlights the importance of analysing European history through a gender lens. Specific procurement activities, such as the Special Eurobarometer survey 'Gender stereotypes', also contributed to this score, based on their thematic scope. Around a fifth of the procurement budget has received this score. This is comparable to the performance from grants and reflects the targeted actions funded under the programme. The study on 'Future steps for gender equality and equal economic empowerment of women and men in the EU', conducted by the Organisation for Economic Co-operation and Development and funded via indirect management, received a score of 2. It is the only indirect management action that received this score.

Score 1.

About half of the grants (53%) received a score of 1. These are projects funded under calls for proposals with a thematic focus that is closely intertwined with the promotion of gender equality (e.g. the fight against discrimination from an intersectional perspective). Procurement activities contribute 10% of their total funding to this score. The contribution is linked to the ongoing work

on gender mainstreaming calls for tender that, for example, integrated a gender perspective into the terms of reference for a survey on sentiment of antisemitism within the EU. No indirect management actions have been attributed this score.

Score 0*.

Around 20% of the funds from grants received a score of 0*. The EU charter and litigation call under the EU values strand has a high share of this score. Around every third euro of funding from the call is attributed to this score, and around 25% of total funding from grants under the 0* score come from this call. This high share of the score can be explained by the focus on raising awareness of the Charter of Fundamental Rights of the European Union. Although raising awareness of rights embedded in the charter is linked to gender equality, there is room for improvement to integrate a gender perspective more systematically into this call. Another example that explains this score is funding provided to national contact points. National contact points help raise awareness of the CERV programme and its calls for proposals at national level. While their activities have the potential to promote gender equality, as they may help applicants gender mainstream their proposals, their scope of action is much broader and more can be done on this in the future The majority of funding provided via procurement is attributed a score of 0*, as work is ongoing. Given the thematic focus of procurement activities under the CERV programme, there is the potential to promote gender equality more strongly via procurement. All the remaining indirect management actions received a score of 0*. They have the potential to promote gender equality based on their thematic focus, such as the awareness-raising campaign implemented by the Council of Europe on fighting discrimination and antigypsyism in Member States with larger Roma communities. However, the systematic integration of a gender perspective could not be confirmed.

Score 0.

Finally, about 2% of the funding from grants received a score of 0. This relates to activities that are rather small in their scale and scope, which provide fewer opportunities to meaningfully integrate a gender perspective into projects. An example is projects funded under the call for proposals for networks of towns. These projects primarily focus on cultural exchange between cities and their inhabitants, for example by organising events. As the scope of these events is limited, the opportunities to address gender equality in an extensive way are few. In addition, the programme financed, via procurement, work by information-technology experts that does not have a strong link to gender equality. No indirect management actions have been attributed this score.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	1.1	5.1	1.0	7.2	1%

– The CERV programme contributes to the digital transition by supporting initiatives on (1) innovative democratic approaches and tools, notably digital e-democracy tools; (2) data

protection as a pillar of citizens' empowerment and the EU's approach to the digital transition; and (3) the ECI, by being a catalyst for the use of electronic identification means and enabling citizens' participation by digital means.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Civil-society organisations reached by support and capacity-building activities under the EU values strand	0	**17%**	6 300 in 2027	1 045 compared to a target of 6 300	On track
Civil-society organisations reached by support and capacity-building activities under the equality, rights and gender equality strand	0	**55%**	847 in 2027	463 compared to a target of 847	On track
Civil-society organisations reached by support and capacity-building activities under the citizen's engagement and participation strand	0	**53%**	2 372 in 2027	1 266 compared to a target of 2 372	On track
Civil-society organisations reached by support and capacity-building activities under the Daphne strand	0	**30%**	1 120 in 2027	331 compared to a target of 1 120	On track
Transnational networks and initiatives focusing on European memory and heritage as a result of programme intervention	0	**31%**	1 500 in 2027	462 compared to a target of 1 500	On track

(*) % of target achieved by the end of 2023.

– Since 2021, a total of 3 105 civil-society organisations have been supported by the CERV programme. This number also includes those organisations that have benefited so far from the regranting schemes in place under the EU values strand of the

programme. The performance of the CERV programme regarding support for civil-society organisations is on track.

– Since 2021, at least 31 421 657 people have been reached by CERV projects. These data are based on estimations, and are only partially available due to the ongoing development of e-grants. The data are expected to be updated once the development of e-grants is completed.

– The programme's performance is also assessed through the EU Survey on Justice, Rights and Values, which is filled in by participants during activities carried out by CERV-funded projects. The results of survey are centrally collected by DG Justice and Consumers. The latest results, based on 19 091 answers received in 2023, show that 93% of respondents assessed the event in which they participated as good or very good. Respondents again indicated 'increased awareness' as the greatest benefit the event brought to them, with 'increased knowledge' following closely behind. More than 80% of respondents also indicated that their perception of the topic addressed at the event had changed and they were now likely to react differently when confronted with the topic. It is also worth noting that more than 50% of the respondents highlighted that they are not satisfied with the way democracy works in their country.

– Although some CERV calls had previously operated on the basis of lump sums, in 2023 most CERV calls switched to lump sums. This change was introduced to alleviate the administrative burden for beneficiaries and to simplify their reporting obligations, while keeping the focus on performance.

– The sharp increase in inflation also had a tangible impact on running grants in 2023. As the EU's contribution is fixed, beneficiaries raised concerns that they could not implement all of the activities provided for in their initial grant agreement because inflation was not reflected in the unit costs for travel, accommodation and subsistence. For this reason, the decision on unit costs was revised in June 2023 to try to compensate for the extreme inflation in air travel since 2021. The rates for return air and rail travel above 400 km have increased by 25%. For all the other unit costs, a separate review is currently underway that may result in a further amendment of the rates in the near future.

– The COVID-19 crisis continued to have an impact in 2023, even if it was minor than in previous years. About 15% of amendments were still motivated by the implications of the pandemic.

– The introduction of the new political priorities in the CERV calls for proposals, coupled with a significant budget increase in some calls, was another challenge for implementation in 2023. Therefore, it was crucial to run strong publicity campaigns to ensure that applicants were aware of these new opportunities, which would also contribute to attracting high-quality proposals. Under the EU values call, the development of a risk monitoring strategy and an internal monitoring system for projects providing financial support to third parties was quite challenging, as these initiatives were new for staff and had to be ready early in 2023 for the first projects selected, which were about to start.

– In 2023, stakeholders' knowledge of and skill in using e-grant tools increased substantially in comparison with 2022, but it was still not at full cruising speed. For some specific calls, such as town twinning, dealing with grassroots organisations and small municipalities, the use of e-grants remained a significant challenge for the entire life cycle of the project. Generally speaking, some sub-workflows (i.e. amendments and final reporting) and procedures were new and challenging for many beneficiaries, including in respect of deadlines. It was helpful to increase communication with

beneficiaries and to propose a number of hands-on training sessions, which will continue in the future so as to increase beneficiaries' knowledge of and skill in using e-grant tools.

– Some projects funded under CERV contribute simultaneously to several horizontal priorities, for example to climate and gender equality. For instance, a new initiative called 'Her voice, her power, our future! Women leading the way to sustainability' has been launched, bringing together eight European towns to promote women's empowerment in relation to the 2030 Agenda and ecological transition in Europe. The network will explore concepts such as the Urban Agenda and the role of women in the European green transition to promote a sustainable future for Europe. The main goal of the project is to empower women to participate in civic life and in leadership roles regarding sustainable energy and sustainable resources. The project aims to increase women's involvement in creating local green and sustainable policies and to contribute to the New European Bauhaus initiative and the European Green Deal.

2014-2020 multiannual financial framework – rights, equality and citizenship

The rights, equality and citizenship programme aimed to contribute to the further development of an EU where people's equality and rights are promoted and protected.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	432.5	435.3	99.4%
Payments	366.4		84.2%

– The completion line (legacy line) of the programme is used to make the final payments from past commitments from the previous multiannual financial framework. In 2023, 136 final payments for grants from the old rights, equality and citizenship programme were paid, amounting to EUR 7.2 million. As regards 2024, the payment appropriations will be used to cover the remaining final payments that are still outstanding.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Member States that set up structural coordination mechanisms on the national Roma integration strategies	0	> 100%	26 in 2020	27 compared to a target of 26	On track

(*) % of target achieved by the end of 2022.

– The programme provided around EUR 430 million between 2014 and 2020 in support of initiatives promoting justice and fundamental rights. These initiatives included training

sessions, seminars and mutual-learning events, research and studies, and awareness-raising and media campaigns to the ultimate benefit of EU citizens. The programme succeeded in contributing to the further development of an area where equality and the rights of persons are promoted, protected and effectively implemented.

– The first part of the *ex post* evaluation carried out in 2022 looked into the performance and results of the 2014-2020 rights, equality and citizenship programme. The evaluation showed that, despite the effects of the economic crisis (which led to a general reduction in the amount of national resources and funding available for social and fundamental rights issues), the programme has proved its EU added value and its crucial role in developing a European area of equality and rights. The evaluation also showed that although the benefits of projects' implementation outweigh the costs, the administrative costs are still perceived by beneficiaries on average to be higher in comparison with other non-EU alternatives or with national programmes.

– A complex interplay of internal and external factors hindered the programme's performance at various times. The internal factors mainly relate to difficulties in the application process, the internal capacity of project partners and the type and quality of consortia. Common external factors relate to the impact of external shocks such as the COVID-19 pandemic and the challenge of involving public entities and stakeholders in the activities planned.

– The evaluation found that the success factors in projects under the rights, equality and citizenship programme include the quality of partnerships, bringing together organisations with complementary expertise and covering managerial and coordination skills with experience of working with target groups on the ground. Another element of success is the capacity of the projects to respond to the aims of the calls while also pursuing the longer-term strategies of the implementing organisations.

– As regards the baseline situation, as described in the 2011 impact assessment and the 2015 *ex post* evaluation of the three predecessor programmes (Daphne III, fundamental rights, and citizenship and progress), the evaluation evidence shows that almost all the difficulties identified in the programme were overcome, except for the geographical imbalance, which still persisted.

– The second part of the *ex post* evaluation will be concluded in 2025. It will particularly focus on long-term effects and sustainability of the programme.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3		
SDG4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	The programme supports projects for the inclusion of all to quality education, including minority groups such as Roma youth or people living with a handicap, and organisations promoting lifelong learning opportunities at all ages.
SDG5	Achieve gender equality and empower all women and girls	The programme has equality at its core and promotes equality through all its strands. Under the Citizens' engagement and participation strand, the programme supports gender-sensitive narratives in European Remembrance to help shed light on female voices. Within the Daphne strand, the programme fights gender-based violence and engages men to be advocates for gender equality. The Equality, rights and gender equality strand helps to uncover economic and social inequalities of Europeans who experience discrimination. Under the EU values strand, the programme supported key stakeholder to help civil-society organisations build capacities in their endeavour to fight gender inequality.
SDG6		
SDG7		
SDG8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Via the equality, rights and gender equality strand, the programme supports projects for equal access to work, equal participation in labour market, diversity in public and private sector organisations and the elimination of barriers to career progression in all sectors.
SDG9		

SDG10	Reduce inequality within and among countries	The programme, through transnational projects sharing good practices, trainings and awareness rising activities, contributes to the reduction of inequalities and eliminating discrimination between EU citizens and among countries.
SDG11		
SDG12		
SDG13		
SDG14		
SDG15		
SDG16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Via the citizens' engagement and participation strand and the EU values strand, the programme promotes inclusive society and the rule of law. Funds support entities which contribute to make our common values, rights and equality and rich diversity alive and vibrant.
SDG17	Strengthen the means of implementation and revitalise the global partnership	The programme contributes to the goal, especially through the re-granting call, which aims to build capacity of civil-society organisations and also promotes strong partnerships for the intermediaries.

CREATIVE EUROPE

CREATIVE EUROPE PROGRAMME

Programme in a nutshell

Concrete examples of achievements

1 080 initiatives took place to celebrate reading, in particular among young people, for the first edition of the Day of European Authors, which took place on 27 March 2023.	9 Oscar nominations in 2024 for films supported by the MEDIA strand (*Anatomy of a Fall*, *Robot Dreams*, *Four Daughters*, *Io Capitano* and *The Teachers' Lounge*).	1 802 artists and cultural professionals benefited from mobility in the first round of implementation of the 'Culture Moves Europe' scheme.	103 grants have been distributed by the three EU–Ukraine-led consortia selected by the special call 'support to the Ukrainian refuges and the Ukrainian cultural and creative sectors'.
EUR 25 million is the value of the first agreement with a financial institution signed in 2023 under the MediaInvest equity tool.	744 cities had a cinema promoting European film culture as a member of the MEDIA-strand-supported Europa cinemas network.	1 200 hours of content on the Arte.tv platform, which is available in 30 countries, will be subtitled in English, Italian, Polish and Spanish between 2023 and 2025.	At least 6 254 Audiovisual professionals have been trained thanks to projects supported since 2021.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	2 **236.7**
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	34.9
Total budget 2021-2027	**2 271.6**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

Creative Europe is the European Commission's programme for dedicated support to the cultural and audiovisual sectors. Creative Europe was established in 2014 to integrate three separate programmes, namely Culture, MEDIA and Media Mundus. Since 2014 the programme has three strands:
i) Culture, covering cultural and creative sectors except audiovisual and news media;
ii) MEDIA, covering audiovisual including cinema, TV, video games, immersive content;
iii) Cross-sectoral, covering actions across audiovisual and other cultural sectors, plus, since 2021, support to news media and media freedom.

As per the current legal base, the allocation of budget between the different strands of the programme is the following 58% for MEDIA, 33% for Culture and 9% for Cross-sectoral

CHALLENGE

Cultural and linguistic diversity is a pillar of the European identity and values. European cultural and creative sectors greatly contribute to jobs and growth, and have positive spillover effects on other sectors. Thus the programme fully recognises the dual nature of these sectors.

Over the years the programme has evolved to address the challenges facing the cultural and creative sectors. These sectors face increasing challenges from ongoing digital transformation and unprecedented global competition for audiences, whereas their potential remains unduly constrained by market fragmentation along national lines. Action at the EU level is needed to overcome such fragmentation and brings great benefits by fostering transnational artistic creation, cross-border circulation of content and the mobility of professionals and creators; by incentivising innovation in content, tools and business models; by

facilitating the pooling of knowledge and accelerated learning; and by scaling up to be more competitive in the single market..

Moreover, the aftermaths of the COVID-19 pandemic and the illegal invasion of Ukraine by Russia in 2022 which led to inflation exacerbated the difficulties met by the cultural and creative sectors. Price inflation, coupled with an escalation in production budgets, has led to gaps in financing for organisations and increased the average budget of cultural and audiovisual EU productions. Nonetheless, creative organisations and companies have a potential for high growth, despite their size and often being small organisations or self-entrepreneurs susceptible to precariousness. Ensuring continuous upskilling of the professionals of the sector will be key to competitiveness, notably through entrepreneurial and cross-cutting skills to encourage transformation and innovation.

More specifically news media have been encountering a growing number of media freedom threats all across Europe, and revenues of media outlets are on the decrease, with difficulties in securing sustainable business models. This weakens the media's capacity to safeguard democracy.

MISSION

In a policy field of shared competence, Creative Europe funding complements the funding provided by the Member States.

The EU added value shall be ensured through:

(a) the transnational character of actions and activities;
(b) (b) cross-border cooperation and the potential of such cooperation to address common challenges;
(c) (c) the economies of scale and growth and jobs which EU support fosters, creating a leverage effect;
(d) providing a more level playing field through actions with European added value under the MEDIA strand that take into account the specificities of different countries.

OBJECTIVES

Creative Europe's specific objectives are:

– to safeguard, develop and promote European cultural and linguistic diversity and heritage; and

– to increase the competitiveness and economic potential of the cultural and creative sectors, in particular the audiovisual sector.

More specifically, it aims to:

1. enhance artistic and cultural cooperation at the European level in order to support the creation of European works and strengthen the economic, social and external dimension of and innovation and mobility in Europe's cultural and creative sectors;
2. promote the competitiveness, scalability, cooperation, innovation and sustainability, including through mobility, of the European audiovisual industry;
3. promote policy cooperation and innovative actions supporting all strands of the Programme and to promote a diverse, independent and pluralistic media environment, and media literacy, thereby fostering freedom of artistic expression, intercultural dialogue and social inclusion.

ACTIONS

Under the culture strand, the programme focuses on cooperative artistic projects, platforms and networks to share and promote works and opportunities. It also focuses on internationalisation through the mobility of people and through transnational activities with cultural and creative organisations.

Under the MEDIA strand, the programme focuses on the development and production of high quality and innovative audiovisual content; the strengthening of audiovisual businesses through training, professional markets and networks, support to distribution companies, funding innovative tools and business models; reaching wider audiences through the cross-border distribution and promotion of non-national European works, supporting festivals and a network of European cinemas, and the development of transnational networks and audiences. Cooperation with the European Audiovisual Observatory, the European Media Freedom Board and support to the Audiovisual Media Services Directive are also funded.

Under the cross-sectoral strand, the programme supports policy cooperation, innovation across the cultural and creative sectors, media pluralism, media literacy, cross-border collaborative journalism and standards, and the activities of programme desks.

STRUCTURAL SET-UP OF THE PROGRAMME

The programme is managed by the Commission (jointly by DG Education, Youth, Sport and Culture and DG Communications Networks, Content and Technology), with implementation mostly delegated to the Education, Audiovisual and Culture Executive Agency (publication of calls, evaluation of applications, contracting and financial execution and monitoring of projects).

DG Education, Youth, Sport and Culture and DG Communications Networks, Content and Technology steer the programme through annual work programmes. The document gives an indication of the amount allocated to each action and sets out, where applicable, the overall amount reserved for blending operations. The Directorates-General also monitor and regularly evaluate the programme and supervise the Executive Agency. DG Education, Youth, Sport and Culture is responsible for the Culture strand and DG Communications Networks, Content and Technology for the MEDIA strand. The Cross-sectoral strand is jointly managed.

In accordance with the annual work programmes, the European Education and Culture Executive Agency publishes calls for proposals for projects, ensures their selection and funding and monitors project implementation. Each funded project must contribute to the goals set out by Creative Europe's legal basis.

However DG Communications Networks, Content and Technology manages blending operations in favour of the Media Invest equity platform, under InvestEU as well as a Contribution Agreement with the Council of Europe, on behalf of the European Audiovisual Observatory, and the programme's support to the audiovisual media regulators and newly established Media Freedom Board.

To support the implementation of the programme, the Creative Europe desks, which are financed partly by the programme, serve as local contact points and advise potentially candidates applicants for funding.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

The programme aims to build on the creative Europe programme's 2014-2020 achievements (e.g. it delivered on the strategic EU priorities such as the Europe 2020 employment targets) and scale-up efforts.

FURTHER INFORMATION

- Programme website:
  - creative Europe.
- Impact assessment:
  - the impact assessment of the creative Europe programme was carried out in 2018;

    - for further information please consult: SWD(2018) 290 final – 2018/0207 (COD).
- Relevant regulation:
    - Regulation (EU) 2021/818 of the European Parliament and of the Council.
- Evaluations: Monitoring report 2021-2022 in preparation in 2023 for a planned delivery in June. Final evaluation of the 2014-2020 programme and midterm evaluation of the current programme has been launched with results expected to be published in December 2024.
- An own-initiative report on the implementation of the 2021-2027 creative Europe programme by the European Parliament (rapporteur Massimiliano Smeriglio) was published in December 2023 and adopted on 16 January 2024.
- European Media Industry Outlook – published in May 2023.
- Study on the level playing field in the audiovisual industry – works were ongoing in 2023, to be finalised in 2024. Greening of the creative Europe programme, published in May 2023

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	306.4	406.5	332.8	334.8	352.2	249.4	254.6	2 236.7
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	10.1	13.3	11.5	0.0	0.0	0.0	0.0	34.9
Total	**316.5**	**419.9**	**344.3**	**334.8**	**352.2**	**249.4**	**254.6**	**2 271.6**

(*) Only Article 15(3) of the financial regulation.



Financial programming:

+ EUR 16.0 million (+1%)

compared to the legal basis (*).

(*) Top-ups pursuant to Article 5 of the multiannual financial framework regulation are excluded from financial programming in this comparison.

- The overall budget has been frontloaded, with a third of the creative Europe budget to be committed in the first 2 years of the programme, in order to address the difficult situation of the sector hardly hit by the COVID-19 crisis. In 2022, the creative Europe programme benefited from an overall increase close to EUR 100 million compared to 2021, representing a budget increase of 33% compared to the previous year. Following the financial programming profile, the annual budget for creative Europe returns in 2023 to the regular profile and have a steady but low growth until the end of the programme cycle.
- The difference of budget between the financial programming and the legal basis (EUR 13 million) is due to the additional budget voted in 2022 and 2023 by the budget authority (EUR 5.5 million in 2022 and EUR 7.5 million in 2023).
- The 2024 Creative Europe budget was reinforced by EUR 3 million (EUR 2 million for the culture strand; EUR 1 million for the cross-sectoral strand for news-media-targeted actions) following the conciliation phase between the European Parliament and the Council of the European Union in November 2023.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	1 077.4	2 271.6	47.4%
Payments	667.6		29.4%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	306.4	306.4	56.4	147.5
2022	406.5	406.5	240.7	327.2
2023	332.7	332.8	345.1	281.0

(*) Voted appropriations (C1) only.

– Following the delays in the implementation of the creative Europe programme in 2021 and 2022 due to the late adoption of the new programme and the impacts of the COVID-19 pandemic, 2023 was the year in which the programme reached its regular cruising speed as regards to the budget implementation.
– The measures taken at the beginning of the programme to support the cultural and creative sectors against the consequences of the COVID-19 pandemic continued to be implemented in the supported projects, such as the high-financing rates. As the sanitary situation significantly improved, the decision was taken to reinstate all in-person meetings with the programme stakeholders in 2023.
– In 2023, through a robust budget approach characterised by prudence, adaptability and strategic foresight, DG Education, Youth, Sport and Culture, and DG Communications Networks, Content and Technology together with the European Education and Culture Executive Agency, managed to close the year with outstanding budgetary performance in EU budget for creative Europe, reaching 100%.
– Creative Europe continues at cruising speed for the publication of its calls, with the Annual Work programme 2024 in September 2023 and the majority of its calls published in the autumn.
– In 2023, the budget was reinforced by EUR 7.5 million, reaching a total budget of EUR 332 790 321, divided as follows: culture strand: EUR 102 685 229 (+ EUR 2.5 million);

MEDIA: EUR 180 661 827 (+ EUR 5 million); cross-sectoral: EUR 26 981 060. This budget is a sharp decrease in comparison to the year prior (EUR 406 527 982) as the programme budget had been frontloaded in 2022 to tackle the immediate consequences of the COVID-19 pandemic. This peak of budget allowed for the launch of new actions, such as the 'Culture moves Europe' mobility scheme and MediaInvest, or to reach record numbers of funded projects (168 European Cooperation Projects, the highest number ever reached).

– In the next three years the budget of the programme will increase annually by 5%, 2% and 26% on an annual basis, taking into account the Article 5 revision.

– The factor influencing all sectors is the higher-than-expected inflation rates, which raised the costs of all funded projects. Another development that accentuated the needs of the cultural and creative sectors, in line with the goals of the programme but not provided for in the budget scale in 2018, is the advent of AI solutions to creative activities and the broader uptake of virtual/augmented reality. These two technological innovations are very costly to be adopted and exploited by the cultural and creative sectors, starting from learning the right skills in using these technologies, from production to distribution as well as transforming business models. The growth of global platforms, which heavily invest in AI, increases the investments needed to be competitive.

– Therefore, the programme's budget implementation 2024, and the 2025 budget preparation exercise will be running in an exceptionally challenging context.

– Additionally, as regards MEDIA strand, private investments in audiovisual production at first increased the average budget of a production in the VOD-platform boom of the years before the COVID-19 lockdowns. Then in 2023, there were several decisions by the largest private investors to cut down on production expenses, which does not result in lowering the average budgets, but limiting the number of productions, endangering some jobs in the sector.

– The culture strand sees an ever-increasing number of applications to its actions, and in particular the European Cooperation Projects for which the number of applications submitted rose from 468 proposals in 2021 to 831 in 2023 – a 78% increase. As the budget for this action is rather stable (around 60% of the culture strand budget), this high number of submitted projects impacts the success rate of this action which fell from 26% in 2021 to 17% in the 2023 call.

– In the cross-sectoral strand the creative innovation labs have responded to new priorities such as building virtual worlds (in line with the communication of July 2023 on metaverses). Also the calls on journalism launched in 2021 have been very successful and highly oversubscribed. This reflects how the news media sector suffers from decreasing revenues from advertising and sales, as reported in the European Media Industry Outlook. Additionally, the cross-sectoral strand is expected to onboard two activities in 2025 which were not envisaged in the multiannual financial framework: the Board of European Media Freedom (under the EMFA, agreed in 2023, and the European Digital Media Observatory (central structure).

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

Implementation			Estimates					
2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope

Climate mainstreaming	78.4	98.5	83.9		260.8	12%
Biodiversity mainstreaming						
Clean air						

– In the 2021-2027 programme, ecological concerns are taken into account in the design and implementation of all funded projects, as a cross-cutting issue, in order to reduce their impact on the environment.

– The European Commission published a study on the greening of the creative Europe programme in May 2023, with the objective of enhancing good environmental practices among the programme stakeholders within the framework of the European Green Deal. The study highlighted the willingness of the sector to engage with greening initiatives and will serve as a guide for the years to come. A network of greening contact points among the creative Europe desks (culture strand only) was set up in 2023, and several workshops were organised to build their capacities in this domain.

– The programme does not directly support climate mitigation initiatives; however, environmental sustainability remains one of the priorities of the programme and is referred to in all of its calls.

– The culture strand of the programme continues to co-fund projects encouraging the sector to adopt more environmentally friendly practices and business models. Applicants to the calls for cooperation projects are requested to submit a greening strategy. Furthermore, collaborative efforts within the MEDIA strand are ongoing to set standards for calculating and reducing carbon dioxide emissions within the audiovisual production chain.

– MEDIA and cross-sectoral strands: almost all proposals submitted within the MEDIA strand are requested to provide a strategy to improve the greening of the industry (except for two actions where this is not applicable). Changes implemented in the markets and networks action and the MEDIA 360° action meant that supported events had to start the process of obtaining sustainability certification. This will apply to 49 supported events per year. A focus on greening was also proposed in the talent and skills action, in order to improve greening skills within the audiovisual industry. The results were positive, with additional training funded on greening and sustainability.

– In 2023, the Commission produced a European carbon calculator for audiovisual productions to standardise and compare measurements used across the Member States This tool, which should be delivered in 2025, aims to combine a calculation methodology using data harmonised at the European level together with a web application. It shall be free for use to audiovisual producers in all Member States and will be complement existing national calculators through a ‘plug in’ approach. As the project progresses, there will be regular outreach activities with producers, calculators and stakeholders.

– The programme will step up its action in the years to come to support climate mitigation in the design of its annual work programmes.

– The yearly contribution to climate objectives is based on beneficiary organisations’ applications for funding for projects with climate-related topics.

Contribution to gender equality (million EUR) (*):

Gender score	2021	2022	2023	Total
2	24.8	22.9	14.2	61.8

1				
0*	281.6	383.7	318.5	983.8
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender-disaggregated information.

In MEDIA-funded schemes, women accounted for 40% of the directors and 43% of the screenwriters of films supported in 2023 at the distribution, development or production stages. These numbers are far above the market average.

These levels are similar to the 2022 results.

Creative Europe specific objective 1, indicator 2: number of artists & cultural &/or creative players (geographically) mobile beyond national borders due to programme support, by country of origin (including the proportion of women).

In 2023, the initial results indicated that **53%** of the grantees that had transnational mobility through the programme were women.

However, the data is purely indicative and should be read with a disclaimer.
The result is based on the data provided for 2021 and 2022 from the continuous reporting in eGrants for projects funded under the COOP, LIT, NET, PLAT and PECE calls. The are allocated to the work programme year under which the call was published (there is no data source that would allow allocation of people to the year in which the mobility took place). These data are provisional and indicative at the time of reporting for the following two reasons.

- Many of the projects funded under these years are not finalised, and their numbers will therefore grow.
- A specific key performance indicator data capture module is currently being developed within the eGrants environment, but it was not available at the time of reporting. Once implemented, it will systematically capture the data reported by projects. In the meantime, a manual analysis has been made of the data provided in the continuous reporting to capture the numbers for which the activity was defined as a residency, internship or something similar, and which lasted for 5+ days. The analysis sought to eliminate double counting. However the results cannot guarantee that all mobility has been included, nor that all the data included were from another country, nor that the data represent different people in all instances. Once the key performance indicator module is implemented for

reporting in eGrants (by the end of March 2023), the beneficiaries will make a declaration specifically related to mobility for their projects.

The data obtained for 'Culture Moves Europe' are provisional and report on the first round of implementation of the action (from October 2022 to the end of May 2023). It should be noted that participants in the mobility schemes are not obliged to report their gender. The first data on gender were extracted from 'Culture moves Europe' results only.

Both sets of data have been aggregated to give the number provided in the programme performance statement.

– Under the creative Europe programme, special attention is given to applications presenting adequate strategies to ensure gender balance, which was introduced as a cross-cutting priority in all strands of the programme starting with the 2021 annual work programme.
– The culture strand of the creative Europe programme is anchored in policy development and EU policy cooperation in the field of culture, notably in line with the objectives of the 2018 new European agenda for culture and the 2023-2026 Council work plan for culture. As such, the programme mainstreams the cross-cutting issues of inclusion and diversity through its actions and supports the 2020-2025 gender equality strategy. Special attention is paid to applications presenting adequate strategies to ensure gender balance and a more sustainable and environmentally respectful industry, along with inclusion, diversity and representativeness. A significant number of projects already aim to strengthen gender equality in cultural and creative projects, including mentorship projects, sector-specific evaluations, etc. These projects appear in the yearly creative Europe monitoring report, and their results can be further shared through our supported networks. In addition, beyond this requirement that is applicable to all creative Europe projects, the cooperation scheme includes an explicit inclusiveness priority to encourage projects to focus their objectives and activities on gender issues to explore, test and disseminate innovative gender equality practices.
– Media and cross-sectoral strands: the 2021-2027 strategy for the audiovisual sector envisages further policy development by including gender activities in all EU actions that concern the audiovisual sector. The focus of the strategy has moved from gender alone to the broader concept of diversity. Since 2021, the MEDIA strand has encouraged companies to include gender and inclusiveness strategies in their businesses, and the 2021-2022 evaluations show that almost all applicants are making use of this opportunity to increase the value of their projects and hence contribute to achieving gender balance. Creative Europe applicants are requested to show the action taken in their companies in support of diversity and gender equality. Also, for the first time, in 2022, the training scheme included a module targeting women, based on capacity building and mentoring opportunities.
– Regarding interventions the principal objective of which is to improve gender equality (score 2), the total yearly contribution to gender is based on beneficiary organisations' applications for funding for projects with gender-related topics.
– Regarding interventions with a likely but not yet clear impact on gender equality (score 0*), the total yearly contribution to gender is the difference between the programme's budget as indicated in the relevant annual work programme and the yearly contribution to gender based on beneficiary organisations' applications for funding for projects with gender-related topics.

– Final data will be available upon the completion of projects (normally 2 to 3 years after the start).

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution	104.5	91.2	61.0	256.7	25%

– The legal basis states that creative Europe should contribute to the digital shift of the cultural and creative sectors.

– In the cooperation projects under the culture strand, the digital priority to help the European cultural and creative sectors to undertake or accelerate their digital transition is included as the first or second priority in the project application. Moreover, creative Europe networks also have the objective of helping the European cultural and creative sectors to fully take advantage of new technologies to enhance their competitiveness.

– In line with the media and audiovisual action plan, the MEDIA and cross-sectoral strands have prioritised support for the digitisation of the audiovisual and news media industries.

– Under the MEDIA strand, a number of existing schemes have integrated a strong digital dimension. The talent and skills scheme includes as a priority the strengthening of the capacity of audiovisual professionals to embrace the digital transition. Support is also given to television and online content to facilitate European and international co-productions for exploitation by both digital platforms and TV broadcasters. Also, European video-on-demand networks are supported in their efforts to screen a significant proportion of European works. Both the theatrical and the online distribution of films are funded through the MEDIA strand. Support for film markets and festivals has been adapted to provide assistance to hybrid events online.

– Also, since 2021, new schemes have been established to deepen support for digitisation. The innovative tools and business models scheme supports the promotion and marketing of tools, including online and through the use of data analytics, to increase the reach of European works. The video games and immersive content scheme is dedicated to supporting the development of digital content, including for virtual worlds. Furthermore, a virtual reality / augmented reality industry coalition was established to stimulate cooperation across industry sectors and ensure European leadership.

– Under the cross-sectoral strand, the creative innovation labs encourage innovative approaches to content creation and distribution, taking into account the opportunities of the digital transition, notably virtual worlds. Also, support for news media collaborations has been introduced to address structural challenges, including digitisation, to the production and monetisation of quality journalism.

– The yearly contribution to digital objectives is based on beneficiary organisations' applications for funding for projects with digital-related topics. Data are provisional, as the final results will only be available upon the completion of projects (normally 2 to 3 years after the start).

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress	Target	Results	Assessment
Transnational partnerships created with the support of the programme (artistic and cultural cooperation)	0	**47%** (*)	990 in 2027	465 compared to a target of 990	On track
The number of projects supported by the programme addressed to socially marginalised groups	0	**45%** (*)	279 in 2027	127 compared to a target of 279	On track
The number of participants in learning activities supported by the programme who consider that they have improved their competences and increased their employability	0	**23%** (**)	15 760 in 2027	3 647 compared to a target of 15 760	Moderate progress
The number of people accessing European audiovisual works from countries other than their own and supported by the programme	0	18% (**)	93 million in 2027	17 million compared to a target of 93 million	On track

(*) % of target achieved by the end of 2023.

(**) % of target achieved by the end of 2022.

– When it comes to contribution to horizontal priorities, information is not yet available for 2023. The 2021-2022 results show that EUR 260 million was dedicated to projects contributing to greening, EUR 162 million contributed to digital transformation and EUR 674 million was dedicated to achieving gender equality (including EUR 38 million of projects that had gender equality as their principal objective). This means that gender

priority was present in over 97% of the value of the support. Also, 23% of projects counted by value contribute to the digital transformation and 37% to greening.

– 2023 was the final year of transition from the 2014-2020 creative Europe programme to the 2021-2027 programme. It finally reached its normal pace of implementation with the adoption of the 2023 annual work programme in August 2022. The 2024 annual work programme followed the same calendar of adoption and implementation – adoption in September 2023, with a publication of the calls in autumn. The 2025 annual work programme will follow the same calendar logic, which will be implemented for all the years to come until the end of the current multiannual financial framework. Russia's invasion of Ukraine and its consequences for energy prices and the rate of inflation continued to impact the programme, with an ever-increasing number of requests for support from organisations in the cultural and creative sectors. Moreover, following the earthquake in Syria and Türkiye in February 2023, and upon the request of Türkiye, which as of 2023 was a candidate for participation in the creative Europe programme, the submission deadline for the European cooperation projects call was postponed by 2 weeks.

– To support Ukrainian artists and the Ukrainian cultural sector following the start of the Russian war of aggression, a special call amounting to EUR 5 million was launched under the Culture strand of the 2023 annual work programme. The three selected consortia began to implement their actions in May 2023, and started distributing funding to local projects and organisations in three areas of support: financial support for Ukrainian artists and cultural organisations to create and showcase their art and works in Ukraine and in creative Europe participating countries; actions on the ground helping displaced Ukrainians, and in particular children, to have access to culture to facilitate their integration into their new communities; and capacity building and training for Ukrainian cultural heritage professionals to contribute to the post-war recovery of Ukrainian cultural heritage. Moreover, an amendment to the 2023 creative Europe work programme was voted during the Creative Europe Committee meeting on 28 March 2023 to enable the funding of the creative Europe desk in Ukraine at 100% (normally, the programme co-funds up to 60% of the desk's budget). This full coverage of the Ukrainian desk's activities is also included in the 2024 creative Europe annual work programme, and will continue in 2025.

– In 2023, close to EUR 85 million was allocated to the European cooperation projects, the circulation of European literary works, platforms for the promotion of emerging artists, pan-European cultural entities and networks of cultural and creative organisations. An envelope of EUR 60 million was dedicated to the funding of the cooperation projects, allowing the selection of 138 proposed projects. This budget is a decrease of EUR 9 million in comparison to 2022 (which had selected 169 projects), which may explain, when coupled with the constantly increasing number of applications received for calls under the creative Europe programme (831 in 2023), the decreasing success rate for this call (17% in 2023, compared to 27% in 2021 and 26% in 2022). As of February 2024, 136 projects had signed with the executive agency and two had dropped out during the grant-agreement phase. Several more projects from the reserve lists will be added to the final selection. Regarding the call for literary translations, 41 projects were selected for the call published in 2023. Finally, under the culture strand, the Day of European Authors initiative to encourage reading, in particular among young people, was launched in 2023. For its first edition, more than 1 000 events took place in schools, bookstores and libraries simultaneously on 27 March 2023, while a high-level conference was organised in Sofia, Bulgaria.

– Under the MEDIA strand, 13 calls were published in 2023 (for comparison, 15 were launched in 2022, with a record budget). The calls attracted 1 272 proposals altogether (compared to 1 195 in 2022), of which 60% were successful (69% in 2022) , with varying success rate between the calls – revealing an ever-increasing demand for the MEDIA strand of the creative Europe programme among the audiovisual community. The applicants requested a total of EUR 333 million (compared to EUR 389 million in 2022). This comparably higher rate however is due to the implementation of several actions through automatic schemes. In these cases, the relevant indicator is not the success rate, but the actual demand. In fact, the level of support given is always lower than the amount requested and there is much space for increase of grants value in the automatic calls (e.g. last year the value of grants in automatic European Film Distribution were lowered by 30% due to insufficient funds). In other non-automatic calls for proposals the success rate is often as low as 16% (development calls, innovative business models). Some MEDIA calls (eg. videogames and immersive content) have been more narrowly defined, to avoid massive oversubscription, but as a result they cover a small part of the actual funding needs in these emerging two sectors. There were 626 grant agreements signed for a total of EUR 139 million by January 2024, and another 87 grants are expected to be signed soon based on the evaluations done in 2023, amounting to EUR 26 million. The calls in 2023 covered some actions that are only launched once every 2 years (European festivals, audience development and film education) or every 3 years (subtitling of cultural content), so they will not be repeated in 2024.

– Since 2021, the MEDIA strand has been supporting a long-term innovative support measure for the audiovisual industry: the MediaInvest blending facility. The European audiovisual sector faces several challenges simultaneously: it is highly dependent on public funds; independent European companies are under ever greater competitive pressure from the global competitors to raise their production budgets; and private investors consider the audiovisual industry to be risky and avoid much-needed capital investment. The MediaInvest blending facility aims to encourage private investment in the sector. It blends public funds – from creative Europe, InvestEU and the European Investment Fund – with private investment to obtain commercially viable, European-scale audiovisual projects. The backing of public funds will multiply the effect a private investor can have with their funds, thereby decreasing the perceived risks and allowing the projects to reach the critical scale. It will strengthen the position of independent investors by giving them access to increased capital resources. MediaInvest was launched in May 2022, followed by the publication of a call for expressions of interest addressed to financiers. The call, managed by the European Investment Fund, will remain open until 2027. The first investment agreement, for a value of up to EUR 25 million (expected to raise up to EUR 70 million in equity investment), was presented to the public in September 2023, at the San Sebastian Film Festival.

– Under the cross-sectoral strand, a total of four calls for proposals were launched in 2023 (the same number as in 2022). They attracted 224 applications (compared to 243 the previous year), which requested EUR 147 million in total (similar to the EUR 159 million requested in 2022). The success rates of news media actions were the lowest, especially in 2023 (going down to only 8% from 24% in 2022, because of the increasing demand and the low availability of funding available for news media calls). The ‘Journalism Partnerships’, the main action to support news media, is one of the very few ones, across the whole Creative Europe Programme, for which the number of high-quality projects rejected exceeds the number of projects financed.

– For all strands of the programme, the final evaluation of the 2014-2020 programme and the interim evaluation of the 2021-2027 programme were launched in December 2023, with the objective of being finalised by the end of December 2024. An own-initiative report on the implementation of the 2021-2027 creative Europe programme by the European Parliament (rapporteur Massimiliano Smeriglio) was published in December 2023 and adopted on 16 January 2024. The report praised the good implementation of the programme.

– In 2023, several projects in creative Europe exploited synergies between various horizontal objectives of the framework programmes. The following are examples of such projects.

  • MIAM! An integrated and sustainable real-time computer-generated imagery production pipeline. The main aim of this project is to innovate in the area of three-dimensional animation based on video game solutions, but it also has an interesting greening component. The new method of creating the animation allows users to save on the servers required, minimising the carbon impact. The other aim of the project is to recycle existing animation material to create new content on its basis with a lower carbon footprint.

  • EU youth cinema: Green Deal 2024-2026 is an audience development project aiming at educating an environmentally conscious community of young people. It offers a unique streaming platform, www.euyc.green, which has a strong didactic narrative, with films in six languages and a series of events in 12 countries.

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1		
SDG2		
SDG3	X	The CCS GF financed a study on the social impact of news media in 2021. Results show that healthy, thriving news media ecosystems increase the wellbeing of citizens. Support to cross-border investigative journalism calls started in 2021. Quality journalism, like the projects supported by MEDIA, increases the knowledge diffusion in society and fights the spread of disinformation, thus increasing, for instance, public health (e.g., through informing about the COVID-19 vaccines).
SDG4	X	The Skills and Talents action in MEDIA is an example of promoting lifelong learning – it supports courses/trainings/workshops et al directed at audiovisual professionals to become even better and broaden their skillsets (for example in promoting a film, creating visual effects etc.). This objective is supported as well by support provided to media literacy projects under the cross-sectoral strand.
SDG5	X	As described in the cross-cutting issues of the programme – Gender equality section. For example the films supported under MEDIA with Films on the Move show a higher share of key female creators than is average in the market. Several projects funded under the European Cooperation Projects scheme are relevant to this sustainable development goal, in particular the one addressing gender inequalities in the cultural and creative sectors. Creative Europe networks of cultural and creative organisations also contribute to the sharing of good practices promoting gender equality in the sector.
SDG6		
SDG7		

SDG8	X	Through the supported provided to artists and cultural professionals in the creative Europe programme, Creative Europe Promote sustained inclusive and sustainable economic growth, full and productive employment and decent work for all. For example, the European Platforms for Emerging artists promote fair, inclusive, and diverse frameworks supporting emerging artists careers. Platforms must develop in their strategies effective ways to ensure and promote better working conditions and fairer remuneration, skills' development, and life-long learning as well as artistic freedom. The Media strand of Creative Europe aims to enhance the competitiveness of the audiovisual sectors, thus directly contributing to economic growth. This is a cross-cutting objective. MEDIAinvest, for example, is a new blended investment tool (blending funds from MEDIA and InvestEU) designed to bridge the financial gap in the audiovisual sector.
SDG9		
SDG10	X	All actions of creative Europe have an international collaboration aspect. Especially MEDIA has an action that through cascade grants benefits coproductions with developing countries (under 360 action). On the European scale, MEDIA introduced an array of measures to make sure that there is a level playing field for audiovisual professionals from all countries and small-capacity countries are encouraged to enter into collaboration with high-capacity countries (especially through Co-development). Since 2021 there have been at least 498 collaborations under MEDIA involving partners from a low-capacity and a high-capacity country.
SDG11	X	In the 2022 creative Europe work programme, the creative innovation labs call had a special angle: the projects should contribute to the New European Bauhaus framework for inclusive and sustainable product and experience design. The programme also develops synergies with the New European Bauhaus with projects such as the medium-scale European Cooperation projects 'ARCH-E, European Platform for Architectural Design Competitions' aims to promote high-quality architectural solutions for the built environment by increasing the use of architectural design competitions in Europe

SDG12	X	See cross-cutting issues section – Environmental requirements/ The programme promotes green solutions, especially on the supply side – through bonus points possible to obtain in applications for having sustainable working modalities (in MEDIA). Also, MEDIA is preparing a carbon calculator translation tool to make it easier for co-producers to comply with different carbon regulation regimes (in progress in February 2024).
SDG13		
SDG14		
SDG15		
SDG16	X	Creative Europe decides on the distribution of the grants on merit base and transparently. Audits are put in place across the programmes overseen by the European Commission and other implementing institutions. The work programme each year is accepted by Member States. The access to the programme is encouraged through a network of country desks, who reach out and explain to potential applicants how to apply. Also, CE funded an online tool – CulturEU- for the convenience of potential applicants from cultural and creative sectors to check funding possibilities for them going beyond creative Europe.
SDG17	X	The MEDIA strand supports co-production funds located in the EU aimed at cooperating with film institutions in developing countries. With the support from the MEDIA strand in 2014-2020 they supported 114 co-productions between EU and developing countries partners in production and 83 in distribution.

COMMUNICATION

FINANCIAL INTERVENTION OF THE COMMUNICATION POLICY AREA

Programme in a nutshell

Concrete examples of achievements (*)

1 910 political reporting products were provided by the Commission's representations, covering reactions on EU topics in all Member States in 2023.	1 359 audiovisual products (messages, interviews, statements, clips) were provided to the College of Commissioners in 2023.	92% of the users were satisfied with the answers received from the Europe Direct Contact Centre in 2023.	1.5 million visits to anti-disinformation webpages, including positive communication on related topics, were registered in 2023.
46 500 people visited the visitors' centre (including virtually) in 2023.	11 306 information and engagement activities were performed by the EUROPE DIRECT centres in 2023.	34% of the target audience was able to recall the messages of corporate campaigns in 2023.	62 seconds was the estimated actual YouTube engagement time in 2023, based on YouTube Analytics data.

(*) Key achievements in the table state which period they relate to. Some come from the implementation of the predecessor programmes under the 2014-2020 multiannual financial framework. This is expected and is due to the multiannual life cycle of EU programmes and the projects they finance, where results often follow only after completion of the programmes.

Budget for 2021-2027

(million EUR)

Financial programming	766.3
NextGenerationEU	0.0
Decommitments made available again (*)	N/A
Contributions from other countries and entities	0.0
Total budget 2021-2027	**766.3**

(*) Only Article 15(3) of the financial regulation.

Rationale and design of the programme

The activities support the Commission's political, corporate and interinstitutional communication of EU policies and help the Commission and the EU to achieve a better image.

CHALLENGE

To be effective in its policy making, the European Commission has to connect with citizens across all of the Member States to make them aware of its headline ambitions and to give them a way to feed their concerns and ideas into EU policymaking. One of the main, overarching challenges is to combine sustained up-to-date communication, on the medium- and long-term political priorities in all relevant channels, while ensuring proactivity and reactivity in crisis communication, notably countering foreign misinformation and disinformation narratives across a variety of crisis topics.

Connecting and clearly communicating with citizens is even more crucial in the face of the challenges confronting the EU, such as the economic recovery, the response to Russia's war of aggression against Ukraine, the phasing-out of dependency from Russian fossil fuels and the strengthening of the EU's competitiveness and strategic autonomy.

In view of the wide-ranging scope of the communication needs, an ambitious communication effort is necessary at the Commission level, to complement and reinforce communication actions on European topics carried out at the national, regional and local levels.

MISSION

Directorate-General (DG) Communication, as a corporate communication service, brings the EU closer to its citizens by:

- listening: providing intelligence to the College, cabinets and services;
- advising: ensuring coherence in communication and domain leadership;
- engaging: reaching out to and engaging with citizens.

OBJECTIVES

DG Communication pursues the following five specific objectives.

4. The College and services use country-specific intelligence, Eurobarometer results, media analysis and feedback from stakeholders/citizens to inform political decision-making.
5. The College receives strategic advice on communicating the political headline ambitions and on media landscapes in the Member States.
6. Corporate communication of the Commission's headline political ambitions is aligned across its departments.
7. Meaningful and tailored messages, focused on the Commission's headline political ambitions, are communicated to citizens, media, multipliers and stakeholders.
8. Citizens engage with the EU through face-to-face events and online interactive platforms, such as the Conference on the Future of Europe, thus stimulating the sharing of EU values and interest in and ownership of EU topics.

ACTIONS

DG Communication pursues the above objectives through a variety of actions, including:

- providing executive and corporate communication services to the President, the College, the Spokesperson's Service, Commission senior management and the Commission's external communication domain;
- engaging with national, regional and local authorities, media, stakeholders and citizens in general through the Commission's representations in the Member States;
- crafting communication products and services directly addressed to citizens via traditional and new media channels, along with face-to-face exchanges.

STRUCTURAL SET-UP OF THE PROGRAMME

DG Communication is the lead DG for implementing the external communication activities described above. Its communication activities are implemented through direct management and grants, within the Commission's political autonomy and the institutional prerogatives.

Along with its executive and corporate communication tools and its wide array of communication services directly addressing European citizens, DG Communication can count on its network of Commission representations that act as the eyes, ears, and voice of the Commission in the Member States.

VISUAL REPRESENTATION OF THE STRUCTURAL SET-UP



LINK TO THE 2014-2020 MULTIANNUAL FINANCIAL FRAMEWORK

Communication activities are financed by the Commission under its prerogatives. Throughout the 2014-2020 multiannual financial framework, DG Communication was under Title 16 of the Commission budget. Under the 2021-2027 multiannual financial framework, communication activities are included within heading 2 'Cohesion and values', under policy cluster 7 'Investing in people and values'.

Compared to the previous (2014-2020) multiannual financial framework, under the current framework, DG Communication resources have been partly reoriented towards more future-oriented, innovative communication services where the Commission needs to be up to speed with the constantly evolving communication industry and the ever-faster reactions in the communication environment.

Examples include the launch of the new Europa website (with special focus on ensuring web accessibility and increasing multilingual content), increased audiovisual production, intensified social media presence (at headquarters and in the representations) and more state-of-the-art graphic design. New needs have arisen in the fields of data analytics as, in particular in the fake news context, it is crucial to enhance the Commission's rebuttal and myth-busting capacity. Also, new needs emerged in core businesses like citizen engagement activities, online consultations or the visitors' centre (which has been revamped and modernised) and the Experience Europa information points (for example the new 'Experience Europe' digital exhibition at Rond-point Schuman 14 in Brussels, which offers visitors a virtual and immersive reality experience).

It is worth noting that the above-mentioned communication tools serve as vessels of changing content, regularly modified and adapted to reflect (geo-)political / economic / societal changes.

FURTHER INFORMATION

- Programme website:
    - Communication
- Impact assessment: N/A
- Relevant regulation:

  Tasks result from the European Commission's prerogatives at the institutional level, as provided for in Article 58(2) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union.
- Evaluations:

In 2023, DG Communication concluded three studies: the "Study on the Building Europe with Local Councillors Network" (BELC), the "Europe by Satellite – study on editorial policy' and the "Study on DG COMM's omnichannel digital communication".

The **"Study on the Building Europe with Local Councillors Network"** provides an assessment of the BELC project in its early stages highlighting strengths and points for development as well as its potential and capacity to strategically support the Commission in communicating the EU at the local level. The key lessons learned are shown below.

1) As regards the project's effectiveness, the initiative was found to be effective overall in meeting its objectives and significant potential for growth in network coverage in the future.
2) In terms of efficiency, the study concluded the BELC project to date represented a reasonable value for money, with costs that are proportionate to the main project outputs.
3) The study identified overlaps between BELC and the Committee of Region's European Network of Regional and Local Councillors. These networks were seen by the stakeholders as performing similar functions and thus local councillors may not see the value of engaging in both initiatives.
4) In terms of relevance, the majority of BELC members felt that BELC services and materials were relevant to them and their constituents.
5) The project provided significant EU added value by offering a platform for local councillors to connect, share knowledge, and improve their understanding of the EU. It was found to have substantially increased members' access to EU information materials and their ability to communicate effectively on EU topics.
6) As regards the sustainability criterion, the project showed it could sustain long-term impacts through several means, such as developing new partnerships and/or start cooperating with other councillors or developing skills that could help them in the future.

The above findings will be taken into consideration when deciding the future of BELC project.

The objectives of the study **"Europe by Satellite – study on editorial policy"** were to obtain a better view on the use of Europe by Satellite and a better understanding of who uses the service, how they use it, and to which end. The findings of this study constitute a solid basis to define an updated editorial line for the Europe by Satellite (EbS) service, supporting decisions to be made on which type of material to continue or discontinue broadcasting, based on research results and best practices in present-day media. Another topic analysed was the creation of an adequate and efficient distribution strategy allowing to increase the use of the service by the main target audience, as well as expand the current target audience to new viewers. The study focused on both the current state-of-play of EbS and on a forward-looking element that explored issues of moving EbS beyond its traditional role towards a more fully-fledged news organisations and harnessing other (new) media in an "attention economy".

The conclusions and suggestions for improvement are based on findings from monitoring data, a user survey, user interviews, feedback from an expert panel, and the evaluators assessment. The main suggestions concern:

(1) reviewing whether the selection of the channels whose usage is tracked is still the right one and gaining an understanding of what these channels are taking from EbS;

(2) collecting data on number of live views and time spent viewing different items and on whether there are differences between satellite and online usage and on who is viewing and downloading material and from where geographically;

(3) conducting a regular user dialogue as part of editorial decision-making and conducting regular surveys of users;

(4) establishing an Editorial Board to make editorial decisions, operating at two levels, senior staff headed at European Commission Director level and an Editorial Team including an Editor-in-Chief and

(5) rebranding EbS(+) and/or the Audiovisual Service and promoting the service better to those in the "Brussels bubble", both media and interest groups.

Taking into consideration these findings and suggestions for improvement, an action plan will be prepared and implemented by the European Commission's Audiovisual Service.

The **"DG COMM Omnichannel Digital Communication"** study's purpose was to assess and suggest improvements on the way digital communication actions are planned, implemented and measured. The focus was on digital channels (i.e. web and social media) managed by DG Communication centrally and in the Representations. The study provided a detailed analysis and findings regarding the governance structure for digital communication at DG Communication, the main target audiences, the channels used for digital communication, the reach of these channels, the engagement of the target audiences and the monitoring and evaluation of digital communication activities. The general recommendations (22 in total) touch upon: organisation of work on digital communication; design and implementation of digital communication activities; and monitoring and evaluation of digital communication activities. There are also 16 specific recommendations for DG Communication social media channels and 13 recommendations related to websites. DG Communication has agreed upon an action plan for the implementation of the study's recommendations.

There is one ongoing study:

- Study on the EUROPE DIRECT centres (July 2023 – November 2024).

Several studies are planned to start in 2024 or later:

- Study on the Europe Direct Contact Centre (2024);

- Forward-looking study on the use of gamification and virtual reality for EC publications and their possible adaptation to the metaverse (2024-2025);

- Study of the corporate minimum requirements for communication and visibility under the long-term budget 2021-27 (2024-2025);

- Study on corporate communication actions (2024-2025);

- Study on EC Visitors' Centre and on Experience Europe RP14 (2025-2026)

- Study of the visibility of the Eurobarometer (2025-2026);

- Study of the communication work of local community managers in representations (2025) ;

- Study on the use of AI in AV production (2025-2026) ;

- Study on the new series of citizens' panels (2026-2027);

- Study on convergence in monitoring and analysis of media/social media (2026-2027);

- Study on the partnerships with influencers (2027-2028);

- Study of the Europa website / social media (2027-2028);

Study on EUROPE DIRECT centres (2028-2029).

Budget implementation and performance

Budget programming

Budget programming (million EUR):

	2021	2022	2023	2024	2025	2026	2027	Total
Financial programming	106.7	107.6	108.5	109.5	110.4	111.4	112.2	766.3
NextGenerationEU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommitments made available again (*)	N/A	N/A	N/A					0.0
Contributions from other countries and entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**106.7**	**107.6**	**108.5**	**109.5**	**110.4**	**111.4**	**112.2**	**766.3**

(*) Only Article 15(3) of the financial regulation.

– The budget under DG Communication is based on multiannual financial framework amounts.

Budget implementation

Cumulative implementation rate at the end of 2023 (million EUR):

	Implementation	Budget	Implementation rate
Commitments	322.8	766.3	42.1%
Payments	296.6		38.7%

Voted budget implementation (million EUR)(*):

	Commitments		Payments	
	Voted budget implementation	**Initial voted budget**	**Voted budget implementation**	**Initial voted budget**
2021	106.7	106.7	92.1	92.1
2022	107.6	107.6	97.3	97.9
2023	108.5	108.5	107.2	104.1

(*) Voted appropriations (C1) only.

– Commitment and payment appropriations were used in 2023 with a 100% implementation rate (in 2022 the rates having beenrespectively at 100% and 99% and in 2021 both at 100%), to finance activities along three activity strands: executive and corporate services, Commission representations and services to citizens. The main activities and budget allocated under each strand are presented below:

- ☑ Executive and Corporate communication services €47.5 million
  - EUROPA website
  - Eurobarometer
  - TV studios and EBS
  - AV productions, media library and news coverage
  - Media monitoring, analysis and subscriptions
  - Graphic design
  - Social media
- ☑ Commission Representation €27.5 million
  - Communication of Representations
  - Websites and publications
  - Local outreach cooperation REPs/EP
  - Local support activities
  - Information for journalists
- ☑ Communication services for citizens €32.5 million
  - Information centres
  - Networks
  - Information services
  - Citizens' Dialogues
  - Visitors' Centre
  - General report

– As in the previous years, in 2024 and 2025, DG Communication will continue to provide the President and the College with political and economic reporting, evidence-based corporate communication actions, media advice, state-of-the-art communication products and services, both in headquarters and in Member States. As domain leader for external communication, it will coordinate the communication activities of other Commission services and will assist them in their communication activities. With the support of the representations and the extensive local network of EUROPE DIRECT centres, DG Communication will engage with citizens, national authorities, media, and stakeholders on the ground.

– Furthermore, in 2024, DG Communication will continue to communicate on the six headline ambitions of the von der Leyen Commission, for example by showcasing the successful rolling out of the green and digital transitions and the implementation of the NextGenerationEU recovery plan. DG Communication's work will also highlight the implementation of the legislative agenda adopted under the European Green Deal and on the EU's role as a global leader for climate and environment protection and will sharpen its communication on the competitiveness and resilience agenda and the relevant actions taken to strengthen the EU's position – both internally within the Single Market and internationally through the European Economic Security Strategy. Lastly, DG Communication will continue to communicate forcefully on the EU's response to

Russia's war of aggression against Ukraine, on the EU's unwavering support to Ukraine and commitment to the country's long-term recovery and European integration.

– 2024 marks the last year of the current College term and the year of the European elections as well as the 20th anniversary of the 2004 enlargement. For the former, DG Communication will focus on conveying with renewed intensity the achievements of the European Commission and the EU over the past years, to show that (and what) Europe delivers. It will showcase the tangible benefits the EU has delivered for its citizens and globally, in a complex geopolitical context. And finally, it will develop and implement, with the Commission's entire communication ecosystem, including the other services and the Representations, a strategic communication plan on the priorities of the new College of commissioners. As for the latter, DG Communication will organise and steer ample communication on the benefits of enlargement for citizens of both new and older Member States, and on the EU's commitment to a merit-based enlargement process, to continue making enlargement a political, economic and geopolitical success.
– 2025 will be the first full year of the new College and DG Communication will support the new College in communicating its political agenda (as defined in the Political Guidelines of the President designate/elect) across the EU and via the representations on the ground, in the Member States.

Contribution to horizontal priorities

Contribution to green budgeting priorities (million EUR):

	Implementation			Estimates					
	2021	2022	2023	2024	2025	2026	2027	Total	% of the total envelope
Climate mainstreaming	4.4	1.9	0.6					6.9	1%
Biodiversity mainstreaming									
Clean air									

– Climate spending in DG Communication mainly appears through the specific thematic focus of corporate campaigns like the green transition. Another corporate campaign ('You are EU') highlights EU values and solidarity, and informs the general public about energy independence, climate protection and renewable energy.
– DG Communication uses all available communication channels (notably via the representations) to disseminate different corporate communication messages, including messages on climate change and the effect of this change on people.
– DG Communication's activities make a substantial contribution to both climate change mitigation and climate change adaptation by raising awareness about clean, homegrown energy and energy independence, emphasising their benefits to the planet, climate, security and shared values. DG Communication is therefore taxonomy compliant.

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Contribution to gender equality (million EUR) (*)**:**

Gender score	2021	2022	2023	Total
2				
1				
0*	106.7	107.6	108.5	322.8
0				

(*) Based on the applied gender contribution methodology, the following scores are attributed at the most granular level of intervention possible:

- 2: interventions the principal objective of which is to improve gender equality;
- 1: interventions that have gender equality as an important and deliberate objective but not as the main reason for the intervention;
- 0: non-targeted interventions (interventions that are expected to have no significant bearing on gender equality);
- 0*: score to be assigned to interventions with a likely but not yet clear positive impact on gender equality.

Gender disaggregated information:

– At this point, DG Communication does not systematically collect data on indicators with sex/gender disaggregation dimensions, since the communication actions developed by the DG are of a horizontal nature and generally not directed to specific groups based on sex/gender (i.e. other criteria are used to define target groups).

– However, DG Communication is committed to ensuring equality mainstreaming. To this end, the DG's working group on equality was created in March 2021 and includes representatives from all DG Communication directorates. The group produced a working plan on equality, endorsed by senior management, and monitors its implementation.

The equality working plan covers external communication (for which DG Communication is the domain leader) and aims at mainstreaming equality in communication practices, as carried out by the DG and in support of the work of other DGs under the domain leadership of DG Communication. The equality plan also covers internal communication and aims at mainstreaming equality within the DG administration.

Contribution to the digital transition (million EUR):

	2021 implementation	2022 implementation	2023 implementation	Total	% of 2021-2023
Digital contribution					

Not applicable for DG Communication.

Performance assessment

KEY PERFORMANCE INDICATORS

	Baseline	Progress (*)	Target	Results	Assessment
Political reporting products provided by the representations covering reactions on EU topics in all Member States	0	**43%**	1 200 annually from 2022 to 2029	Milestones achieved for 2021, 2022 and 2023	On track
Audiovisual products provided to the College (messages, interviews, statements, clips)	0	**43%**	1 000 annually from 2022 to 2029	Milestones achieved for 2021, 2022 and 2023	On track
Target audience able to recall the messages of corporate campaigns	0%	**43%**	25% annually from 2024 to 2029	Milestones achieved for 2021, 2022 and 2023	On track
Users satisfied with the answers received from the Europe Direct contact centre	0%	**43%**	86% annually from 2024 to 2029	Milestones achieved for 2021, 2022 and 2023	On track
Engagement rate on social media (average view duration in seconds on YouTube)	0	**14%**	60 seconds annually from 2021 to 2027	Milestones not achieved for 2021 and 2022. Milestone achieved for 2023.	On track

(*) % of years for which the milestones or target was achieved during the 2021-2029 period.

– The communication actions in 2023 ensured that the College of Commissioners received up-to-date communication advice and intelligence. Information and communication services addressed citizens directly, with messages aligned with the Commission's policy priorities.

– In 2023, DG Communication continued to communicate on the six headline ambitions of the von der Leyen Commission, focusing mainly on successfully delivering the green and digital transitions and the implementation of the NextGenerationEU recovery plan. Ongoing geopolitical challenges, such as Russia's invasion of Ukraine or the evolving situation in the Middle East, were also high on the Commission's political agenda.

– As part of its overall communication response to the Russia's invasion of Ukraine, in 2023 the DG launched two major waves of the corporate communication campaign You are EU and one wave on the economic recovery programme NextGenerationEU. In 2023, corporate campaign NextGenerationEU reached an average percentage cumulative number of 34% of the audience able to recall the message, compared to the target of 22%.

– The representations reported regularly to the College of Commissioners with intelligence on the ground across the Member States while cooperating at the national, regional and local levels.

– The number of audiovisual products provided to the College of Commissioners (messages, interviews, statements, clips) in 2023 exceeded the target of 1 000. This was mainly driven by the COVID-19 pandemic, as the demand for audiovisual services and video productions replacing face-to-face meetings and events increased. However, in 2022 a return to face-to-face meetings was observed.

– Users were overall satisfied with the answers received from the Europe Direct contact centre in 2023. The satisfaction rate recorded in 2023 was 92% against a target of 83%.

– In 2023, the average view duration on YouTube was 62 seconds against a target of 60 seconds (despite the fact that most of the audiovisual productions are now less than 60 seconds long).

Sustainable development goals

Contribution to the sustainable development goals

SDG	Does the programme contribute to the goal?	Example
SDG1	N/A	
SDG2	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Green” theme). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 2 but there is no direct link between the two.
SDG3	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Healthy” theme). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 3 but there is no direct link between the two.
SDG4	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Strong” theme). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 4 but there is no direct link between the two.
SDG5	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Equal” theme). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 5 but there is no direct link between the two.

SDG6	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Green” theme). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 6 but there is no direct link between the two.
SDG7	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Green” theme) and the You are EU corporate campaign. DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 7 but there is no direct link between the two.
SDG8	Indirectly	Through the NextGenerationEU corporate campaign. DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 8 but there is no direct link between the two.
SDG9	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Green” and “Make it Digital” themes). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 9 but there is no direct link between the two.
SDG10	N/A	
SDG11	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Green” and “Make it Digital” themes). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 11 but there is no direct link between the two.
SDG12	N/A	

SDG13	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Green” theme) and the relevant cooperation agreement with UEFA. DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 13 but there is no direct link between the two.
SDG14	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Green” theme). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 14 but there is no direct link between the two.
SDG15	Indirectly	Through the NextGenerationEU corporate campaign (“Make it Green” theme). DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 15 but there is no direct link between the two.
SDG16	Indirectly	Through the You are EU corporate campaign. DG Communication corporate campaigns, content and messages remain in general at top level, addressing the general public and communicating on broad political issues. These may address issues relevant to the sustainable development goal 16 but there is no direct link between the two.
SDG17	N/A	