2012 discharge: EU general budget, European Commission and executive agencies

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The Commission presents its **fourth report on the evaluation of the Union's finances** based on the results achieved.

This report follows up on requests made by the Discharge Authority, most recently in its 2012 discharge resolution and in its Resolution of 26 February 20141, on its content and structure.

Structure of the report and objectives: in general, the Commission states that progress towards the Europe 2020 targets have been mixed. Although it is not possible to single out what has been the exact contribution of each of the financial programmes in achieving Europe 2020 targets and although the Europe 2020 strategy had not been adopted when the MFF 2007-2013 programmes were designed, this report provides available performance information on how the financial programmes have contributed to Europe 2020.

2013 is the last year of the MFF 2007-2013 period, but it is still too early fully to measure the programmes' results and impacts. This is because the final and ex-post evaluations addressing these issues are planned in the period 2014-2016. Nevertheless, data is available on indicators measuring the extent to which the implementation of the programmes is on track and a number of evaluations have been finalised giving performance feedback.

The report examines the results achieved for the main financial programmes. It is accompanied by two Commission Staff Working Documents which aim: (i) to provide an analysis and a description of the monitoring, reporting and evaluation frameworks for the financial programmes in 2014-2020; (ii) to take stock of the progress made to date on the Action Plan for the Development of the Article 318 Evaluation Report, attached to last year's Report.

Operational content of the report: the report is structured according to budget headings. For those budget headings related to the **internal policies** of the EU, it gives:

- the main financial programmes and their link to Europe 2020;
- an assessment of available performance results;
- an account of operational aspects of performance.

For the **EU external policies**, the report focuses on the main achievements of the financial programmes related to external policy goals.

In line with the guidance given by the Discharge Authority this Report provides an overview, and so does not give an exhaustive and detailed account of the annual progress in achieving objectives for each of the MFF 2007-2013 financial programmes. Such detailed information, including summaries of 2013 evaluations, is available in the Annual Activity Reports of the Commission departments.

Main conclusions: the Commission is generally on track in implementing the different programmes, with occasional examples of lack of progress compared to set milestones and indicators. Much of the information and data at this stage concerns outputs and actions being taken rather than results and impacts on programme objectives, but first indications of overall performance confirm expectations based on the design of the programmes and the progress achieved in their implementation.

It is difficult to measure the extent to which progress towards overall strategic policy objectives is a direct and exclusive result of actions financed by the spending programmes, while confirmation is provided of the **added value of common objectives and co-ordinated action by the EU**, contributing to increased efficiency and effectiveness.

The economic downturn has clearly slowed down progress in achieving EU headline targets on important aims such as the reduction in the number of people at risk of poverty and social exclusion. In response to the crisis, the Commission has undertaken various measures to speed up the implementation and align EU financing with the objectives of the Europe 2020 strategy.

It is clear that despite this fact the **EU spending programmes alone have not been able to reverse the economic slowdown**. This report provides many examples of financial programmes reducing the negative effects of the crisis for companies and Member States. For example, different financial facilities enabled SMEs and innovative firms to continue to invest for the future. Also in many Member States support from **European Structural Funds** has been the key instrument to support active labour market policies.

In a similar vein whilst EU funding has contributed important strategic policy objectives, large scale funding under the European Energy Programme for Recovery of gas and electricity interconnections has only started to contribute to easing the wide-ranging energy security issue and to consolidate the internal market in energy, while **far more needs to be done to further improve interconnections with the more remote and/or less well connected parts of the single market**.

The report states that:

- the Commission has used the input from all available forms of assessment, such as evaluations and special reports from the Court of Auditors, to adapt the implementation of programmes and preparation of successor programmes;
- the Commission has called for more focus on effectiveness and efficiency and for inclusion of better indicators and systems to track evidence of performance.

The report concludes that the monitoring, reporting and evaluation framework for the MFF 2014-2020 based on the legislation adopted by Parliament and Council for the new financial programmes provides what has broadly been agreed as a sound foundation for future reporting on results and impacts.

Reporting on 2007-2013 programmes will continue well into the next financial period.