



Annual Activity Report 2020

EXECUTIVE AGENCY FOR SMALL AND
MEDIUM-SIZED ENTERPRISES (EASME)

Table of Contents

EASME IN BRIEF	3
EXECUTIVE SUMMARY.....	7
A. Implementation of the Agency's Annual Work Programme – Highlights of the year	7
B. Key Performance Indicators (KPIs)	9
C. Key conclusions on Financial management and Internal control (executive summary of section 2.1).....	11
D. Provision of information to the Commissioner(s)	12
E. Specific actions on COVID-19	12
1. Implementation of the agency's annual work programme – highlights of the year.....	13
1.1 Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME)	13
1.2 Framework Programme for Research and Innovation (Horizon 2020).....	15
1.2.1 Innovation in SMEs	15
1.2.2 European Innovation Council Pilot	16
1.2.3 Societal challenge 'Secure, clean and efficient energy'	18
1.2.4 Societal challenge 'Climate action, environment, resource efficiency and raw materials'	20
1.2.5 Programme for the Environment and Climate Action (LIFE).....	22
1.3 European Maritime and Fisheries Fund (EMFF)	24
2. Modern and efficient administration and internal control	26
2.1 Financial management and internal control.....	26
2.1.1 Control results	28
2.1.2 Audit observations and recommendations	38
2.1.3 Assessment of the effectiveness of internal control systems	41
2.1.4 Conclusions on the assurance	42
2.1.5 Declaration of Assurance and reservations.....	44
Reservation 1.....	45
2.2 Modern and efficient administration – other aspects	48
2.2.1 Human resource management.....	48
2.2.2 Digital transformation and information management.....	51
2.2.3 External communication activities.....	52

EASME IN BRIEF

Executive Agencies are established by the Commission in accordance with Council Regulation (EC) No 58/2003¹ with the purpose of delegating certain tasks relating to the management of Union programmes, including budget implementation. This enables the Commission to focus on its core activities and to dispose of sufficient technical expertise for the management of such programmes with the goal to achieve a more efficient implementation.

The Executive Agency for Small and Medium-sized Enterprises (EASME)² is entrusted with the management of parts of the following Union programmes:

- the Framework Programme for Research and Innovation (Horizon 2020) 2014-2020;
- the Programme for the Competitiveness of Enterprises and small and medium-sized Enterprises (COSME) 2014-2020;
- the Programme for the Environment and Climate Action (LIFE) 2014-2020;
- the European Maritime and Fisheries Fund (EMFF); and
- the legacy of the Competitiveness and Innovation Programme (CIP) 2007-2013 limited to "Intelligent Energy Europe Programme (IEE II)" and the "Eco-innovation initiative".³

EASME's mission is to ensure that actions funded by these programmes deliver results and provide the Commission with valuable input for its policy tasks as well as provide high quality support to its beneficiaries, turning EU policy into action.

The Agency has its own legal identity and its tasks are specified in the Act of Delegation⁴. This means that EASME implements the delegated programmes autonomously with the Director acting as Authorising Officer by Delegation (AOD). EASME implements the EU programme budgets under direct management (Article 62(1)a and 69(2) of the Financial Regulation). To this end, the Agency mainly awards grants through open calls for proposals while a small, but increasing, share of the programmes' budgets is also implemented through procurement contracts.

The Agency has its own administrative budget for which it receives from the EU an annual

¹ Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes (OJ L 11 of 16.01.2003).

² Commission Implementing Decision C(2013)771/EU of 17 December 2013 establishing the 'Executive Agency for Small and Medium-sized Enterprises' and repealing Decisions 2004/20/EC and 2007/372/EC).

³ Activities and payments related to legacy programmes are now closed. Ex post control activities on these programmes were closed in 2019, as additional corrective actions in 2020 would not be cost-effective.

⁴ Commission Decision C(2013)9414 of 23 December 2013, [Commission Decision C\(2014\)6944 of 2 October 2014](#), [Commission Decision C\(2015\)651 of 12 February 2015](#), [Commission Decision C\(2016\)3684 of 17 June 2016](#), [Commission Decision C\(2019\)3353 of 30 April 2019](#).

subsidy (in 2020: EUR 49.2 million⁵). The administrative budget covers the running costs of the Agency, mainly staff expenditure, office related costs, IT and other services. EASME's Acting Director is the authorising officer (AO) for this budget.

EASME operates under the control of the Commission: it reports to the Directors-General of the parent Directorates-General (DGs) and to the Steering Committee, on the performance of the tasks assigned to the Agency. The Agency implements delegated tasks in close cooperation with its seven parent DGs: (1) DG for Internal Market, Industry, Entrepreneurship and SMEs, (2) DG for Research and Innovation, (3) DG for Communications Networks, Content and Technology, (4) DG for Climate Action, (5) DG for Energy, (6) DG for Environment and (7) DG for Maritime Affairs and Fisheries.

2020 is the final year of EASME's mandate. In 2021 Executive Agencies will begin new mandates with new portfolios. The main successor agency of EASME will be the European Innovation Council and SMEs Executive Agency (EISMEA). It will bring together the European Innovation Council (EIC), the Interregional Innovation Investment initiative and parts of the Single Market Programme programme related to small and medium-sized enterprises, consumers, internal market and standardisation. Other programmes currently managed by EASME will move to the European Climate, Infrastructure and Environment Executive Agency (CINEA) and the Research Executive Agency (REA).

EASME's preparation for this transition intensified in 2020, stepping up cooperation with the numerous agencies and DGs involved as well as keeping its staff well informed of the changes and the new delegated programmes.

EASME will leave a legacy of high quality service. Its second client satisfaction survey⁶ conducted in 2020 showed an overall satisfaction of beneficiaries at 91.3% compared to 80% in 2018. This result exemplifies how the agency delivered on its mission.

On 1 April 2020, Luisa Prista was appointed Acting Director of the Agency. As well as steering the transition towards the new mandate, she has prioritised gender equality and spearheaded a number of initiatives to promote female leadership within the agency and beyond.

⁵ Commitment appropriations authorised.

⁶ Survey sent to 4357 clients (beneficiaries, experts, tenderers, contractors, applicants) of which 513 beneficiaries. Conducted in-house by EASME.

EASME: 2020 IN NUMBERS

WHAT DO WE DO?

The EU's **Executive Agency for Small and Medium-sized Enterprises (EASME)** brings EU funding to innovative projects that create jobs and growth, protect the environment and work towards sustainable development.

Our job is to make sure that EU funding reaches the right people, is properly spent, has a concrete impact on the ground and makes a meaningful difference to the lives of EU citizens.

In 2020 the Agency and staff had to show particular problem solving and agility skills as we faced the challenge of adapting our work to the Covid-19 pandemic and getting ready for our new mandate.



Established since **2014**



Managing parts of **4** programmes

- Horizon 2020
- COSME
- LIFE
- EMFF



€12 bn of funding opportunities over 7 years



Managing over **3700** projects in 2020



Over **500** committed people

A HIGH ACHIEVING AGENCY

At the end of 2020, EASME managed 3,033 ongoing projects with an operational budget of €1.4 billion. We hold a major responsibility towards our stakeholders and therefore aim to be a client-centred organisation that provides high quality services to applicants, beneficiaries and intermediaries.

Programme Implementation



of grants were signed within the time to grant



of payments were made within legal deadlines

Budget Implementation

OPERATIONAL

100% Commitments

100% Payments

ADMINISTRATIVE

98% Commitments

92% Payments

Our Beneficiaries

We measured client satisfaction through feedback from surveys and events organised in 2020.



overall client satisfaction rate of our beneficiaries

“Our project officer is always positive in supporting us and suggesting ways to improve the outputs of the project and to increase its impact.”

“In my experience, the project officer and the financial officer were really open and helpful people. I feel like at home.”



A CARING & AGILE EMPLOYER

Our staff are our biggest asset. We strive to create an attractive workplace built on modern and participative working methods where colleagues are given autonomy, responsibility, trust and support.

Our People



43 newcomers, out of which **74%** on-boarded remotely

5% of staff turnover

78 selection procedures, of which **97,5%** conducted remotely

Staff Engagement

Caring for the well-being of staff, listening to their ideas and concerns are the pillars of our culture. Engaging regularly with them, involving them in bottom-up initiatives at a time of remote working has been essential to foster team spirit and resilience.

62 "Telework Challenge" newsletters, fostering team spirit

50 staff involved in activities on the future mandate of the agency

Creation of a **digital platform for staff** to generate and share ideas

Leadership & Development

LEARNING & DEVELOPMENT OPPORTUNITIES

EASME has created a **continuous learning culture**, with a focus on developing skills and increasing efficiency.

40+ training courses given in-house and converted online

831 EC training courses attended by EASME staff

2339 total days of training by EASME

53 remote career guidance sessions

PROMOTING FEMALE LEADERSHIP

Initiatives designed to coach talent, inspire staff and strive for gender balance:

- **Women Talent Programme:** **4** tailor-made courses, **12** participants, **24** coaching sessions
- **2 TED-style talks from women leaders**
- lays the foundation for **Inter-Agency Gender Working group**

GREENING THE AGENCY

Staff-led initiatives included:

- installing a **new waste sorting system**
- increasing the number of **biking slots** in the office building
- promoting the use of **train and local transports** during missions
- joining the Commission **EMAS scheme**
- introducing **green requirements** in call for tenders

EXECUTIVE SUMMARY

This Annual Activity Report is a management report of the Acting Director of EASME to the College of Commissioners. Annual Activity Reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the Treaties⁷.

A. Implementation of the Agency's Annual Work Programme – Highlights of the year

In its 2020 Work Programme the agency set out three main priorities: ensuring high quality programme implementation; continuing to build a modern, attractive people-centred workplace; preparing the agency for its next mandate.

High quality programme implementation

Despite the unprecedented and unforeseen restrictions brought by the Covid-19 pandemic, the agency performed extremely well in reaching its objectives and delivering delegated programmes to a high standard. On an operational level, over 90% of grants were signed within deadline as well as 99.7% of payments. Staff showed outstanding adaptability and creativity in organising and coordinating evaluations, events and other meetings online – often at short notice. Positive feedback from participants indicated that quality was not compromised. In some instances – such as events – a digital format led to more inclusive events with a wider participation.

For some projects, the Covid-19 pandemic inevitably brought logistical and practical challenges and delays. In these cases, staff proved to be efficient and effective in delivering the necessary contract amendments. For other projects, Covid-19 brought opportunities to innovate and use their expertise to help in the recovery effort. Here, EASME played an active role in encouraging their efforts, notably through initiatives such as the [EUvsvirus hackathon](#).

The Agency's projects – as outlined in section 1 – have made a significant impact in both the innovation and environmental domain, contributing to the European Commission's priorities of a European Green Deal and Europe fit for the digital age. In this context, EASME continued to provide valuable, high quality policy feedback to its parent DGs. Examples included input on future priorities for programmes such as Horizon Europe and LIFE as well as impact reports on achievements of programmes such as the EIC Pilot. In parallel, staff streamlined procedures to ensure more a more regular and relevant flow of results, impact and lessons learned.

The results of EASME's client satisfaction survey showed that the agency is implementing

⁷ Article 17(1) of the Treaty on European Union

its delegated programmes with a high emphasis on quality of service. In particular, the agency saw an increase in the satisfaction levels for beneficiaries (91.3% compared to 80% in 2018), contractors (70% compared to 62% in 2018) and experts (95.6% compared to 81% in 2018).

Putting staff at the centre

The agency strives to be a modern and attractive organisation where all colleagues can grow, develop and perform to the best of their abilities.

Initiatives to support this objective included a focus on women leadership. EASME piloted an award winning women talent programme where twelve participants benefitted from training, mentoring and coaching to support their career development. In addition, two inspiring women leaders presented TED-style talks to staff and a panel debate saw three women leaders discuss the creative ways they pivoted their businesses during the Covid-19 pandemic. EASME's example has led to the creation of an inter-agency gender working group which will work to promote gender equality in the executive agencies.

Several green initiatives were launched on the initiative of EASME staff. They include installing a new waste sorting system, increasing the number of bike parking slots in the office building and introducing green requirements in calls for tenders.

Preparation for next mandate

Staff were also at the heart of preparations for the next mandate of the agency, often working with counterparts in parent DGs and other Executive Agencies.

Initiatives included working groups to help prepare the transition of programmes; a dedicated group to develop the new agency's mission, vision and values; and a messenger network of staff to keep colleagues across the whole agency abreast of changes.

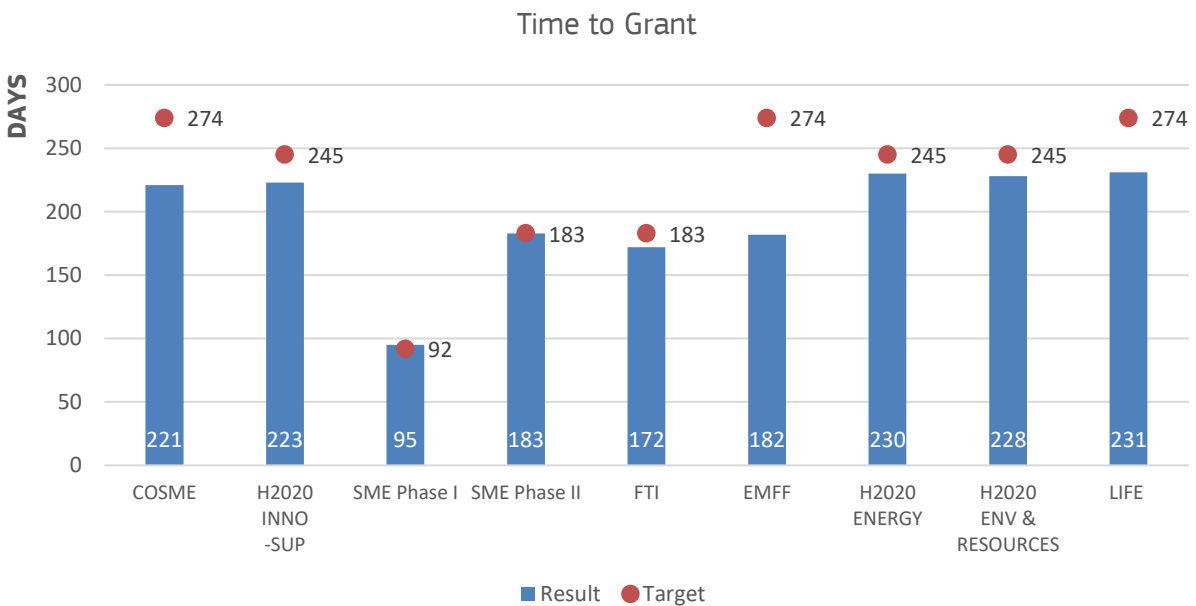
Info sessions introducing the new programmes, and online chats with Acting Director Luisa Prista also helped to ensure that staff felt fully aware of the changes in terms of programme content and practical questions and concerns.

B. Key Performance Indicators (KPIs)

Indicator 1: time to grant⁸

Target (2020): 100% of grants signed within deadline, i.e:

- SME-I phase 1: 3 months (92 days)
- SME-I phase 2/EIC Accelerator: 6 months (183 days)
- FTI: 6 months (183 days)
- Other H2020: 8 months (245 days)
- Non-H2020: 9 months (274 days)



Indicator 2: time to pay⁹

Target (2020): 100% of payments within legal deadlines

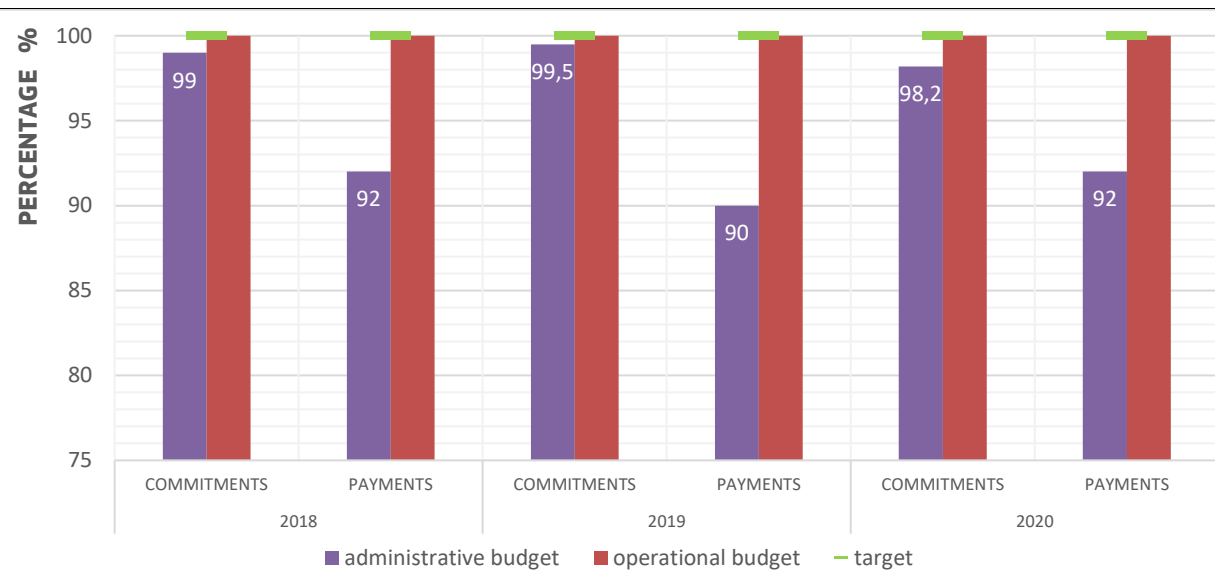


⁸ The numbers in the table represent the average time to grant. Note that EIC data is limited to Grant Agreements signed before the 3rd cut off 2019. After this point, grants were managed in EASME but recorded in the DG RTD accounts.

⁹ Indicator set for the period 2014-2020 and concerns number of payments made on time. EASME processed 5395 payments in 2020. For data on "timely payments" (amount paid on time) see section 2.1 and annex 4.

Indicator 3: % of budget execution (commitments and payments) with respect to budget appropriations

Target (2020): 100% (commitments and payments) for operational and operating (administrative) budget



Indicator 4: residual error rate in financial transactions

Target (2020): COSME, LIFE, EMFF: less than 2% of the total budget for grants per programme; H2020: as close as possible to 2% (within the range of 2-5%)

	2018	2019	2020
H2020	2,45	2,99	2,71 ¹⁰
COSME	5,45	1,59	2,96 ¹¹
LIFE	0,36	0,91	0,37
EMFF	N.a	0,81	0,72

Indicator 5: number of critical / very important accepted audit recommendations (made by ECA and IAS) overdue for more than six months

Target (2020): None

Result: No critical or very important accepted audit recommendations were overdue longer than six months (for the seventh year in a row).

¹⁰ Cumulative residual error rate for the Research and Innovation Family DGs is 2,16% (2,71% for EASME).

¹¹ Includes COSME actions and EEN actions. As this is above the 2% threshold, EASME has issued a reservation. See section 2.1.5 - [Reservation 1](#)

C. Key conclusions on Financial management and Internal control (executive summary of section 2.1)

In accordance with the governance arrangements of the European Commission, the staff of EASME conducts its operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

To ensure the achievement of policy and management objectives, the Commission has adopted a set of internal control principles, based on international good practice. The Financial Regulation requires that the organisational structure and the internal control systems used to implement the budget be set up in accordance with these principles. EASME has assessed its internal control systems during the reporting year and has concluded that it is effective and the components and principles are present and functioning as intended. Please refer to AAR section 2.1.3 for further details.

In addition, EASME has systematically examined the available control results and indicators, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to Section 2.1 for further details.

As regards legality and regularity of the transactions, EASME considers for all current programmes except COSME programme that the cumulative residual error rates fall within the established target range. For COSME, its multi annual residual error rate is estimated at 2,96%, above the materiality threshold of 2% at the end of 2020. Since this programme does not meet the cumulative criteria to fall below the 'de minimis rule', EASME has issued a reservation related to the COSME programme. See [Reservation 1](#) for further details. These error rates must still be treated with caution. The programmes are in any case multi-annual, so the error rates, and especially the residual error rate, must be considered over time.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Acting Director, in her capacity as Authorising Officer by Delegation has signed the Declaration of Assurance albeit qualified by a reservation concerning COSME Programme 2014-2020 (budget line : 02. 02 01 00).

D. Provision of information to the Commissioner(s)

In the context of the regular meetings during the year between the Director and the parent DGs on management matters, the main elements of this report and assurance declaration, including the reservation envisaged, have been brought to the attention of the agency's Steering Committee and to the parent DGs' Directors General, who have taken these into consideration in their reporting to Executive Vice-President for the European Green Deal, Mr Frans Timmermans; Commissioner responsible for Internal Market, Mr Thierry Breton; Commissioner responsible for Innovation, Research, Culture, Education and Youth, Ms Mariya Gabriel; Commissioner responsible for Energy, Ms Kadri Simson; Commissioner responsible for Environment, Oceans and Fisheries Mr Virginijus Sinkevičius.

E. Specific actions on COVID-19

In 2020, Europe was strongly impacted by the Covid-19 pandemic. The Commission has proposed a strong and coordinated response to the health crisis as well as to the impact on Europe's economy and society. Covid-19 has also posed challenges as regards performance, control, audit and assurance in relation to the 2020 EU budget. In an exercise coordinated at corporate level, all Commission services have promoted the consistent and rigorous protection of the EU budget ensuring that appropriate mitigating measures were put in place.

EASME showed agility in ensuring that major programme-related events, evaluations, meetings, training sessions, etc. were able to take place as planned – albeit in a digital format. In addition, it contributed to Commission-driven initiatives such as the [EUvsvirus hackathon](#) where projects managed by EASME participated and were recognised for their groundbreaking ideas to respond to the pandemic.

To ensure the achievement of the delegated programmes' objectives and maintain sound financial management, the agency amended several contracts to allow beneficiaries and contractors sufficient time to complete their work. There are nevertheless some signs of delays in project implementation due to the effect of the Covid-19 pandemic which has a knock on effect in terms of delaying payments to our clients. As a result, EASME has invested more time in the planning and monitoring of payment appropriations to ensure that the situation remains under control. As the economic impact of the pandemic may touch beneficiaries for the coming years, the Agency will closely monitor the risks and implement mitigating measures rigorously.

1. Implementation of the agency's annual work programme – highlights of the year

The Agency's 2020 Annual Work programme (AWP) was adopted by the Agency's Steering Committee on 29 May, 2020. The work programme lists the main activities and outputs of the Agency that contribute to the achievement of the objectives as defined by the parent DGs. This part highlights the key achievements under the different programmes delegated to the Agency. Exhaustive reporting on the achievement of the targets as planned in the AWP can be found in annex 2.

1.1 Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME)

The Programme for the Competitiveness of Enterprises and Small and Medium Enterprises (COSME)¹² aims to encourage the development of an entrepreneurial culture and to promote the creation and growth of Small and Medium-sized Enterprises (SMEs). Its 2020 Work Programme was adopted on 17 January 2020¹³ and revised on 19 October 2020¹⁴, delegating close to EUR 127 million of its budget to EASME.

In 2020, EASME reached most of its objectives for COSME as defined in its Annual Work Programme, notably committing 100% of the delegated funds and making 100% of payments within the legal deadlines. During this period, EASME published 15 COSME calls for proposals and launched 12 calls for tenders related to the following objectives:

- **Improving access to markets, particularly inside the Union but also globally**

In 2020, the COSME co-funded [Enterprise Europe Network \(EEN\)](#), resulted in 4 740 achievements where SMEs significantly improved their competitiveness in accessing the single market, financing, innovation and international markets. This included close to 2 700 SMEs signing business and innovation partnerships.

EEN helped companies increase their resilience during the Covid-19 pandemic. It set up online business matchmaking platforms for urgently needed healthcare products, advised companies on innovative ways to face market disruptions and rolled out new services to support SMEs' digitalisation and sustainability efforts. During this period, many of the Network's services were successfully moved online.

EASME ensured the extension of [IP SME Helpdesk](#) services in China, South-East Asia and Latin America until 2022 and oversaw the establishment of a new IP Helpdesk targeting

12 Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC.

13 Commission Implementing Decision C(2020)111final of 17/1/2020 on the financing of the Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises and the adoption of the Work Programme for 2020.

14 C(2020)7044 final

the Indian market. The helpdesks enable European SMEs to access free-of-charge support on Intellectual Property (IP) management, protection and enforcement in key international markets.

- **Improving framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, including in the tourism sector**

Notable actions in 2020 included studies to [boost employment and employability across skills sectors](#), and to [help boost industrial performance in the digital world](#). COSME funding also contributed to the development, promotion, and preservation of the European **tourism industry** - among the hardest hit by the COVID-19 pandemic – through initiatives such as a call designed to help SMEs in this sector innovate, take up new technologies and digitalise.

Taking action on COVID. The European Cluster Collaboration Platform created a dedicated “Covid-19 [webpage](#)” and two ad-hoc webinars to support the efforts of industrial clusters in addressing the challenges posed by the pandemic in Europe

Responding to constraints of the Covid-19 pandemic, a number of **events** were **successfully held online**, including the launch event of the [Intelligent City Challenge initiative](#) and the [European Cluster Conference 2020](#).

- **Promoting entrepreneurship and entrepreneurial culture**

[Erasmus for Young Entrepreneurs \(EYE\)](#) is all about exchanges in person between two individuals – a new and an experienced entrepreneur. Restrictions brought by the Covid-19 pandemic brought many of those exchanges to a halt and meant that the [new projects](#) launched on 1 February 2020 had few chances to match entrepreneurs. In response, EASME offered tailored help to ongoing projects and relaxed the rules for participation, allowing remote exchanges for the first time, and replacing the two annual EYE network meetings with a series of training sessions and online workshops.

Another decision spurred by the impact of the pandemic was to extend the duration of [migrant entrepreneurship](#) projects for three months. As a result, almost all the projects reached their targets and in many cases surpassed them. Highlights of the initiative included four cross-project [workshops](#) held in September 2020.

- **Communication activities**

EASME supported the [EU Open for Business 2020](#) campaign through **media outreach** and the organisation of a series of **digital info days** for SMEs and business intermediaries in Belgium, Luxembourg, Malta, Netherlands and Slovakia.

EU Open for Business Info Days

- 321 SMEs and support organisations
- Average satisfaction rate over 90%

Media campaign

- More than 23 million contacts
 - 91.4 million impressions
-



Selection of speakes from EEN e-Days

In October 2020, EASME organised the online event [EEN e-Days](#) to discuss key topics for the Enterprise Europe Network, attracting 1500 participants. A special Resilience Award celebrated SMEs which benefited from the Network's support during the Covid-19 pandemic. More than 85% of participants considered the event a success.

A new [e-learning tool](#) launched in 2020 allowed EEN members to participate in 52 online training sessions and workshops, while enhancing EASME's capacity to support SMEs throughout the Covid-19 pandemic.

1.2 Framework Programme for Research and Innovation (Horizon 2020)

'Horizon 2020'¹⁵, the EU's funding programme for research and innovation aims to stimulate the economy and secure the science and technology base and industrial competitiveness for the future, contributing towards a smarter, more sustainable and more inclusive society. It promises more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market.

1.2.1 Innovation in SMEs

In 2020, all calls under the specific objective Innovation in SMEs were published as planned with the exception of INNOSUP 08, which was delayed at the request of the H2020 Programme Committee, postponing its submission deadline to the end of January 2021.

In 2020, EASME analysed the results achieved by **Cluster facilitated actions** in previous years (INNOSUP 01). This showed that SMEs directly received EUR 36 million in funding and services. These actions supported 2 656 single SMEs and more than 200 SME-led consortia across 39 countries, covering all 27 EU Member States and 12 Horizon 2020 associated countries.

Innovative SMEs on the path to success. SME "[Worldsensing SL](#)" received support worth €60,000 from the H2020 funded [ICCAR](#) (Impact Connected Car) project to develop a more reliable traffic management tool for parking spaces. In addition, it received €1 million of additional support from private funds in 2018 and €10 million from the European Investment Bank (EIB)."

The Covid-19 pandemic had a particularly strong impact on certain INNOSUP actions. For example, where researchers needed to move to another country and where a high number

¹⁵ Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC and Council Decision of 3 December 2013 establishing the specific programme implementing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decisions 2006/971/EC, 2006/972/EC, 2006/973/EC, 2006/974/EC and 2006/975/EC.

of SMEs needed to be interviewed as part of an experimental randomised control trial. In line with Horizon 2020 rules, EASME showed flexibility by approving a high number of amendments for project extensions and suspensions as well as for replacing physical project meetings with virtual ones. Despite some disruption, overall, the quality of project outputs was largely maintained.

1.2.2 European Innovation Council Pilot

The Enhanced EIC pilot supports top-class innovators, entrepreneurs, small companies and scientists with bright ideas and the ambition to scale up internationally. It brings together the parts of Horizon 2020 that provide funding, advice and networking opportunities for those at cutting edge of innovation. The Agency managed under the umbrella of the EIC-pilot, the EIC Accelerator Pilot (SME Instrument), Fast Track to Innovation scheme as well as coaching and business acceleration services¹⁶.

The EIC Accelerator Pilot

The EIC Accelerator Pilot (SME instrument) supports high-risk, high-potential SMEs to develop and bring to market new products, services and business models that could drive economic growth.

Call management

In 2020 **12,142 proposals** for blended finance were submitted from **49 countries**. After evaluation, **218 proposals** were selected for a total EU contribution of **EUR 979 173 394** (EUR 428 755 727 in the form of grant and EUR 550 417 667 in the form of equity).

The March cut-off exceptionally offered an **additional budget of EUR 150 million** to proposals directly relevant **to tackle the Covid-19 pandemic**. As a result, 3 969 proposals were submitted (an increase of 115%) and 72 proposals were selected of which 36 were related to Covid-19. **EASME implemented a “Fast Track” process** enabling these 36 Covid-19 related grants¹⁷ to be signed on average 1.5 months after the evaluation letters were issued – an unprecedented time to grant.

To contribute towards a more gender balanced European innovation ecosystem, as of the May cut-off, **at least 25% of the applications invited to interviews were led by women Chief Executive Officers**. As a result, for the May and October cut-offs, 30 out of the 102 selected proposals were led by women (compared to 10 out of the 116 selected proposals in January and March).

Project management

¹⁶ The operational perimeter of the Agency decreased in 2020 due to the H2020 EIC (European Innovation Council) Accelerator for which Grant Agreements signed as from the 3rd cut off 2019 were managed in EASME but recorded in the DG RTD accounts.

¹⁷ All except one have been signed (one is pending due to plagiarism/double-funding issues and is still under investigation).

In 2020, 259 EIC SME Instrument Phase 2 and EIC Accelerator grant agreements (GAs) were signed, of which 208 (80.3%) were processed within 183 days (target time to grant).

To implement the EIC Accelerator Pilot, EASME **re-engineered its project management processes**, deploying a new monitoring approach based on classic reviews and periodic “progress meetings” involving experts, programme managers and - where projects were supported through an equity component - EIB officers.

Coordinators Days

EIC Coordinators Days gather CEOs and project coordinators from recently awarded EIC projects to network as well as learn about the EIC Community and project management procedures. Due to the COVID-19 pandemic, two events (in June and September) were organised in a virtual format. The September event attracted a record breaking 230 participants and 140 companies. The satisfaction rate over the two events was 93%.



Business Innovation Coaching

Business Innovation [Coaching](#) empowers SMEs towards the successful commercialisation of their projects. In 2020, more than 700 coaching activities were delivered, including for the first time to SMEs from FET (Future and Emerging Technologies) Open and the Fast Track to Innovation (FTI) programmes, as well as researchers. In addition, a new crisis coaching service was designed and implemented to assist companies struggling to survive as a result of the Covid-19 pandemic. A total of 26 companies benefited directly from this service.

89% of SMEs agree that coaching had a positive impact on their business strategy, for instance by helping them find a better response to challenges or speeding up their projects.

EIC Business Acceleration Services

Business Acceleration Services aim to accelerate the growth of EIC beneficiaries by facilitating their access to private investment, finding new business partners, distributors, suppliers and clients and engaging in peer-led learning opportunities. They are accessed through an on-line [EIC Community](#) of 14 000 users.

In 2020 **new services** were introduced including: enhanced cooperation with corporates, procurement services and an enlarged offer of EIC Community events (see Annex 2).

Adapting to the Covid-19 pandemic, EASME moved physical events on-line and organised specific Covid-19-related activities including two pitching sessions: one for innovative solutions for hospitals and public procurers and a second one in front of investors. EASME

set up the [EIC COVID-19 Challenge platform](#) where all the results of [EUvsvirus hackathon](#) can be found.

Policy feedback and dissemination of results

In September, the Agency finalised the fifth EIC impact report: [Deep Tech Europe](#) providing information on achievements of the EIC Pilot: Pathfinder and Accelerator. It showed that 5 500 SMEs have been funded since 2014, attracting more than EUR 5.4 billion of post-grant private investments.

EIC: Fast Track to Innovation

In its last year of existence, the Fast Track to Innovation Programme received 1 454 applications for an EU contribution exceeding EUR 3.5 billion. 42 projects were selected of which 39 were signed at the end of the year.

1.2.3 Societal challenge 'Secure, clean and efficient energy'

The Agency contributes to the transition to a low-carbon society by implementing projects that aim to accelerate the penetration of energy efficient and renewable energy technologies on the market.

Horizon 2020 Energy Efficiency calls for proposals and project management

Following the **2019 and 2020-1 calls**, EASME signed **78 new projects** on time (100%) in 2020, representing EUR 165.6 million.

Two **2020 call deadlines in January and September** attracted 72 and 352 proposals respectively, an **increase of 52%** compared to 2019. The projects selected address buildings (21 projects, EUR 50 m), consumers and services (12 projects, EUR 29 m), innovative financing (19 projects, EUR 24 m), public authorities and policy support (6 projects, EUR 10 m), and socio-economic research (5 projects, EUR 10 m).

The Covid-19 pandemic had an impact on project management activities, leading to three project suspensions and 36 extensions. Agency staff attended 143 project meetings – most of which, remotely.

Policy feedback and preparation of the new MFF

The Agency contributed to defining the Clean Energy Transition sub-programme of the **future LIFE programme (2021-27)**, by organising seven stakeholder workshops, drafting the priorities for 2021-22 with DG ENER, and preparing the practical modalities for the new programme. Regarding **Horizon Europe**, EASME contributed to the future priorities on energy-efficient buildings and the Co-Programmed Partnership Built4People. The Agency also organised **three contractors workshops** on finance, industry and construction skills, where Horizon 2020 projects provided input on future priorities for both programmes.

Policy feedback is central to the Agency's work on energy efficiency, as most projects support on-the-ground implementation of EU policies. Project results are constantly fed back to Commission DGs and contribute to the policy debate and to the preparation of new policies. In 2020, 122 policy feedback activities were initiated by the Agency. Highlights are summarised below.

The Agency supported the policy debate on energy through **four EU-wide Concerted Actions**, which gather national bodies implementing EU directives to exchange best practices: Energy Performance of Buildings Directive (EPBD), Energy Efficiency Directive (EED), Renewable Energy Sources Directive (RES Directive), and energy efficient products legislation.

The [European City Facility](#) received over 250 applications from cities and municipalities for its first call for proposals. Successful applicants will receive EUR 60,000 financial support. By 2023, the Facility aims to support up to 225 local authorities to develop their investment concept to implement ambitious climate and energy plans.

The Agency fed into the **European Commission's work on the Building Renovation Wave** by co-organising two stakeholder workshops, taking part in interservice meetings, and providing best practice examples. On **energy efficiency finance**, the Agency and several Horizon 2020 projects play an active role in the Energy Efficiency Financial Institutions Group (EEFIG).

On **energy efficient products policy**, the [European Court of Auditors](#) confirmed the importance of the Agency's market surveillance projects. The Agency also provided regular input on the Commission guidelines on **energy poverty**, and on the design of a future **Energy Communities** Repository.

Consumer organisations involved in the award-winning [CLEAR2.0 project](#) launched **17 collective purchase groups for renewable energy systems**. The groups have so far installed 29,000 photovoltaic panels, batteries, pellet stoves and heat pumps for heating and cooling, representing a total of EUR 129 million.

Communication activities

The Agency **promoted its Calls** through an energy efficiency info day (455 attendees) and five webinars. It also **presented its energy activities at 18 events** across Europe, including [Sustainable Places 2020](#).



Networking at the Covenant of Mayors Investment Forum. Photo: EASME

In February, the Agency organised the [Covenant of Mayors Investment Forum - Energy Efficiency Finance Market Place](#) in Brussels, with 608 representatives from local authorities, industry and financial institutions. In total, 44 front-runner projects and initiatives were showcased to inspire replication throughout European cities and regions.

In June, the Agency co-organised [European Sustainable Energy Week 2020](#) online, in close cooperation with DG ENER. It attracted 4,600 active participants (over 6,300 registered). In parallel, more than 250 Energy Days took place in 28 countries.

In September and October, the Agency organised through the [Sustainable Energy Investment Forums](#) **four national roundtables on energy efficiency finance** in Finland, Hungary, Croatia and Czechia, aiming to improve access to finance for energy efficiency projects.

Impactful communication initiatives included [Managenergy](#) Master Classes which **trained 20% of the EU's local energy agencies** on how to finance their sustainable energy action plans

The Agency reached out to the public with **56 articles** for the EASME website, among which 30 projects success stories. It also produced 6 publications summarising project results and sent 10 newsletters to over 20,000 stakeholders in the energy field. In 2020, the energy efficiency followers community on twitter (@H2020EE) grew to over 18,400.

1.2.4 Societal challenge 'Climate action, environment, resource efficiency and raw materials'

The Agency contributed to achieving a resource - and water - efficient and climate change resilient economy and society, the protection and sustainable management of natural resources and ecosystems, and a sustainable supply and use of raw materials, in order to meet the needs of a growing global population within the sustainable limits of the planet's natural resources and eco-systems.

Call implementation

The H2020 Work Programme was [updated](#) on 17 September, bringing three additional Calls under cross-cutting activities. EASME managed a total of **11** calls for proposals with a budget of EUR **958,86** million.

It received **52** proposals for single stage calls of which **19** were proposed for funding. For the first stage of the two stage calls, EASME received **539** proposals, of which **172** were invited to submit a full proposal for the second stage and **45** were invited for funding. All grant agreements were signed on time.

The Covid-19 pandemic had an impact on project evaluations. EASME moved consensus and review meetings online at short notice. The Agency oversaw the evaluation of more than **600** proposals and organised **236** remote consensus meetings. While maintaining high quality standards as confirmed by the Observers report.

Policy feedback and project visibility

EASME provides regular feedback to policy in collaboration with its parent DGs. This feedback was accentuated during the **COVID-19 pandemic**.

As part of a joint Commission effort, EASME conducted a “COVID-19 pandemic portfolio analysis”, contacting beneficiaries with potential project contributions either for combating the COVID-19 pandemic or for dealing with the aftermath. In total **33 such projects were identified**, some of which went on to receive recognition and prizes for their initiatives.

[Sewers4covid](#), was one of the top six winners of the [#EUvsVirus Hackathon](#), proposing a solution for integrating sewer surveillance for early virus detection to help decision makers direct resources where they are most needed.

Preparing for the future, EASME provided feedback and relevant input from projects in its contribution to the design, structure and content of relevant parts of the **Horizon Europe** programme. It also took an active role in the **co-creation of the European Green Deal Call** including background preparation, presenting information at the R&I Days and involvement in a brokerage and pitching event.

Projects continued to demonstrate the EU added value of pooling expertise for creating results and impact. [An article](#) on the effect of the COVID-19 pandemic on global carbon emissions, with support from the projects [VERIFY](#), [4C](#), and [PARISREINFORCE](#) was **the most featured climate paper in the media in 2020**. EuroNews featured projects including [Smart Exploration](#), [Resyntex](#), [Exhaustion](#), [ATLAS](#)

Atlas received worldwide media attention on [ABC News Australia](#), [BBC](#), [EuroNews](#) and in over **140 articles** from more than **30 countries**.



Atlas, Icebreaking in the Canadian Arctic. Photo credit: Sabena Blackbird

[ATLAS](#) has advanced the state-of-the-art of **North Atlantic deep-sea biodiversity** and ecosystems and has reinforced the international collaboration on ocean research between the **EU, Canada and the US**. It contributed to the **IPCC Special Report on the Ocean and Cryosphere in a Changing Climate** and developed indicators for the assessment of Good Environmental Status in support to the EU's **Marine Strategy Framework Directive (MSFD)**

Communication activities

EASME (co)organised more than **75 events** together with parent DGs and projects. The Covid-19 pandemic led to many events being organised virtually. Many featured sessions on the pandemic itself –seeking research solutions or discussing its impact. They included: **Events co-organised with DGs and EU-funded projects** such as: [European Polar Science Week](#), [World Circular Economy Forum side event with EIT](#), [Mineral Exploration in a Climate-Neutral Economy](#), [American Association for the Advancement of Science](#) in Seattle, [PDAC convention](#) in Toronto, [World Urban Forum](#) in Abu Dhabi, [Raw Material Summit](#).

Regular and ad-hoc cluster events including: [“Water-smart economy to enable circularity and support recovery plan”](#) (World Circular Economy Forum side event), Climate Services for a resilient Europe, Joint Workshop of Raw material projects. Webinars included: “COVID-19 effects on climate policy modelling” and “Impacts & opportunities of COVID-19 on mining regions and cities”.

EASME’s projects were also featured in **nine CORDIS Results Packs**¹⁸ highlighting significant scientific and industrial advances in the fields of environment and resources.



1.2.5 Programme for the Environment and Climate Action (LIFE)

The LIFE Programme¹⁹ is the EU's funding instrument to support the protection of the environment and climate action. The Agency was responsible for all calls for proposals for action grants under the Environment sub-programme and the Climate Action sub-programme. It also managed the call for operating grants to non-profit entities ("NGO grants") within the framework partnership agreements awarded in 2019.

For 2020, EUR 477 620 100 was delegated to EASME of which around EUR 362 107 000 under the Environment strand and EUR 115 513 100 under the CLIMA strand.

Restrictions brought by the Covid-19 pandemic had a practical impact on the capacity of non-governmental organisations (NGOs) to take action. In this context, EASME launched the LIFE 2020 Call for Proposals from NGOs on the European Green Deal (LIFE 2020 NGO4GD). It aims to reinforce the capacity of NGOs acting at Member State level to mobilise and strengthen civil society participation and contribution to the implementation of the European Green Deal. Action grants that will be funded under this call are expected to strengthen knowledge and empower civil society in the following areas: (1) Increasing climate ambition (2) Clean, affordable and secure energy (3) Industry for a clean and circular economy (4) Energy and resource efficient buildings (5) Sustainable and smart

¹⁸ [“Water innovation”](#), [“Digital transition in water”](#), [“Water innovation for Africa”](#), [“Mineral exploration”](#) and [“Mineral extraction”](#), [“Climate neutrality”](#), [“Environmental observation”](#), [“Nature Based Solutions”](#) and [“Climate Services”](#).

¹⁹ Regulation (EU) No 1293/2013 of the European Parliament and of the Council of 11 December 2013 on the establishment of a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EC) No 614/2007.

mobility (6) Farm to fork (7) Biodiversity and ecosystems (8) Zero-pollution, toxic-free environments (9) Sustainable finance.

Policy Feedback

Policy feedback is embedded into the LIFE programme cycle. EASME regularly invites thematically similar LIFE projects – together with the DGs concerned – to examine policy impact during the implementation of the project. One such platform meeting took place on the theme of **wastewater treatment** in January, in Barcelona. In light of Covid-19 restrictions, subsequent meetings were moved online.

This year EASME piloted the use of **policy feedback fiches** to follow the tangible impact of projects (in relation to policy). Updated every four to six months, the documents provide a good source of information on the project, its results, impact and lessons learnt. They are planned to be used for all LIFE projects in the future and extended to follow promising projects that are discovered in the frame of “Close-to-Market advice” activities.

EASME **collated feedback and information from projects working in the field of agriculture and forestry** to inform DG CLIMA as they prepared the EU’s Climate Adaptation policy.

LIFE Projects continued to demonstrate **the EU added value** of pooling expertise in terms of their impact and results. Examples include:

[LIFE DIADEME](#) developed a new adaptive street lighting system integrating sensors for noise, traffic and air quality. The [project](#) successfully reduced the greenhouse gas emissions and energy consumption of cities, generating significant economic savings. The system is now used in Rome, Piacenza and Rimini and ready to be commercialised on the market.

[LIFE IP IRIS AUSTRIA](#) established national programmes to achieve the objectives of the Water Framework Directive and Floods Directive, combining river development and flood risk management. The project is piloting integrated 'river basin and risk management concepts' in seven regions, covering nearly 600 km of rivers to ensure that flood control infrastructure does not constitute a barrier to achieving ecological targets for water. It will coordinate the use of € 461 million of complementary EU rural development and national flood control and river restoration funding. Results will be used to draft a national

EASME webinar **LIFE: stepping up to save bugs** aimed at increasing applications for funding on invertebrate conservation. Featuring successful project [EcoCoLife](#), it attracted more than 400 unique viewers.



implementation strategy for these new concepts that secures the future of rivers in Austria.

Communication activities

EASME's annual training session for National Contact Points (NCPs) took place virtually on 15 April, attracting more than 150 participants from the Member States including H2020 Energy NCPs. A second webinar in June informed the NCPs about the new COVID-19 measures taken by EASME regarding the call for proposals 2020.

European LIFE Info Day 2020

The 2020 EU LIFE Info Day took place on 30 April. Formerly a physical event with around 400 participants, it was held in virtual format this year and reached 5000 connections in total, with between 1800 and 2500 simultaneous connections at any given moment. The presentations were followed by a Question and Answer session and more than 1700 online bilateral meetings.

EASME also organised a climate change adaptation (CCA) webinar covering both vulnerable 'green' areas and urban 'grey' areas. The aim of this webinar was to provide more information on CCA call priorities and encourage new applications for project funding, referencing projects and best practices funded by LIFE.



On 21 October, EU Green Week hosted the 2020 LIFE Awards Ceremony. LIFE Awards recognise the most innovative, inspirational and effective LIFE projects in the fields of nature protection, environment and climate action. The winning projects ([LIFE DINALP BEAR](#) (Slovenia) ; [Flaw4Life](#) (Portugal) ; [FIRELIFE](#) (Hungary)) were selected from [15 finalists](#)

for their outstanding contribution to environmental, economic and social advancements. They also scored well in terms of impact, replicability, policy relevance, cross-border cooperation and cost-effectiveness. A special, Adapting to COVID-19 Award, went to Italy's [LIFE PrepAIR](#) project for its work in the time of COVID crisis.

1.3 European Maritime and Fisheries Fund (EMFF)

The European Maritime and Fisheries Fund (EMFF) aims at contributing to the promotion of competitive, environmentally sustainable, economically viable and socially responsible fisheries and aquaculture as well as at enhancing in the development and implementation of the EU Integrated Maritime Policy. EMFF is one of the five European Structural and Investment Funds, which complement each other and seek to promote a growth and job based recovery in Europe.

EASME is responsible for implementing around half of the budget for direct management of policy support actions under the EMFF work programme on behalf of DG MARE. The delegation to the Agency concerns:

- Actions in the area of integrated maritime policy (such as marine knowledge, maritime spatial planning, maritime surveillance, sustainable blue economy and sea basin strategies); and
- Scientific advice and projects necessary for the development and the implementation of the Common Fisheries Policy.

The 2020 EMFF Work Programme (WP) was adopted on 17 December 2019 and amended on 16 October 2020²⁰. The total EMFF budget delegated to the Agency amounted to EUR 45.4 million for 2020, an increase of 6% compared to 2019.

EASME launched **four calls for proposals**, signed **15 grant agreements**, published **six calls for tenders**, launched **17 requests for services under existing framework contracts** and **signed a total of 26 contracts**.

Highlights included:

Publication of the **2020 Blue Economy Window Call**, enabling not-for-profit SMEs to bring new products, services and business models to the blue economy market. The associated online **Infoday** attracted more than 400 participants.



Reinforcement of the collection of marine data to improve Marine Knowledge, through the European Marine Observation and Data network (EMODnet) including four thematic data portals covering geology, habitats, physics and chemistry.

Strengthening the Implementation of Maritime Spatial Planning (MSP) through a call for proposals and setting up a group of experts 'Data for MSP' to enhance comparability of MSP plans and support cross-border MSP planning processes.

Support for the sea basin strategies and ocean governance through: a contract renewal for the provision of assistance mechanisms to the Western Mediterranean; new contracts for the assistance mechanism for the Atlantic and Black Sea strategies; and financial support to the Union for Mediterranean, the Black Sea Economic Cooperation Secretariat and the EU's Arctic Policy.

Advancing sustainable and competitive fisheries and aquaculture through 15 new contracts covering internal and external dimensions of the Common Fisheries Policy (CFP).

²⁰ Commission Implementing Decision, C(2020) 6973, amending Implementing Decision C(2019)8977 of 17 December 2019 on the financing of the European Maritime and Fisheries fund and the adoption of the work programme for 2020

The agency undertook a number of collaborative actions to enhanced the added value of its work, including:

- The organisation of a successful **workshop on synergies between maritime projects and other EU programmes**.
- A side event **World Circular Economy Forum, on “Innovative Projects For A Sustainable Blue Economy”** to recognise the complementarities between blue and circular economies.
- Drafting the **nautical routes for Europe report** featuring projects which developed and promoted transnational tourism products in coastal regions, in the fields of nautical tourism and water sports tourism at sea.

Communication highlights included:

- Coverage of EMFF [MarGnet](#) project on [Euronews “OCEAN” programme](#)
- Eight EMFF success stories published on the Agency’s website and via social media.
- EMFF projects featured at events including the European Week of regions and cities, the EU Tourism convention, the Black Sea regional Stakeholder Conference and the Atlantic Stakeholder conference where EMFF project [MARENET](#) received an award.

2. Modern and efficient administration and internal control

2.1 Financial management and internal control

Assurance is provided on the basis of an objective examination of evidence of the effectiveness of risk management, control and governance processes.

This examination is carried out by management, who monitors the functioning of the internal control systems on a continuous basis, and by internal and external auditors. The results are explicitly documented and reported to the Acting Director. The following reports have been considered:

- the AOSD reports submitted by the Heads of Sector, Deputy and Heads of Unit and Heads of Department managing budget;
- the contribution of the Risk Management and Internal Control (RMIC) function, including the results of internal control monitoring at the Agency level;
- the audit reports of the ex-post control function;
- the opinion, the observations and the recommendations reported by the Internal Audit Service (IAS);

- the observations and the recommendations reported by the European Court of Auditors (ECA). These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Acting Director of EASME.

EASME implements the delegated programmes autonomously with the Acting Director acting as authorising officer by delegation (AOD). As such, the Agency manages the EU programme budgets by way of direct management and manages its own operating budget.

As regards the operational budget²¹, commitment appropriations of EUR 1 421 875 134 and payment appropriations of EUR 1 305 369 523 were fully implemented (100%).

Operational Budget execution per programme PAYMENTS 2020	ALL fund sources (as presented in Annex 3)		C1 & E0 fund sources	
	(million EUR)	%	(million EUR)	%
H2020	853,08	63,79%	822,00	62,97%
LIFE	317,52	23,74%	317,23	24,30%
COSME	132,91	9,94%	132,39	10,14%
EMFF	33,75	2,52%	33,75	2,59%
TOTAL	1.337,27	100,00%	1.305,37	100,00%

Table 1 Operational budget execution

The operational perimeter of the Agency decreased in 2020 due to the H2020 EIC (European Innovation Council) Accelerator for which Grant Agreements signed as from the 3rd cut off 2019 were managed in EASME but recorded in the DG RTD accounts.

The initially adopted operating budget 2020 (EUR 51,53 million) was reduced because of the Covid-19 pandemic's impact on the Agency's expenditures, resulting in a final budget of EUR 49,24 million. A total of EUR 48,38 million has been committed, out of which a total of EUR 45,32 million was paid in 2020. The remaining amount will be paid in early 2021.

OPERATING BUDGET 2020		COMMITMENTS (million EUR)		PAYMENTS (million EUR)	
		Appropriations authorised	MADE	Appropriations authorised	MADE
Title 1	C1 fund source	39.726	39.426	39.726	38.773
	C8 fund source	0	0	734	331
Title 2	C1 fund source	7.794	7.332	7.794	5.979
	C8 fund source	0	0	2.054	1.302
Title 3	C1 fund source	1.721	1.619	1.721	566
	C8 fund source	0	0	1.690	1.421
Total		49.241	48.377	53.719	48.372

²¹ C1 (appropriations voted for the current budget) and E0 (EFTA contribution) fund sources

Table 2 Operating budget 2020

The Agency carries out an Accounting Quality Exercise on an ongoing basis which aims at ensuring the accuracy of the accounting data in the IT financial systems. In 2020, EASME tested financial transactions in areas including expenditure, pre-financing, commitments, guarantees, recovery orders, fixed assets and cut-off. The tests concluded that financial transactions were recorded according to Financial Regulation and internal guidelines.

This section covers the control results and other relevant elements that support management's assurance. It is structured into (a) Control results, (b) Audit observations and recommendations, (c) Effectiveness of internal control systems, and resulting in (d) Conclusions on the assurance.

2.1.1 Control results

This section reports and assesses the elements identified by management which support the assurance on the achievement of the internal control objectives²². The Agency's assurance building and materiality criteria are outlined in AAR Annex 5. Annex 6 outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.

In line with the reporting requirements set out in the 2018 Financial Regulation, the cases below are present in EASME. Further information is available in annex 7.

- cases of flat rates >7% for indirect costs (Horizon 2020 – basic act derogates from regulation)
- case of derogation from the principle of non-retroactivity of grants (EMFF)

1. ***Effectiveness = the control results and benefits***

Legality and regularity of the transactions

EASME is using internal control processes to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions it is responsible for, taking into account the multiannual character of programmes and the nature of the payments concerned.

Control results for grants under direct management

The control system for grant direct management is deployed in four stages: 1) programming, evaluation and selection of proposals, 2) contracting, 3) monitoring and 4)

²² 1) Effectiveness, efficiency and economy of operations; 2) reliability of reporting; 3) safeguarding of assets and information; 4) prevention, detection, correction and follow-up of fraud and irregularities; and 5) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments (FR Art 36.2). The 2nd and/or 3rd Internal Control Objective(s) (ICO) only when applicable, given the DG's activities.

ex-post controls. Key indicators have been defined for each stage covering control effectiveness and control efficiency²³.

Stage 1: programming, evaluation and selection of proposals

Stage 1 aims to ensure that the Agency selects the most promising proposals contributing the best towards the achievement of the programme and operational objectives, and compliant with the eligibility, selection and award criteria.

Key controls include the thorough screening of proposals for eligibility, selection and award criteria, the evaluation of proposals by up to five independent experts and a panel review for the ranking of proposals. The list of approved proposals is checked for legal compliance by the AOSDs; some are submitted for a Commission inter-service consultation. The checks ensure the excellence of the proposals to fund and the legality and regularity of operations.

Control effectiveness ratios - calls	COSME	H2020 INNO-SUP	H2020 EIC PILOT and FTI	EMFF	H2020 ENERGY	H2020 ENV & RESOURCES	LIFE
% number of calls for proposals successfully launched / number of calls planned in the (revised) AWP	88%	100%	100%	100%	100%	100%	100%
% of budget value implemented / budget allocated <i>(for commitments from calls 2019 managed in 2020)</i>	98,7%	100,0%	61,7%	99,9%	100,0%	100,0%	100,0%
% of budget value implemented / budget allocated <i>(for commitments from calls 2020 managed in 2020)</i>	47,0%	39,5%	N/A (in RTD account)	13,6%	0,0%	24,9%	5,4%

Table 3: Control effectiveness ratios – Stage 1

The Agency concluded the vast majority of the calls planned in the 2020 Annual Work Programme. One COSME call has been postponed to 2021, as instructed by the partner DG and one call was cancelled.

The budget allocated for calls published in 2019 has been fully implemented or committed for most of the programmes in 2020. For calls published in 2020, the Agency started to commit funds that will be further managed in 2021.

Following the evaluation of proposals, between 2% (EIC and FTI) and 40% (H2020 Innosup) of eligible proposals were recommended to receive funding. The EIC pilot continues to attract a record number of proposals resulting in a wider range of proposals for selection.

²³ The cost-effectiveness of the programmes is calculated on cumulative basis, i.e. including all programmes managed by the Agency. However, the Agency has performed in 2020 a dedicated assessments of the costs and benefits (both qualitative and quantitative) of controls for the LIFE programme. The Agency did this in the context of the preparations for the new mandate and the review of the contract with the external monitor .

The Agency received a low number of evaluation review requests ranging from 0,04% to 2,8% of the number of proposals evaluated - all below the target of 3%. The overall low number of review procedures provides a good indication of the robustness of the grant award process and assurance on the effectiveness of the internal control system.

For further details of cost effectiveness ratios for proposals and evaluation review requests see annex 7.

Qualitative benefits: a well designed Work Programme and widely-published calls appeal to a larger number of good quality projects, out of which the very best can be chosen. Expert evaluators bring independence, state of the art knowledge and a range of different opinions, which has a positive impact on the whole project cycle. Selection controls ensure that the most merited projects are funded.

Stage 2: contracting

Stage 2 aims to ensure that the actions and funds allocation is optimal (best value for public money) and that each of the selected proposals is translated into a legally binding grant agreement allowing for sound management. The adjustment process excludes work not directly contributing to the achievement of the programme objectives, substantiates the project costs, and determines the duration of the project and the contribution from the EU budget.

Key controls include: implementation of the evaluators' recommendations; hierarchical validation of proposed adjustments; verification of the operational and financial viability of successful applicants and the signature of the grant agreements by the AOSD.

Qualitative benefits: The whole committed budget is checked for appropriateness (exclusion of actions not directly related to the achievement of programme objectives), enhancing the prevention of future errors and leading to a higher assurance on the achievement of the project objectives and results.

Stage 3: monitoring the execution

Stage 3 aims to ensure that the operational and financial results from the projects are of good value, meet the objectives, and comply with regulatory and contractual provisions.

Key controls include instructive guidelines for beneficiaries, operational and financial ex ante checks, on the spot monitoring visits, suspension of payments when needed and submitting cases to OLAF in case of suspicion of irregularities or fraud.

Similar to the the previous year, 6,5% of non-eligible costs over the amount claimed were detected in ex ante controls and a higher overall amount of cost claims were controlled ex ante (i.e. 1 073 MEUR in 2019 versus 1 115 MEUR in 2020). In 2020, ex ante controls focused on interim payments.

Qualitative benefits: Monitoring, processing amendments and scrutinising costs claimed by beneficiaries contribute to the legality and regularity of the transactions. While the benefits of this stage materialise mainly in financial terms, the qualitative benefits

generated by these controls are the identification of actions not directly linked to the programme objectives and therefore an overall improvement of the financial efforts carried out by the Agency.

Stage 4: managing ex post controls and implementing results

The main indicator used to assess the legality and regularity of the transactions is the residual error rate detected by ex post audits. Ex post controls are carried out by EASME on COSME, LIFE and EMFF programmes. For Horizon 2020, ex post controls are carried out by the Common Audit Service (CAS) of DG R&I, on behalf of the entire Research family.

Stage 4 aims to ensure that for COSME, LIFE and EMFF the cumulative residual error rate, i.e. the level of errors that remain undetected and uncorrected, does not exceed 2% by the end of the programme cycle. For Horizon 2020, the final control objective is to get the cumulative residual error rate within a range of 2-5% and as close as possible to 2%, without necessarily expecting it to get under 2%.

The state of play is assessed annually, taking into account the results of the implementation of ex-post audit strategies, the frequency and significance of the errors found, as well as a cost-benefit analysis of the effort needed to detect and correct them. The **ex post audit methodology** is explained in Annex 5.

Qualitative benefits: Ex-post controls have a deterrent and learning effect for beneficiaries, helping to reduce errors in future cost declarations and demonstrating that their probability to be audited is not negligible. Feeding back results and findings from ex-post audits contributes to the improvement of ex-ante controls and clarification of rules and guidance.

EASME considers for all current programmes, except COSME, that the cumulative residual error rates fall within the established target range. The multi-annual residual error rates at the end of 2020 are at 0.37% for LIFE and at 0.72% for EMFF. For Horizon 2020, the residual error rate derived from EASME participation only is at 2.71% when taking into account final audit reports.

For COSME, the multi annual residual error rate at the end of 2020 is at 2.96%, above the materiality threshold of 2%. As this programme does not meet the cumulative criteria to fall below the 'de minimis rule'²⁴, EASME has issued a reservation related to the COSME programme. Details of the COSME reservation, the main reasons for errors and related action plan are shown in section 2.1.5 - Reservation 1.

²⁴ According to DG BUDG guidelines, since 2019, quantified reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of the Agency's total payments and with a financial impact below EUR 5 million. In such cases, reservations in AAR are no longer needed. Both conditions are not met, as the payments related to COSME grants in 2020 represent 7,96% of the total EASME operational expenditure.

These error rates should be treated with caution. The programmes are multi-annual, so the error rates, and especially the residual error rate, must be considered over time.

As regards COSME, EMFF and LIFE programmes, the audits issued in 2020 were not hindered by travel restrictions related to the Covid-19 pandemic. On-site visits at beneficiaries' premises took place before the introduction of travel restrictions. For ongoing audits launched in 2020, EASME put in place specific mitigating measures to minimise the impact of Covid-19 pandemic on the implementation of the audit plan, while providing a reasonable level of assurance. For more details, please refer to Annex 7.

As regards H2020 audits, mitigating measures to minimise the impact of the Covid-19 pandemic are listed in Annex 7.

Details of multi-annual residual error rates based on ex post audits are shown in **Annex 7**.

Cost effectiveness: costs and benefits per stage

Costs per stage	Staff costs	Other costs	TOTAL
stage 1	EUR 5.207.033	0	EUR 5.207.033
stage 2	EUR 5.207.033	0	EUR 5.207.033
stage 3	EUR 24.299.486	EUR 14.146.219	EUR 38.445.705
stage 4	EUR 599.678	EUR 531.845	EUR 1.131.523
Total	EUR 35.313.230	EUR 14.678.064	EUR 49.991.294

Table 4: Costs per stage

The above table²⁵ gives an overview of costs per stage²⁶. The staff costs of controls related to the four stages of grant management have been estimated taking into account (i) direct costs, namely the staff of the operational and finance units directly dealing with grant management and (ii) indirect and overhead costs by applying an allocation key. The external costs include expenses paid for evaluation and monitoring experts, missions, and the external contractor dealing with ex-post control audits. As regards Horizon 2020, the audits are performed by the Common Audit Service (CAS)²⁷.

²⁵ The allocation of ex-ante controls is estimated being 15% for stage 1 and 2, and 70% for stage 3.

²⁶ For information about the benefits see annex 7, part B

²⁷ For more details on the costs dedicated to ex post audits and the related benefits, covering all implementing bodies of the Research family (DGs, executive agencies and joint undertakings) please refer to DG R&I Annual Activity Report.

Amount at risk at payment and at closure

EASME portfolio consists of segments with different control systems in place. The biggest share is H2020; followed by LIFE, COSME and EMFF.

For LIFE and EMFF, their relatively low error rates in grants are mainly due to the performance of the control systems and inherent profile of beneficiaries.

For H2020 and COSME, the relatively higher level of error in grants is linked to the applicable funding model (based on actual costs) and to the profile of some beneficiaries of the programme such as: “one-time beneficiaries”, which are not used to EU funding rules, small entities which do not have a robust financial management system in place and – for COSME – also beneficiaries located in third countries with limited knowledge of EU rules. Most of the errors relate to incorrect claims for personnel costs that are mainly due to beneficiaries’ lack of thorough understanding of the rules.

There is evidence that the simplifications introduced under H2020 along with ever-increasing experience are reducing the number of errors made by beneficiaries. Notwithstanding these efforts, however, beneficiaries still make errors. Management actions to address these weaknesses include: communication campaigns focused towards more error-prone types of beneficiaries, enhanced training to project officers and external auditors and actions to improve ex ante checks.

For COSME, management actions taken to address these weaknesses include clearer communication of eligibility rules to beneficiaries, re-inforced risk-based ex ante checks and extension of the use of lump-sum financing. EASME continuously aims to reduce the level of errors for the COSME programme. These mitigating measures were launched in the course of 2020. The desired effect of such measures could positively impact the payments made after their application, however the impact will not be seen for several months.

Despite this, EASME’s weighted average risk at payment for operational expenditure decreased in 2020 at 2,45% (2,81% in 2019). This is mainly due to the decrease of the detected error rate in Horizon 2020 programme and the stability of its share in the relevant expenditure.

Ex post controls are well established and led to significant corrections throughout the years. These corrections are used as a basis for the estimated future corrections.

In 2020, the estimated overall risk at closure decreased to 2,22% (2.41% in 2019). This is mainly due to the increased cleaning effect of audits, which tend to increase over time. The other type of expenditures (procurement, experts) and the operating budget are considered low risk expenditures. In line with previous years, the Agency applies a prudent approach by using a conservative 0,5% error rate. This type of expenditure is only verified through ex ante controls. Therefore there are no future corrections. Thus, the risk at closure is equal to the risk at payment and remains at 0,5%.

EASME's relevant expenditure, estimated overall risk at payment, estimated future corrections and risk at closure are disclosed in Table 5.

The estimated overall risk at payment for 2020 expenditure amounts to 28,68 M€, representing 2,45% of the Agency's total relevant expenditure for 2020. This is the AOD's best conservative estimation of the amount of relevant expenditure during the year not in conformity with the contractual and regulatory provisions applicable at the time the payment was made.

This expenditure will subsequently be subject to ex-post controls and a proportion of the underlying errors will be detected and corrected in subsequent years. The conservatively estimated future corrections for 2020 expenditure amount to 2.70 M€. This is the amount of errors that the Agency conservatively estimates will be identified and corrected by controls planned to be carried out in subsequent years.

The difference between those two amounts results in the estimated overall risk at closure of 25.98M€, representing 2.22% of the Agency's total relevant expenditure for 2020.

In the context of the protection of the EU budget, the DGs' and Agencies' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated at Commission level in the Annual Management and Performance Report (AMPR).

EASME	payments made (FY; m€)	minus new prefinancing [plus retentions made*] (in FY; m€)	plus cleared prefinancing [minus retentions released* and deductions of expenditure made by MS] (in FY; m€)	"relevant expenditure" (for the FY; m€)	Average Error Rate (weighted AER; %)	estimated risk at payment (FY; m€)	Average Recoveries and Corrections (adjusted ARC; %)	estimated future corrections [and deductions] (for FY; m€)	estimated risk at closure (FY; m€)
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(1)									
Operational budget									
H2020	842,93	448,86	466,16	860,23	2,95%	25,38	0,24%	2,06	23,31
Grants	6,93	0,77	0,05	6,21	0,50%	0,03	0,00%	-	0,03
Procurement	3,22	-	-	3,22	0,50%	0,02	0,00%	-	0,02
Experts									
		-							
COSME	106,46	86,44	48,76	68,77	3,20%	2,20	0,33%	0,23	1,97
Grants	26,10	0,57	2,49	28,02	0,50%	0,14	0,00%	-	0,14
Procurement	0,36	-	-	0,36	0,50%	0,00	0,00%	-	0,00
Experts									
LIFE	301,83	252,88	62,54	111,48	0,38%	0,42	0,33%	0,37	0,05
Grants	15,69	1,11	1,12	15,70	0,50%	0,08	0,00%	-	0,08
Procurement	-	-	-				0,00%	-	-
Experts									
EMFF	17,35	10,84	5,54	12,05	0,75%	0,09	0,33%	0,04	0,05
Grants	16,24	-	-	16,24	0,50%	0,08	0,00%	-	0,08
Procurement	0,17	-	-	0,17	0,50%	0,00	0,00%	-	0,00
Experts									-
Total operational expenditure	1.337,27	801,47	586,66	1.122,46	2,53%	28,44	0,24%	2,70	25,74
									-
Operating Budget	48,37	0,07	0,04	48,35	0,50%	0,24	0%	-	0,24
Total EASME (operational + operating)	1.385,64	588,15	586,70	1.170,80	2,45%	28,68	0,23%	2,70	25,98
%						2,45%			2,22%

Table 5: Estimated overall risk at closure

- (1) Differentiated for the relevant portfolio segments at a level which is lower than the Agency operational budget total
- (2) Payments made or equivalent, e.g. expenditure registered in the Commission's accounting system, accepted expenditure or cleared pre-financing. In any case, this means after the preventive (ex-ante) control measures have already been implemented earlier in the cycle
- (3) New pre-financing actually paid out by the department itself during the financial year (i.e. excluding any pre-financing received as a transfer from another department). "Pre-financing" is covered as in the context of note 2.5.1 to the Commission annual accounts (i.e. excluding "Other advances to Member States" (note 2.5.2) which is covered on a purely payment-made basis).
- (4) Pre-financing actually cleared during the financial year (i.e. their 'delta' in the Financial Year 'actuals', not their 'cut-off' based estimated 'consumption').
- (5) For the purpose of equivalence with the ECA's scope of the EC funds with potential exposure to legality & regularity errors (see the ECA's Annual Report methodological Annex 1.1), our concept of "relevant expenditure" includes the payments made, subtracts the new pre-financing paid out, and adds the previous pre-financing actually cleared during the FY. This is a separate and 'hybrid' concept, intentionally combining elements from the budgetary accounting and from the general ledger accounting.
- (6) In order to calculate the weighted Average Error Rate (AER) for the total relevant expenditure in the reporting year, the detected error rates have been used. For low-risk types of expenditure, where there are indications that the equivalent error rate might be close to 'zero' (e.g. administrative expenditure, operating subsidies to agencies), EASME has used 0,5% following DG BUDG instructions.
- (7) The historic average of recoveries and financial corrections (ARC) received from the central services is 2,18%.

However, EASME adjusted this value for grant management expenditure to 0,33% for all programmes but Horizon 2020. This estimation of the recovery capacity is based on average of recoveries stemming from implementation of ex-post audit results during the period 2018-2020 divided by average payments for grants for the same period.

For Horizon 2020, in line with the Research and Innovation family, EASME adjusted this value for grant management expenditure and used as best estimation the difference between the family expected representative error rate for the full sample (2,95%), and the EASME residual error rate (2,71%). For other types of expenditures (procurement, experts, and operating budget), we assumed that the ex-post future corrections would be 0%.

Fraud prevention, detection and correction

EASME's anti-fraud strategy was updated in 2017 and its action plan in 2018. Following the adoption of the Commission's anti-fraud strategy and the revision of the Common anti-fraud strategy in the Research Family in 2019, EASME began the revision of its own anti-fraud strategy in 2020, in close cooperation with OLAF. It will be completed in 2021.

The current anti-fraud strategy has been fully implemented with respect to its core components, such as fraud risk assessment endorsed by the Management, a fraud prevention and detection awareness session for staff, meetings of EASME's Anti-Fraud Committee to discuss potential fraud cases, participation and sharing of experiences in the Fraud Prevention and Detection Network and the Anti-Fraud and Irregularities Committee. The main action pending for completion is the revision of the Agency's anti-fraud strategy - to be adopted by the Steering Committee of the successor Agency. Monitoring and reporting to management on anti-fraud is a continuous exercise which is mostly centralised through the EASME Anti-Fraud Committee, convened three times during 2020.

EASME contributed to the Commission's anti-fraud strategy by following up the financial recommendations issued by OLAF for 2016-2020. EASME has fully implemented four out of 11 financial recommendations. One recommendation is under analysis due to legal complications relating to a grant reduction procedure. The remaining six recommendations face implementation difficulties related to bankruptcies and liquidation procedures of the concerned entities. In such cases, the recovery procedure stays on hold until the liquidation procedure is concluded and the dividends from the liquidation – if any – are distributed amongst the creditors. In principle, the probability of dividends' distribution in favour of EASME is very low.

In total, OLAF opened 26 cases for preliminary checks out of which so far 15 cases have been dismissed and five have led to the opening of formal investigations concerning EASME's beneficiaries.

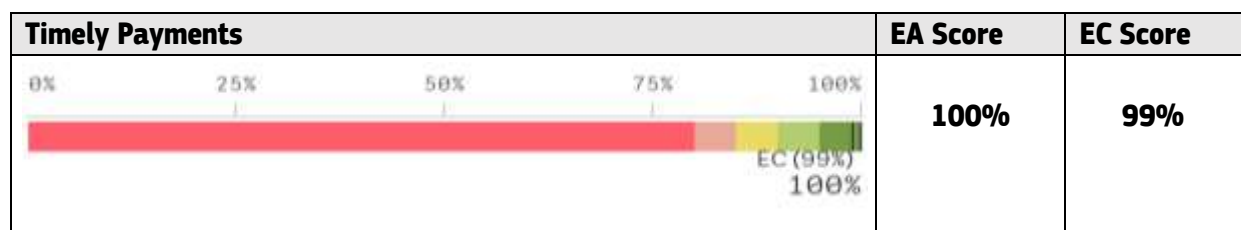
Results achieved during the year include:

- Timely and successful cooperation with OLAF on ongoing and new cases related to beneficiaries of EASME-funded projects - confirmed during the visit of the Director General of OLAF to EASME on 4 December 2020.
- Update of EASME's fraud risk register with potential risks of fraud arising from the COVID-19 pandemic, confirming that the likelihood of fraud risk in EASME's activities remains low.
- Organisation of anti-fraud training for EASME staff, to raise anti-fraud awareness and to maintain and promote an anti-fraud culture within the Agency.

On the basis of the available information, EASME has reasonable assurance that the anti-fraud measures in place are overall effective. The upcoming anti-fraud strategy of EASME will address anti-fraud matters in a customised manner vis-à-vis the structure and programmes of the future Agency in alignment with the objectives of the Commission's Anti-Fraud Strategy and of the Common Anti-Fraud Strategy in the Research Family.

2. Efficiency = the Time-to-... indicators and other efficiency indicators

After having considered the control efficiency ratios for each of the four stages of controls described above, EASME concludes that its activities have been carried out in an efficient manner. Figures for time to inform, time to grant and timely payments were within target for almost all programmes as outlined in: Executive Summary B (Key Performance Indicators), Annex 4 (financial scorecard) and Annex 7 (efficiency indicators per programme).



The agency's 100% result (above the EC performance of 99%) demonstrates that the financial and internal control procedures that EASME has put in place are functioning efficiently.

3. Economy = the estimated cost of controls

The calculation of the cost of controls was done taking into account the number of relevant Full Time Equivalents (FTE) working in each function related to the pertinent control stage and taking into account other costs related to external experts.

	Costs of controls	Amounts managed	Ratio costs/amount
Ex ante controls (operational budget)	EUR 48.859.771	EUR 1.337.271.018	3,65%
Total amount of ex-post controls in 2020	EUR 1.131.523	EUR 33.133.573	3,42%
Overhead costs of EASME	EUR 988.236	EUR 1.337.271.018	0,07%
Total cost of controls	EUR 50.979.530	EUR 1.337.271.018	3,81%

Table 6: Cost of Controls

Compared to 2019, EASME detected a very slight decrease from 3,98% to 3,81% in the ratio of cost of controls over the total amounts managed. The main reason for the decrease is the higher amounts managed, while the level of cost of controls remained stable.

2.1.2 Audit observations and recommendations

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings

on the achievement of the internal control objectives, and therefore on management's assurance.

The Agency is audited by independent auditors: the Commission Internal Audit Service (IAS) and the European Court of Auditors (ECA)²⁸.

IAS

The IAS issued two audit reports²⁹ by the end of January 2021 with the following main conclusions:

- 1) Audit on management of experts in Horizon 2020 grants (EASME, RTD, CONNECT, REA, INEA):
 - The EASME individual report included one minor issue for consideration, related to two monitor payments.
 - The corporate report, mainly addressed to DG R&I/CIC included two very important recommendations on the (i) the monitoring of participation patterns of independent experts and respect of the rotation rules and (ii) processing of experts personal data.
 - The corporate report also includes one “important” audit finding addressed to all H2020 implementing bodies, including EASME, namely to systematically analyse the cases when undeclared conflict of interest of experts are detected and to define which actions should be undertaken with the support of REA.
- 2) Audit on the implementation of anti-fraud actions in the research area (EASME, RTD, CONNECT, REA, INEA, ERCEA):
 - The EASME individual report included two important recommendations to (i) assess the effectiveness of its procedure for the notification of cases to OLAF in the light of criteria to be defined by the CIC and OLAF and to (ii) effectively use the reinforced monitoring tool for cases under OLAF’s investigation in line with the guidance on H2020 ex ante controls.³⁰

Action plans to address the audit recommendations of these two audits have been defined in cooperation with the other auditees and submitted to the IAS by end of February 2021.

There are no critical or very important IAS recommendations overdue for more than 6 months from previous audits. All audit recommendations implemented in 2019 and 2020 have been followed up by the IAS and are closed, in particular:

- all recommendations for the audit on LIFE project management and ex-ante controls;
- one recommendation on H2020 project management.³¹

²⁸ For the detailed list of IAS and ECA audits with a summary of their conclusions and opinions, see annex 7

²⁹ For internal audits, the reports to be considered are the final IAS reports for 2020 (i.e. issued in the period 01/02/2020 – 31/01/2021).

³⁰ For details on the corporate report, addressed to DG RTD/CIC and the implementing bodies, see annex 7

³¹ For more details on the LIFE and H2020 audit recommendations, see annex 7.

ECA

A) Administrative budget

The European Court of Auditors (ECA) audited the 2019 annual accounts of EASME in the second quarter and provided a positive opinion. The accounts present fairly the financial position of the Agency and the transactions underlying the annual accounts are legal and regular in all material aspects. Further, the Court issued three observations related to (i) the formalisation of recruitment procedures, (ii) the carry-over of commitments and the (iii) signature of budgetary commitment before the legal commitment. These points do not call the Court's positive opinion into question and are properly addressed in the Agency's replies and actions.

B) Operational budget

The ECA sampled nine transactions for EASME in the context of the **DAS 2019** with the following results:

- for six audits there were either no findings, or no quantified findings without an error rate³²;
- for one audit 16,7% error rate mainly due to ineligible personnel costs. The beneficiary declared consultancy costs as personnel costs instead of subcontracting, for a former employee, whereas evidence of subcontracting was missing. The ECA considered the audit findings as “not detectable” by ex-ante controls of EASME.
- for one audit a 0,39% error rate due to a deficiency in the hourly rate calculation and incorrect classification of management fees under “goods and services” instead of under personnel costs.

The Agency agreed with the audit findings and has undertaken corrective actions to address them.

In the 2019 annual report on the implementation of the EU budget, the ECA issued a recommendation addressed to the Research and Innovation family³³ to conduct more targeted checks on SMEs' cost claims and enhance its information campaign regarding H2020 funding rules by mid-2021. This recommendation will be implemented at corporate level with the associated entities. The Commission will continue its communication campaign on funding rules, including those for SMEs and newcomers. In its H2020 corporate sample, the CAS has drawn risk based samples specifically targeting SMEs and/or newcomers. In its reply, the Commission confirmed that existing risk-based ex ante controls provide reasonable assurance on the operations.

As regards the **DAS 2020**, the Court of Auditors sampled nine transactions. So far³⁴ two audits are finalised, resulting in either no audit findings or no quantified error rates.

General conclusions:

³² For example, internal control or system issues (such as delay in transfer of funds from the coordinator to beneficiaries)

³³ In chapter 4 Competitiveness for growth and jobs

³⁴ Cut-off date 28 February 2021. Three other audits are in contradictory procedure.

The Agency does not have any critical new or outstanding audit recommendations, or a combined effect of a number of very important recommendations, which could have a material impact on the achievement of the internal control objectives and the assurance.

All audit recommendations due in 2020 have been implemented and none of them were overdue by more than six months. For the IAS and ECA audits finalised in January 2021, action plans have been defined and will be closely monitored in 2021.

The IAS concluded that the internal control systems in place for the audited processes are effective³⁵.

2.1.3 Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on international good practice, to ensure the achievement of its policy and management objectives. Compliance with the internal control framework is a compulsory requirement.

EASME uses the organisational structure and the internal control systems suited to achieving its policy and internal control objectives in accordance with the internal control principles and has due regard to the risks associated with the environment in which it operates.

The Agency monitors the performance of its internal control systems to make sure that any weakness in the system is detected, analysed, improved and corrected with cost effective measures if necessary. The reviews are based on the following sources of data: i) results of an internal control survey questionnaire, ii) follow up on the implementation of the actions in the improvement plan iii) conclusions on the registry of exceptions and non-compliance events recorded during the year, iv) results of the risk assessments and related action plan, v) relevant audit results, vi) results of the monitoring of the anti-fraud action plan and vii) declarations of assurance by Authorising Officers by sub-delegation. The assessment of the effectiveness is based on these sources of information and professional judgement.

The Annual Internal Control Assessment revealed a need for small improvements in internal control principles 5 (Enforces accountability) and 15 (Communicates externally).

For principle 5, to increase the motivation of employees to use Sysper and improve the continuous feedback process, training and information sessions are planned to take place in 2021.

For principle 15, ways to ensure the best use of available communication channels and products will be identified in the drafting of new strategic documents on the functioning of EISMEA.

In light of the circumstances brought about by the the COVID-19 pandemic, the priority areas were reviewed as follows:

³⁵ IAS contribution to the 2020 AAR – ARES(2021)1223960 of 12 February 2021

1) Business Continuity

Following the instructions from Central Services, EASME's [Business Continuity Network](#) supported the crisis management team throughout the confinement period. In addition, the internal control team revised and updated the Business Continuity Plan based on a business impact assessment carried out in cooperation with several teams within the Agency.

2) Awareness raising and communication activities

EASME's Internal Control team participated in the operational units' remote meetings to raise awareness about internal control in general as well as specific pertinent issues.

To ensure alignment with the latest guidance from DG BUDG, the Agency updated its Guidance on Reporting of Exceptions and Non-compliance Events and conducted training sessions on the changes.

The Agency identified indicators for 2021, defined monitoring criteria and identified key priority areas for improvement and targeted actions following the results of the internal control self-assessment implemented in November 2020. The assessment showed that controls are in place and are functioning well. The outcome of the assessment and the follow-up actions were presented to EASME management and staff in December 2020 and an action plan was validated for 2021. Further information is provided in annex 8.

Given the nature of the reservation regarding the COSME programme (as outlined in section 2.1.1 and detailed in [Reservation 1](#)), the Agency considers that it does not have an impact on the overall assessment on the effectiveness of internal controls.

EASME has assessed its internal control system during the reporting year and has concluded that it is effective and the components and principles are present and functioning as intended.

2.1.4 Conclusions on the assurance

This section reviews the assessment of the elements already reported above (in 2.1.1, 2.1.2 and 2.1.3), and the sub-conclusions already reached. It draws an overall conclusion to support the declaration of assurance and whether it should be qualified with reservations.

The information reported in Section 2.1 stems from the results of management and auditor monitoring and systematic analysis. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a comprehensive coverage of the budget delegated to the Acting Director of EASME. This is confirmed by the statement of the Head of Department in charge of risk management and internal control in annex 1.

The audit results, the internal control assessment and the control indicators do not reveal any significant weaknesses and do not fulfil any of the materiality criteria laid down in Annex 5 of this report, with the exception of the ex-post controls results of the COSME programme (2014-2020).

For the COSME programme, the residual error rate is above the materiality threshold of 2% expected for the multi-annual period. Since this programme does not meet the cumulative criteria to fall within the 'de minimis rule'³⁶, the Agency is issuing a reservation. Given that the net amount at risk at closure corresponds to 0.15% of the total budget execution in terms of payments in 2020, its effect on the overall declaration of assurance is limited. Nevertheless, the Agency will implement an action plan to detect and correct errors earlier in the lifecycle of projects. For further details see [Reservation 1](#).

At the end of 2020 EASME had no critical, new or outstanding audit recommendations, nor a combined effect of a number of very important recommendations. Audit recommendations due in 2019 were addressed within a reasonable time frame without significant delays.

Other internal control objectives (reliable reporting, safeguarding of assets and information; and the prevention, detection and correction of fraud and irregularities) for both expenditure and/or revenue operations were respected.

Overall Conclusion

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Acting Director, in her capacity as Authorising Officer by Delegation has signed the Declaration of Assurance albeit qualified by a reservation concerning COSME Programme (2014-2020).

³⁶ According to DG BUDG guidelines, since 2019, quantified reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of the Agency's total payments and with a financial impact below EUR 5 million. In such cases, reservations in AAR are no longer needed

2.1.5 Declaration of Assurance and reservations

I, the undersigned,

Acting Director of the Executive Agency for Small and Medium-sized Enterprises (EASME)

In my capacity as authorising officer for the operating (administrative) budget and authorising officer by delegation for the operational budget"

Declare that the information contained in this report gives a true and fair view³⁷.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of EASME.

However the following reservations should be noted:

- For payments in reimbursement of cost claims for the COSME Programme (2014-2020), ABB activity 02. 02 01 00.*

Brussels, 31 March 2021

(signature)

Luisa Prista

³⁷True and fair in this context means a reliable, complete and correct view on the state of affairs in the DG/Executive Agency.

Reservation 1

DG	EASME
Title of the reservation, including its scope	Reservation concerning the rate of residual error within payments in reimbursements of cost claims in the COSME programme 2014-2020
Domain	Direct management - grants
Programme in which the reservation is made and total (annual) amount of this programme	COSME programme (2014-2020) Budget line: 02. 02 01 00 106.46 M EUR of grants payments performed in 2020
Reason for the reservation	At the end of 2020, the multi-annual residual error rate is above the materiality threshold expected for the multi-annual period.
Materiality criterion/criteria	<p>The materiality criterion is the residual error rate, i.e. the level of errors that remain undetected and uncorrected by the end of the management cycle.</p> <p>The control objective is to ensure that the residual error rate on the overall population is below 2% at the end of the programme management lifecycle.</p> <p>As long as the residual error rate is above 2% at the end of a reporting year within the Funding Programme's management lifecycle, a reservation will be made.</p> <p>However, further to the agreement (CMB 30/04/2019) a de minimis threshold for financial reservations is introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold are deemed not substantial and are no longer needed for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. As COSME payments related to grants in 2020 represent 7,96% of the total EASME's payments, a reservation is introduced.</p>
Quantification of the impact (= actual "exposure")	<p>The financial impact is calculated by multiplying the residual error rate (2,96%) by the relevant expenditure³⁸ of COSME payments related to grants, payments processed by EASME in 2020 in total of EUR 68,77 M.</p> <p>The estimated impact in 2020 is EUR 2,04 M.</p>
Impact on the assurance	<p>Legality and regularity of the affected payments made against cost claims. The residual error rate of COSME programme 2014-2020 is above the materiality threshold of 2% for the legality and regularity of the financial transactions and leads to this reservation.</p> <p>However, this error rate must be treated with caution, the nature of</p>

³⁸ relevant expenditure" during the year = payments made, minus new pre-financing paid out [plus retentions made by the Cohesion family DGs], plus previously paid pre-financing which was cleared in the reporting year [minus retentions released by the Cohesion family DGs]).

	<p>expenditure audited in the first years of the programme may not be totally representative of the expenditure across the whole period of expenditure. Since COSME is a multi-annual programme, the error rates, and especially the residual error rate, should be considered within a time perspective. Specifically, the cleaning effect of audits will tend to increase the difference between the cumulative detected error rate and the cumulative residual error rate, with the latter finishing at a lower value.</p> <p>Its effect on the overall declaration of assurance is limited, considering that the amount at risk corresponds to 0,15%³⁹ of the total budget execution in terms of payments in 2020 within the Agency.</p>
Responsibility for the weakness	<p>The errors are mainly due to a number of inherent characteristics of the programme:</p> <ul style="list-style-type: none"> • the set of eligibility rules (based on the reimbursement of actual eligible costs declared by the beneficiaries) as laid down in the basic act is not always fit for all types of beneficiaries; • the profile of some beneficiaries of the programme such as "one-time beneficiaries" which are not used to EU funding rules, beneficiaries located in third countries with limited knowledge of EU rules, and small entities which do not have a robust financial management system in place; • beneficiaries with a lot of experience in EU funds who did not update their cost reporting practices in line with the changes introduced by the current MFF (hourly rates were calculated based on 2 years period in the past while now they are to be calculated on financial years); • the ex-ante controls within the COSME programme, similarly to Horizon 2020 ones, have been designed to strike a balance between a trust-based approach and a full-scale set of controls. This type of design of ex-ante controls did not allow to the erroneous payments to be sufficiently prevented, detected and corrected. <p>The different control provisions set out by the Agency, along with the audit certificates on financial statements and ex post audits can mitigate these risks to a certain extent but those cannot be carried out on the totality of the cost claimed received for cost-effectiveness reasons.</p>
Responsibility for the corrective action	<p>In an effort to detect and correct errors earlier in the lifecycle of the projects, the Agency has intensified further its ex-ante and ex-post controls in 2020.</p> <p>The Agency has already implemented the following remedial actions:</p> <ul style="list-style-type: none"> – Sharing with operational and financial colleagues the lessons learned from the execution of the ex-post controls, to enhance ex-ante controls; – Improvement of the ex-ante controls guidelines, by issuing in May 2020 a practical guide for operational and financial colleagues in charge of COSME grants ex-ante controls;

³⁹ 2.08/1.385,64

	<ul style="list-style-type: none"> – Close monitoring by the operational and financial teams in order to detect at an early stage ‘critical’ actions, which will be subject to reinforced ex-ante checks; – A communication campaign towards COSME beneficiaries with ongoing projects, highlighting the most common sources of errors and providing useful tips in order to avoid them. – Participation of financial colleagues as full members in the evaluation committee for the remaining COSME 2014-2020 calls for proposals. For this, the Agency has run a pilot exercise, and the results were positive. The intervention of the financial sector during the evaluation phase allowed the Agency to detect potential financial issues at a very early stage of the grant. <p>The Agency will continue to address these issues during the course of 2021 aiming at reaching a multi-annual error rate below 2% for the COSME programme at the end of the programming period. Specifically, the following actions will be undertaken:</p> <ul style="list-style-type: none"> – Intensify COSME communication campaigns targeting in particular first time EU beneficiaries and beneficiaries located in third countries⁴⁰; – Financial officers will perform a number of ad-hoc on-the-spot visits⁴¹ of beneficiaries identified as ‘critical’, in order to clarify potential questions related to financial reporting before its submission; – Improve the risk assessment done at the time of ex-ante checks and timely flag beneficiaries as candidates for targeted audits⁴²; – Increase of the ex post audit coverage, with the aim to maximise the cleaning effect and reduce the residual error rate at the end of the multi-annual ex-post audit strategy; – Close monitoring of the implementation of audit results in order to reduce the residual error rate for the audited population. <p>However, the positive impact on the residual error rate is not expected to be fully visible in view of the 2021 AAR as the measures described above will take time to have a material effect. The reasons being that:</p> <ul style="list-style-type: none"> - Part of the mitigating measures were launched in the course of 2020. The desired effect of such measures could positively impact the payments made after their application, therefore requiring several months before results materialise; - There is a minimum 1-year lag between closing projects and audit
--	---

⁴⁰ The operational Unit is currently working to prepare a number of dedicated webinars addressed beneficiaries, in cooperation with the financial sector. These will highlight common mistakes done during the reporting periods. The action should start in February

⁴¹ Desk reviews as long as travel and health restrictions related to Covid-19 pandemic will be applicable

⁴² In addition, the operational Unit has developed and will be consistently applying the indications provided in its new “Ex-ante controls guidelines” and the new risk assessment methodology

	<p>results becoming available.</p> <p>Furthermore, for the COSME activities under the Single Market Programme 2021-2027, the Agency - in close cooperation with DG GROW - will explore the possibilities of using simplified cost options for future calls for proposals (lump sums, unit costs, flat rates) to reduce the administrative burden on beneficiaries and also consider implementation through procurement modalities for specific cases where appropriate.</p> <p>The Agency shall report the state of play of the different actions undertaken to the Steering Committee by the end of September 2021 (or at its autumn meeting);</p> <p>The Agency shall alert the parent DG if on-going audits reveal significant findings (above EUR 50 000) which could badly impact the error rate on the COSME legacy.</p>
--	--

2.2 Modern and efficient administration – other aspects

The Agency is continuously trying to improve its functions with a view of investing its resources in the most economical and efficient manner. In 2020, EASME established a repository of all framework contracts (FWC) and service level agreements (SLA) funded on the administrative budget of the Agency. The user-friendly interface contains exhaustive and up-to-date overviews of and links to ongoing FWC's and SLA's. It has become a useful and well-used resource, saving time and effort.

Building on recent achievements in areas such as recruitment procedures, EASME continued to discuss ways to further increase synergies and efficiencies with other Executive Agencies across key horizontal domains (e.g. HR, communication, finance). These discussions were particularly relevant in view of the new delegation mandate in 2021 as executive agencies are expected to further increase their effort in terms of more efficient ways of working. In 2020, EASME also contributed to the exercise (led by REA) on achieving efficiency gains in programme implementation for Horizon 2020 (and upcoming Horizon Europe).

2.2.1 Human resource management

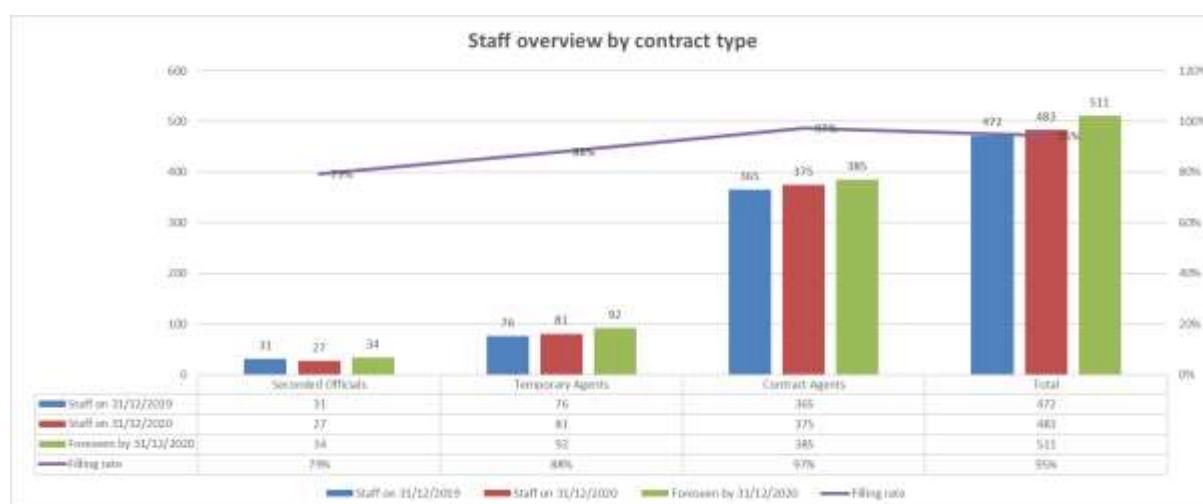
EASME faced challenges and changes in 2020, due in part to the Covid-19 pandemic, but also due to the transition towards a new Multiannual Financial Framework which brings significant changes for Executive Agencies..

Staffing overview

In accordance with EASME's establishment plan and budget, 511 posts were allocated to the Agency in 2020. On 31 December, EASME employed 483 staff, thus achieving 95% of

its staffing plan. The number of women in middle management positions stood at 33%⁴³. In 2020 EASME grew by 2,33% in comparison to 2019.

Structural understaffing for the LIFE programme continued to be a challenge in 2020 as in previous years. EASME used the “flexibility mechanism” to redeploy resources to the LIFE Unit. In addition to the continued reduction in internal horizontal resources related to the LIFE programme, EASME redeployed 1,8 posts foreseen for H2020 Climate. As in previous years, EASME also reallocated its resources within the central finance unit in accordance with the workload changes.



Graph : Staff overview in the years 2019 and 2020.

The turnover rate in 2020 was 5,24% which represented a decrease in comparison to the two previous years (5,41% consequently in 2018 and 2019). Most staff departures were due to employment opportunities within different European institutions. Staff wellbeing was measured at 51.32%⁴⁴. For further details on staff numbers and turnover see Annex 9.

EASME launched 77 selection procedures for various profiles. Of these, 11 were external procedures to establish reserve lists (4 were for temporary agent posts and 7 were for contract agent posts), and for the first time 2 procedures were launched in the framework of the inter-agency market for temporary agents. In total, EASME screened more than 1418 CVs, organised and conducted over 332 interviews and written tests for 86 candidates. The average time to fill a vacant post (excluding seconded officials⁴⁵) was 6,6 months⁴⁶.

Response to Covid 19 pandemic

To respond to the Covid 19 pandemic, EASME took a number of actions including:

⁴³ Middle managers are appointed by EASME's parent DGs. Further information in Annex 9.

⁴⁴ Further information in Annex 9

⁴⁵ The selection process of the seconded officials is not under the control of EASME as it is carried out by the parent DGs.

⁴⁶ The time includes the period from when the post becomes vacant until the new recruit is in place. The average time to fill was impacted by the Covid 19 pandemic, which affected the timing of the CAST tests (for CA) and the written tests (for TA), and by the freeze of some recruitments due to the new mandate.

- Developed all HR activities virtually, from talent attraction and recruitment to onboarding of new staff and talent development, ensuring business continuity and delivery of workplan activities.
- Launched an online testing pilot to reproduce conditions of the office testing environment.
- Worked with DG HR to enable staff to take up their duties (i.e. pre-recruitment medical visits and other actions postponed) and with PMO for salary management and to onboard new staff (online establishment of rights/entitlements). This freed up EASME's resources and increased efficiency.
- Deployed new online courses specifically for the crisis situation (online mindfulness, virtual meetings, PEP, work post-confinement).

Focus on gender equality

The agency spearheaded a number of initiatives designed to promote and support gender equality. It piloted a **flagship Women Talent Programme** (online, due to the Covid-19 pandemic) where twelve participants benefitted from training, mentoring and coaching to support their career development. This initiative was awarded **“Best EU Leadership Programme”** by the European School of Administration. In addition, two inspiring women leaders presented TED-style talks to staff on themes including “Female Leadership, why it matters” and a panel debate saw three women leaders discuss the creative ways they pivoted their businesses during the Covid-19 pandemic. Under the guidance of Acting Director Luisa Prista, EASME's example has led to the creation of an inter-agency gender working group which will work to promote gender equality in the executive agencies.



Preparing for the new agency mandate

In light of the changing portfolios of Executive Agencies, EASME worked intensively with its parent DGs, as well as with the Agencies implicated in programme transfers (INEA, REA and CHAFAEA), and central services – including PMO, DIGIT and DG HR. To support and prepare the transfer of staff to new agencies, EASME organised information sessions, career guidance training and a chambre d'écoute. Following a call for expression of interest for horizontal staff, 37 staff members will be transferred to help set up the future HaDEA and 1 will move to CINEA.

Staff engagement

Adapting to the situation of remote working, EASME connected with staff through a daily newsletter “The Telework Challenge” launched on day one of confinement. It conveyed useful information, shared stories, and light-hearted news. Additional features included a

coffee community, photo gallery and a gratitude wall. Overall, 62 newsletters were sent over 23 weeks.

EASME's Get Inspired Programme - designed to bring in fresh perspectives and new ideas - featured keynotes on "How to prepare for the future" and "Female Leadership". In addition, a panel talk featured women leaders discussing the creative ways in which they pivoted their businesses during the coronavirus pandemic. The sessions attracted 350 participants.

EASME's "Sounding Board" is the umbrella under which staff work together to develop solutions in areas that matter to them. Its work in 2020 led to the installation of waste sorting stations, the inclusion of EASME in EMAS⁴⁷, the extension of parking slots for bikes and the organisation of Veloctober, promoting cycling as an active mode of transport.

Despite working remotely due to the Covid-19 pandemic, EASME's staff engagement levels remained stable at 70%.⁴⁸

Social Dialogue

This year a Memorandum of Understanding between the six Executive Agencies and the Trade Unions was signed. The process - which was instigated and led by EASME - constitutes a major first step forward in the establishment of a structured social dialogue. EASME also maintained weekly meetings with the Staff Committee during confinement.

2.2.2 Digital transformation and information management

In 2020, collaboration and knowledge sharing was improved by actions including: an enhanced Who's Who, an online database of investor related events and deployment of MS TEAMS and M365.

The Agency closely monitored the implementation of its Data protection action plan to ensure the highest possible compliance with the applicable data protection rules⁴⁹, taking into account the suggestions of the Commission's Data Protection Action Plan⁵⁰ as recently reviewed⁵¹.

The Agency continued to raise awareness and to train management and staff on the obligations to protect personal data and took a number of steps to ensure compliance with the new data protection rules, including:

- Establishment of a register of records of all data processing operations in place in the Agency (updated at least bi-annually);

⁴⁷ The European Commission's Environmental Management System

⁴⁸ Further information in Annex 9

⁴⁹ Regulation (EU) 2018/1725

⁵⁰ C(2018) 7432 final of 7.11.2018

⁵¹ C(2020)7625

- Assessment of compliance with general principles⁵² such as lawfulness, data minimisation and storage limitation are included in the template for records for ongoing or new processes;
- Appropriate information provided to data subjects including on their rights through concise and intelligible data protection notices by data controllers;
- Adoption of internal rules to restrict data subjects rights if necessary;

2.2.3 External communication activities

All EASME's communication actions contributed to the following general objectives:

- A new boost for Jobs, Growth and Investment;
- A resilient Energy Union with a forward-looking climate-change policy.

External communication

In 2020 EASME successfully adapted its programme communication to the restrictions brought by the Covid-19 pandemic. Highlights included the **European Green Deal call info day** that was organised in digital format and attracted more than 3000 participants. The call stretched over several Horizon 2020 sub-programmes (European Innovation Council, Energy Efficiency, Environment and Resources) and the LIFE programme.

All programmes managed by the agency organised digital events in place of planned physical events as from March 2020 (see part one for further details). They often had the advantage of attracting and enabling the participation of a wider audience. In addition, despite the need for last minute changes and adaptation, high satisfaction rates among participants were generally maintained (further details in annex 2). Over the year EASME increased the number of followers on social media. EASME managed Twitter accounts now have more than 175,000 followers.

Internal communication

The two priorities in 2020 were staff engagement and change communication. Weekly newsletters informed staff about updates in the Agency and programmes. In addition, the Agency conducted a eight staff polls to obtain feedback about how the staff handled the situation during the pandemic.

Given the upcoming changes to a new mandate, EASME organised two chat sessions of the Director with staff and added a dedicated section on the intranet. It also organised a series of info sessions to introduce all programmes that will be managed by the successor of EASME in 2021.

⁵² Article 4 Regulation (EU) 2018/1725