European Commission, administrative reform: management of Community programmes, statute of executive agencies

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This report from the Commission evaluates the Consumers, Health, Agriculture and Food Executive Agency (CHAFEA), the Executive Agency for Small and Medium-Size Enterprises (EASME), the Innovation and Networks Executive Agency (INEA), the Education, Audiovisual and Culture Executive Agency (EACEA), the Research Executive Agency (REA) and the European Research Council Executive Agency (ERCEA).

Three years after the creation of each agency and every three years after this, the Commission has to assess whether each agency functions well. The Commission has evaluated the performance of all six executive agencies individually in 2018/2019. The evaluations assessed whether the agencies had fulfilled their tasks in an effective and efficient way, whether there were overlaps, gaps or inconsistencies in the management of the programme portfolio by the agencies, and whether there was a clear delineation of tasks between each agency and the parent DGs or other executive agencies.

The individual evaluations cover 2014 to 2016 for CHAFEA, INEA and EASME, 2015 to 2017 for EACEA and mid-2015 to mid-2018 for ERCEA and REA. The evaluation period varies because the agencies were created at different times.

Overall findings

In general, the evaluations showed that the six executive agencies were effective and efficient over the period analysed. They reached their objectives and the vast majority of the targets in their key performance indicators. They managed to cope with a challenging environment, including new mandates, changes of portfolio, changes of organisational structure and changes in their governance as well as peaks of very high workload coupled with constraints on human resources.

Alongside this positive picture, the Commission reported ***challenges and related shortcomings*** concerning the agencies such as:

Achieving their objectives

The six executive agencies managed the delegated programmes efficiently and achieved very good results for most key performance indicators. The evaluations identified improvements in information technology tools and in procedures as key factors that contributed to improving the agencies' key performance indicators. The evaluations show that agencies have put in place appropriate processes and procedures and that they have internal control systems that contribute to their efficiency and effectiveness.

Some agencies manage parts of the same programme

In the post-2014 period, the Horizon 2020 research programme is implemented by several executive agencies. Horizon 2020 is the biggest programme to be delegated to executive agencies in terms of financial allocation. In 2013, the Commission decided to delegate different strands of Horizon 2020 to four different agencies — REA, ERCEA, INEA and EASME.

Diversity of programme portfolios

The evaluations showed that working with a relatively high number of diverse thematic areas and tasks can pose a challenge to agencies' effectiveness.

Relationship with parent DGs

The evaluations found the formal and informal communication mechanisms between the agencies and the Commission sufficiently frequent and effective to ensure that parent DGs are kept informed about the agencies' performance and the state of play of implementation of the EU programmes.

The evaluations demonstrated however that despite these good practices, policy feedback from executive agencies tends to lack standardisation and is developed in an *ad hoc* manner. Wider recognition and better awareness among the Commission departments about the policy feedback offered by the agencies is needed. The evaluation highlighted that one of the key challenges for the next programming period is the need for agencies and the Commission to work more closely together and agree on information sharing.

Relationship with beneficiaries

All the agencies achieved their objectives for proximity to beneficiaries and visibility of EU programmes. All six agencies benefited from high satisfaction rates among beneficiaries of programmes managed by the agencies.

Cost-effectiveness

The evaluations revealed substantial differences in the programme management costs of the executive agencies. The executive agencies implementing Horizon 2020 were found to be more cost-effective than EACEA and CHAFEA. A common feature for all agencies during the evaluation period is that they are constantly taking operational measures to further improve their efficiency.

Human resources management

The report showed positive results but that challenges remained. In general, the survey showed that staff perceive executive agencies as stimulating and dynamic places to work with excellent internal communication and efficient processes and procedures in place. Staff are also of the opinion that agencies encourage collaborative working as well as new and better working methods. In the same survey, however, staff were less positive about their career development and mobility opportunities.

Change of mandate

The mandates of REA, EASME, INEA and EACEA were changed during the programming period. For EACEA, several mandate extensions took place over the period analysed. The evaluations showed that the affected agencies were flexible and effective in addressing the extension of their mandates. All four agencies managed to cope with the increased workload and/or additional tasks. The evaluations showed however that the delegation procedure (cost-benefit analysis, information to the Council committee for executive agencies, amendments to the acts of delegation, etc.) proved to be too complex for limited extensions of mandate.

Conclusion

The evaluations of the six executive agencies confirmed their good performance and their added value in managing EU programmes. At the same time, they revealed some challenges the agencies still face. Some challenges are common to all agencies. One of them is the quality of the policy feedback the agencies

deliver to the Commission, another is the need to update some aspects of the legal framework (memoranda of understanding or guidelines on executive agencies). Other challenges are more agency specific stemming from the agency's size, location, the diversity of portfolio of programmes to manage, or related to internal control issues. The Commission and the agencies are preparing and implementing action plans to remedy the shortcomings identified and to face the challenges ahead.

The Commission has presented its proposals for the next generation of EU programmes (2021-2027) and it is currently undertaking a cost-benefit analysis to determine the adequate role that executive agencies should play in implementing them. To this end, the executive agencies need to be able to continuously improve their performance, to continue operating in a cost-effective manner and to deepen cooperation with the Commission. The lessons learned from this common evaluation process will feed the reflections on the delegation of the next generation of EU programmes to the executive agencies.