

EGOVECONOMIC GOVERNANCE AND EMU SCRUTINY UNIT



ECONOMIC GOVERNANCE

Technical Support Instrument: latest developments

In order to help national authorities improve their capacity to implement reforms and investments, including those addressed by recovery and resilience plans, the European Parliament and the Council adopted in February 2021 a regulation establishing a Technical Support Instrument (TSI).

This note presents TSI developments in 2023 notably from the perspective of EU economic governance, including the Recovery and Resilience Facility. Annex 1 presents a summary of the projects in the 2023 cycle per Member States and Annex 2 presents the design elements of the instrument.

1. Supporting national reforms and investments

Challenges identified in the context of the European Semester, among those reforms addressed by the Country Specific Recommendations (CSRs), constitute an important basis for requests for technical support by Member States. National Reform Programmes (NRPs) shall present national reform priorities as a means of using Union funding in a coherent manner, maximising the added value of the financial support. The RRF Regulation 2021/241 states that the NRPs may be submitted in a single, integrated document with the respective Recovery and Resilience Plan (RRPs).

One may notice that the <u>latest annual CSRs</u> adopted by the Council in July 2023, include in addition to recommendations to make progress on the implementation of the respective RRP, some new policy recommendations based on emerging country specific challenges.

As regards priority areas for intervention, the Commission sets out in its work programme for 2023: "[...] the priorities for support measures under the TSI work programme for 2023 have been set on the basis of the Member State requests for technical support that are selected for funding. Of the requests selected, 98% concern support for implementing reforms that will help to achieve strategic policy priorities, as set out under the European Semester framework for policy coordination. This includes support for the amendment, implementation and revision of recovery and resilience plans under the RRF or under EU-wide policy initiatives such as the Green Deal, the Single Market Strategy, the Digital Single Market, the Energy Union, the Capital Markets Union, the European Pillar of Social Rights, or support for the implementation of Union



law and the Better Regulation Agenda. It also includes actions and activities in support of reforms that may help Members States prepare for joining the euro area."

In its 2023 <u>Annual Report</u> on the implementation of the RRF, the Commission has underlined the role of the RRF in supporting Member States in addressing outstanding implementation challenges due to administrative capacity, investment bottlenecks and evolving economic circumstances, thus accelerating the implementation and revisions of national plans. Additionally, against the backdrop of the 2023 CSRs¹, the Commission indicated that as a way to address issues on administrative capacity, the 2023 revision of RRPs provided Member States with an opportunity to adopt "measures to improve the organisation, capacity and means of national administrations directly involved in the implementation of plans. These measures can rely on the technical assistance from the Commission provided via the Technical Support Instrument (TSI)."

The Annual Report also highlights the role of the TSI in providing technical assistance to Member States in the context of the REPowerEU chapters to boost the green ambition of national RRPs. It also highlights the support provided to the implementation of effective communication strategies on the benefits of the RRF. Currently, 8 Member States are involved in a multi-country TSI project in this area.

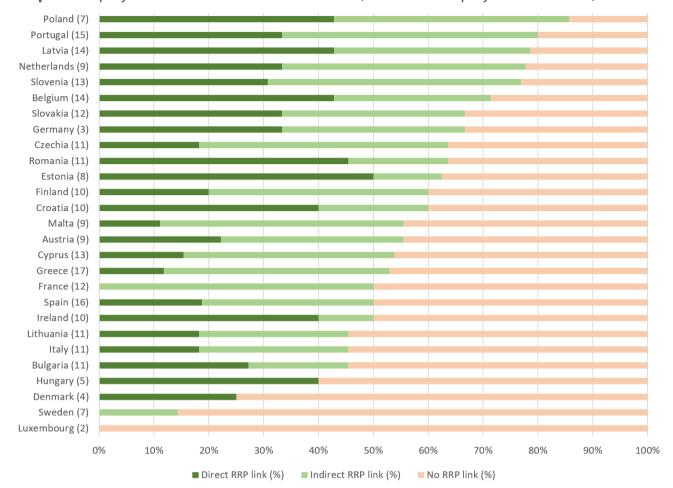
The role of the TSI in the broader RRF architecture has also been underlined by the Commission in its replies to the European Court of Auditors (ECA) <u>special report</u> on the Commission's assessment of RRPs. In responding to the ECA recommendation on the promotion of the exchange of good practices among Member States during the implementation of RRPs, the Commission noted that "specific thematic exchanges, instruments such as the Technical Support Instrument and thematic or sectoral working groups are already available (...) Such exchange of good practices has already begun and will be continuously implemented".

As regards the specific role of the TSI for the **roll-out of RRPs**, the <u>Commission</u> claims that **over 400 projects approved are linked to RRF implementation**. In 2022, more than 60% of TSI projects selected for that year were <u>reportedly</u> related (directly or indirectly) to RRF implementation. **In 2023**, that share is said to have risen to **77%**. Similarly, the number of Member State that are benefitting from general support has increased from 19 in 2022 to 23 in 2023, whereas all Member States currently receive thematic support under the TSI (vs 23 in 2022). ²

According to our calculation, we find that the direct or indirect link of chosen TSI projects in 2023 to the RRF is undoubtedly important, but the numbers seem somewhat lower than those reported by the Commission (see above). Our calculation is based on country-specific information included in the annexes to the national Cooperation and Support Plans with details on the TSI 2023 projects. In those annexes, the Commission itself has categorised whether a TSI project has a direct, indirect, or no link to the RRP implementation. On country level, the share of projects that have a direct or indirect link with RRP implementation versus those that have no link ranges from 86% to 0%, the EU average of projects with a direct or indirect links adds up to 59%, while 41% of the 2023 TSI projects seem to have no link with RRF implementation (see graph 1).

¹ In its <u>Communication</u> on the 2023 European Semester - Spring Package, the Commission further recognises the role of the TSI in improving administrative capacity and promote best practices that could boost investment and reforms needed for the green transition.

² In the 2023 <u>Annual Report</u> on the implementation of the RRF, the Commission indicates that "all 27 MS are benefiting from the thematic support linked to RRF measures' implementation".



Graph 1: TSI projects with direct or indirect RRP link (number of TSI projects in brackets)

Source: EGOV, based on annexes to national Cooperation and Support Plans (TSI 2023)

2. Technical Support under the 2023 Cycle

Under the call for the year 2023, the Technical Support Instrument (TSI) cover 321 projects. TSI 2023 main novelties are the multi-country projects (as for example the <u>Public Administration Cooperation Exchange</u>), geared at addressing common issues among Member States thereby underlying the EU added-value of the instrument, and the "<u>Flagship projects</u>" supporting reforms which are largely needed across Member States and are in line with the EU priorities.

Mirroring the 2022 flagship initiatives proposed by the Commission, many of the projects that were approved in 2023 (as depicted in <u>Annex 1</u> to this document) surround the digital and green transition, efficient public administration as well as various issues of equality.

To give some examples, a digital public administration is included in the projects approved for Austria, Denmark, Italy, Latvia, Malta and Portugal. Cyprus, Czechia, Germany, Italy, Malta, Poland, Portugal and Slovakia have included plans for a climate adaptation. Support for the implementation of Youth First programme is part of the projects of Cyprus, Czechia, Italy, Slovakia and Spain. Lastly, reforming tax administration is part of the proposed and approved projects by Austria, Belgium, Bulgaria, Finland, Greece, Hungary, Malta, Poland, Portugal and Romania. Most projects in 2023 were approved for Greece (19), Italy (16), Germany (16), Portugal (18) and Spain (19).

Some examples of recent projects:

Public Administration Cooperation Exchange

The European Commission's flagship initiative, the "Public Administration Cooperation Exchange" (PACE), is geared towards strengthening administrative capacity and helping the next generation of EU policymakers. PACE seeks to foster a European community of public servants engaged in sharing best practices and participating in working visits to fellow Member States, thus enhancing their expertise. Under PACE, 1-5 civil servants from an EU Member State are integrated into an EU peer administration for periods spanning 5 days to 3 months, with the exchanges slated to occur between May 2023 and May 2024. In the initial phase of PACE's implementation (TSI 2023), around 300 civil servants from 18 Member States have participated in roughly 70 exchanges, with a focus on areas like digital and green transformation, public administration performance enhancement, professionalization, and the management of EU instruments. PACE equips public servants with the necessary knowledge and skills to address contemporary challenges, elevating the efficiency of EU public administration.

<u>Supervising Artificial Intelligence by Competent Authorities</u> in the Netherlands

The European Commission is collaborating with the Dutch Authority for Digital Infrastructure (RDI) to accelerate the establishment of effective supervision for Artificial Intelligence (AI) systems in alignment with the forthcoming AI Act and other relevant regulations. The project comprises three phases:

- Phase I involves creating a comprehensive report on current AI supervision practices through desk research and interviews, disseminated among Dutch and European Competent Authorities on AI.
- Phase II will develop case studies to simulate the complexities of AI supervision.
- Phase III will culminate in a set of operational recommendations for effective AI supervision, drawing upon input from various stakeholders.

The project will assist the RDI in enhancing AI supervision, ensuring adherence to existing and forthcoming AI legislation. The RDI chairs both European and Dutch Working Groups of Competent Authorities on AI, and the project will engage other EU Competent Authorities to collectively address the multifaceted challenges associated with supervising AI technologies.

Promoting a Fair Climate Transition in Slovakia

The European Commission is aiding Slovakia in its efforts to achieve a just transition to a more sustainable and climate-friendly economy, particularly in the regions of Horna Nitra, Banska Bystrica, and Kosice. The Slovak Government has committed to phasing out coal by 2023.

The Commission began by supporting the development of a coal phase-out strategy in the Upper Nitra region in 2018, involving consultations with local stakeholders. The results of this collaboration include the adoption of a coal transition strategy for Upper Nitra in 2019, the finalization and submission of territorial just transition plans in 2022, and ongoing efforts to identify and prepare projects for funding through the Just Transition Fund. Additionally, the Commission is helping enhance the capacity of the Slovak administration to implement the Just Transition Mechanism effectively.

The list with all the new projects under TSI in 2023 can be found in <u>Annex 1</u> and Annex 2 shows the design of the instrument.

ANNEX 1: New projects under TSI in 2023 (as published by the Commission in October 2023)

Member State	Summary of the approved TSI projects ¹	<u>Titles of the approved TSI projects</u> ¹
Austria	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Austria with 9 projects. 5 of those projects are multi- country projects.	Development of an infrastructure for micro-data analysis for National Productivity Boards Regional and local authorities – Enhancing Quality of public administration and cooperation, Prevention of money laundering and terrorist financing Forecasting and steering the teaching workforce in Austria Towards person-centered integrated care Renovation Wave - Improving the survey of the national building stock Integration of environmental dimensions in public finances - implementing the 'Do No Significant Harm' (DNSH) principle in public funding programme Strengthening tax compliance by implementing behavioural insights for revenue administrations in Belgium, Austria and Portugal Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust Developing in-house capacity for Latvia and other Member States
Belgium	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Belgium with 16 projects. 12 of those projects are multi- country projects.	Strengthening the strategic approach to public integrity in Belgium, including the integrity of public procurement processes and data-driven approach in procurement risk management Tackling labour shortages and skills mismatches in French-speaking Belgium Attracting international talents to Belgium (Flanders and Wallonia) Towards person-centered integrated care Integration of environmental dimensions in public finances - implementing the 'Do No Significant Harm' (DNSH) principle in public funding programme Towards improved security at the ports of Antwerp, Rotterdam and Hamburg and their embedded industrial clusters through validated and federated identities Building Policy Coherence for Sustainable Development (PCSD) in Belgium Strengthening tax compliance by implementing behavioural insights for revenue administrations in Belgium, Austria and Portugal PACE - Greening the Flemish tax system PACE - Givil service mobility Strengthening the capacity of Independent Fiscal Institutions (IFIs) Cartographie et correspondance des compétences numériques avec les compétences métiers dans la Fonction Publique Map & Match : le numérique au service des métiers des agents publics Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms Developing in-house capacity for Latvia and other Member States Communicating the benefits of the recovery and resilience plans to the general public



COM Country Fact Sheet:

In the third round of the TSI, the Commission will support Bulgaria with 13 projects. 7 of those projects are multicountry projects. Optimising processes and services at the National Employment Agency of Bulgaria

Strengthening the Strategic Approach and Innovation in the Civil Service in Bulgaria

Enhancing the capabilities for risk-based AML supervision and financial intelligence in Bulgaria

Creation and implementation of regulatory mechanisms for the natural gas market in Bulgaria

Supporting the implementation of efficient insolvency procedures in Bulgaria

Strategy for the development of entrepreneurship, innovation and digitization in Stara Zagora and a roadmap for its implementation

PACE - Civil service mobility

EU Supervisory Digital Finance Academy

Enhance strategic tax administration reforms through Tax Administration Diagnostic Assessment Tool in Bulgaria

ESG risk management framework for the financial sector

Proof of concept of Al models in market abuse monitoring

EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms

Communicating the benefits of the recovery and resilience plans to the general public



COM Country Fact Sheet:

In the third round of the TSI, the Commission will support Croatia with 11 projects. 6 of those projects are multicountry projects.

Implementing the Barnahus model in Croatia

Strengthening the application of ex-post evaluation in Croatia

Reform of Civil Status Registries in Croatia using advanced technological solutions as a Precondition for a Modern and Agile Public Service

Towards a strengthened Information Security Policy and the use of Artificial Intelligence and Business Intelligence in Croatian Customs State - owned property management optimization programme - 2nd Phase

PACE - Capacity building in preparation, management and monitoring of twinning and public technical cooperation instruments ESG risk management framework for the financial sector

Integrated Firefighting Plan

Improve the quality of multi-level governance and strengthening the resilience of island economies of Croatia, Greece and Sweden

Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust

EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms



Cyprus

COM Country Fact Sheet:

In the third round of the TSI, the Commission will support Cyprus with 14 projects. 9 of those projects are multicountry projects.

Industrial ecosystems

Migrant integration and talent attraction: Enhancing structures for intercultural integration

Migrant integration and talent attraction: Capacity building for the Ministry of Interior

Study of Floating Photovoltaic Installation in Dams and Reservoirs, Including Energy Storage Systems

Youth FIRST - supporting children and youth wellbeing, education, training, social protection and labour prospects

PACE - Modernisation and restructuring of the Social Insurance System

ESG risk management framework for the financial sector

Completion, updating and harmonisation of National Resolution Handbook (NH) with the relevant legal framework and practices within the Banking Union (BU)

Youth FIRST - supporting children and youth wellbeing, education, training, social protection and labour prospects

		Mapping competencies of national authorities in the area of implementation of EU restrictive measures. Best practices and legislative recommendations. Strengthening the capacity of Independent Fiscal Institutions (IFIs) Developing in-house capacity for Latvia and other Member States Communicating the benefits of the recovery and resilience plans to the general public Climate adaptation
Czechia	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Czechia with 11 projects. 7 of those projects are multi- country projects.	Developing a comprehensive framework for the monitoring and evaluation of early childhood education and care in the Czech Republic Strengthening the efficiency of the judicial system in the Czech Republic Supporting businesses to achieve a higher level of digitalization Sustainable Finance Policy Options Supporting the Czech Republic to implement spending reviews and build a performance budgeting framework Climate adaptation Mapping competencies of national authorities in the area of implementation of EU restrictive measures. Best practices and legislative recommendations. Supporting evidence-based regulatory practice and policy coherence for implementing the 2030 Agenda for Sustainable Development in Czechia Implementation of Housing Reform Proof of concept of Al models in market abuse monitoring Developing in-house capacity for Latvia and other Member States
Denmark	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Denmark with 8 projects. 6 of those projects are multi- country projects.	Transition of the Danish industry towards a circular and resilient economy and a workforce with green and digital skills Digital transformation for regional and local public administrations Proof of concept of AI models in market abuse monitoring: trustworthy AI for the Danish local and regional authorities PACE - Civil service mobility PACE - Green governing (digitalisation and public procurement) EU Supervisory Digital Finance Academy Mapping competencies of national authorities in the area of implementation of EU restrictive measures; Best practices and legislative recommendations Migrant integration and talent attraction
Estonia	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Estonia with 9 projects. 6 of those projects are multicountry projects.	Professionalisation of public procurement personal - fostering strategic methodologies, integrity and transparency Establishment of data governance, business intelligence and analytics offices at agencies to support the data economy and seamless data exchange Implementation of the Action Plan towards sustainable water services PACE - Support administrative structures to implement the needed changes in different governance areas Technical support for National Handbook Integrating Spending Reviews and Policy Evaluations into the Medium Term Budget Framework in Estonia

		Proof of concept of Al models in market abuse monitoring Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust Integrating strategic objectives and policy measures, risk assessments and plans into National Strategy on Resilience of Critical Entities (NSR project)
Finland	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Finland with 11 projects. 9 of those projects are multicountry projects.	Accelerating permitting for renewable energy Supporting development of the internal control and risk management framework in Finland PACE - Civil service mobility ESG risk management framework for the financial sector Supporting the design and implementation of regular spending reviews in Finland Industrial ecosystems Proof of concept of Al models in market abuse monitoring Promoting quality and inclusion in early childhood, pre-primary, primary and lower secondary education Enhancing the quality and use of tax information exchanged between Member States in the context of the Directive on Administrative Cooperation (DAC) Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust RISKS Resilience: Integration of Strategic risk Systems
France	COM Country Fact Sheet: In the third round of the TSI, the Commission will support France with 14 projects. 7 of those projects are multicountry projects.	Professionalisation of public procurement personal - fostering strategic methodologies, integrity and transparency Supporting the successful implementation of the Regulation UE 2021/2282 on health technology assessment by HAS Support to the CGDD phase 2 Technical Support Project on "Development of FIU's expertise focused on digital finance and virtual assets" Pour une meilleure mobilisation des programmes en gestion directe et indirecte dans les régions ultrapériphériques (RUP) Vers une valorisation des compétences des seniors au sein du MESFIN PACE - Modernisation of the human resources management model EU Supervisory Digital Finance Academy ESG risk management framework for the financial sector Proof of concept of AI models in market abuse monitoring Improving the energy performance of State buildings in France and the Netherlands Cartographie et correspondance des compétences numériques avec les compétences métiers dans la Fonction Publique Map & Match : le numérique au service des métiers des agents publics Developing in-house capacity for Latvia and other Member States
Germany	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Germany with 13 projects. 7 of those projects are multicountry projects.	Further strengthening of the Spending Review framework in Germany Towards improved security at the ports of Antwerp, Rotterdam and Hamburg and their embedded industrial clusters through validated and federated identities PACE - Civil service mobility PACE - Modernization of IT-infrastructure in the German federal government

PACE - Governance of public investments in private corporations on the energy sector and beyond PACE - Exchange Program for National Inspectors Maritime Security PACE - Clustering Lightweighting Knowledge for Concentrated Climate Action and Strong Economics PACE - Exchange on data analytics, artificial intelligence and the implementation of an algorithm register PACE - Al-based methods for the risk assessment of Genetically Modified Organisms PACE - Harmonisation of the plant protection products' authorisation system PACE - Transformation towards climate neutrality PACE - Standardisation of data exchange in the Single Digital Gateway Climate adaptation Institutionalizing Behavioural Science for Policy Making to Improve Reform Efforts in Greece **COM Country Fact Sheet:** Task Force against disinformation In the third round of the TSI, Towards person-centered integrated care the Commission will support Greece with 19 projects. 11 of Driving transformational change of the EKDDA those projects are multi-Implementation Study, Design, and Deployment of project finance capabilities with an emphasis on sustainable infrastructure for the country projects. Hellenic Development Bank (HDB) Implementation of the BIM Roadmap in Greece, including pilot projects. Capacity building on advanced data-driven approaches and tools for risk assessment and tax audits Greece Professionalisation of public procurement personal - fostering strategic methodologies, integrity and transparency PACE - Civil service mobility PACE - Modernisation of the human resources management model Enhance strategic tax administration reforms through Tax Administration Diagnostic Assessment Tool in Greece ESG risk management framework for the financial sector Industrial ecosystems Strengthening the capacity of Independent Fiscal Institutions (IFIs) Improve the quality of multi-level governance and strengthening the resilience of island economies of Croatia, Greece and Sweden Industrial ecosystems Proof of concept of AI models in market abuse monitoring Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust Developing in-house capacity for Latvia and other Member States **COM Country Fact Sheet:** Towards a semantically interoperable health system Develop a single micro-credential system and standards to facilitate lifelong learning and rapid adaptation to changing labour market In the third round of the TSI, the Commission will support needs Hungary Hungary with 5 projects. 3 of Integration of environmental dimensions in public finances - implementing the 'Do No Significant Harm' (DNSH) principle in public

Mapping competencies of national authorities in the area of implementation of EU restrictive measures - Best practices and legislative

PE 747.871 9

funding programme

recommendations

those projects are multi-

country projects.

		Enhancing the quality and use of tax information exchanged between Member States in the context of the Directive on Administrative Cooperation (DAC)
Ireland	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Hungary with 10 projects. 6 of those projects are multi- country projects.	Towards person-centered integrated care in Ireland General technical support for the implementation, amendment and revision of the Recovery and Resilience Plans Enhanced FinTech Authorisation Process Accelerating permitting for renewable energy Renovation Wave - Advancing retrofitting in multi-apartment buildings Building Policy Coherence for Sustainable Development (PCSD) across national and local government in Ireland ESG risk management framework for the financial sector Support for the development of a model of inclusion for the Irish school system Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust RISKS Resilience: Integration of Strategic risk Systems
Italy	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Hungary with 14 projects. 8 of those projects are multicountry projects.	Industrial ecosystems Improving ESG data availability and sustainability corporate reporting in Italy IMPACT – Natural swimming pool to enhance sustainable tourism Behavioural Public Administration in the Italian PA Climate adaptation Towards person-centered integrated care Implementing the DNSH principle in the assessment, monitoring and reporting of public expenditure (Green Bonds and infrastructure projects) PACE - Civil service mobility PACE - Comparing the organization of Trial Offices around Europe PACE - Pathway to a new organisational culture in the Ministry of Economy and Finance Improving ESG data availability and sustainability corporate reporting in Italy ESG risk management framework for the financial sector Youth FIRST - supporting children and youth wellbeing, education, training, social protection and labour prospects Proof of concept of AI models in market abuse monitoring
Latvia	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Latvia with 17 projects. 12 of those projects are multi- country projects.	Addressing antimicrobial resistance and zoonoses in Latvia using the One Health approach - continuation of structural reforms Strengthening of medium-term expenditure framework and budget outcomes in Latvia Improving road safety for vulnerable road users in Latvia Support for Institutionalising the New Academic Careers Framework in Latvia Further development of Internal Control System and Internal Audit in the public administration of the Republic of Latvia – Phase II Compliance with the "Do no Significant Harm" (DNSH)" principle in the road infrastructure design, construction, and maintenance processes PACE - Establishment of policy planning and results based management system

Lithuania	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Lithuania with 12 projects. 9 of those projects are multicountry projects.	PACE - Creation of a state IT system for the digitization of administrative process cases EU Supervisory Digital Finance Academy ESG risk management framework for the financial sector Technical support for National Handbook Industrial ecosystems - market surveillance and IP Strengthening the capacity of Independent Fiscal Institutions (IFIs) Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms Developing in-house capacity for Latvia and other Member States Communicating the benefits of the recovery and resilience plans to the general public Strengthening Lithuania's development cooperation ecosystem: coherence, partnerships, impact Support for strengthening the system of evaluation and quality assurance of higher education and vocational education and training in Lithuania Strengthening scientific capacities to increase the availability of innovative medicinal products Renovation Wave - Advancing building renovation with organic materials EU Supervisory Digital Finance Academy Technical support for National Handbook Mapping competencies of national authorities in the area of implementation of EU restrictive measures. Best practices and legislative recommendations. Strengthening the capacity of Independent Fiscal Institutions (IFIs) Proof of concept of AI models in market abuse monitoring Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust Accelerating permitting for renewable energy EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms
Luxembo	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Lithuania with 1 project.	EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms
Malta	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Malta with 11 projects. 5 of those projects are multi- country projects.	Implementing the Business Re-Organisation Action Plan of the Office of the Attorney General and the Office of the State Advocate in Malta Strengthening tax compliance through implementation of real-time reporting in Malta Assistance to draw a Sustainable Aquaculture Strategy for Malta Climate adaptation Enhancing the quality and use of tax information exchanged between Member States in the context of the Directive on Administrative Cooperation (DAC)

		First Step: Online Pre-departure Integration Measures PACE - Strengthening the Public Procurement System of the Ministry for Finance and Employment in Malta PACE - Public Administration Cooperation Exchange for Digital Transformation of Spatial Data in Malta Mapping competencies of national authorities in the area of implementation of EU restrictive measures. Best practices and legislative recommendations. Strengthening the capacity of Independent Fiscal Institutions (IFIs) Proof of concept of AI models in market abuse monitoring
Netherlan ds	COM Country Fact Sheet: In the third round of the TSI, the Commission will support the Netherlands with 12 projects. 9 of those projects are multi-country projects.	Technical support for the implementation of the RRP Supervising Al by Competent Authorities Migrant integration and talent attraction Towards improved security at the ports of Antwerp, Rotterdam and Hamburg and their embedded industrial clusters through validated and federated identities PACE - Civil service mobility PACE - Green governing (digitalisation and public procurement) EU Supervisory Digital Finance Academy Improving the energy performance of State buildings in France and the Netherlands Accelerating permitting for renewable energy EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms Communicating the benefits of the recovery and resilience plans to the general public Civic Participation and Emergent Technologies
Poland	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Poland with 8 projects. 2 of those projects are multicountry projects.	Optimalisation of strategic plans for further development of e-health in Poland Developing public employment services for economically inactive people in Poland Strengthening resilience of industrial firms to energy shocks and improving their climate competitiveness Service regarding low motivation digital technologies usage and digital transformation among Polish enterprises Improve the capacity of Poland to better assess and counteract the "grey economy" and aggressive tax planning Digital transformation of farming PACE - Knowledge transfer in the field of multimodal travel information service Coordinating provision of adequate premises & housing infrastructure for social inclusion programmes
Portugal	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Portugal with 18 projects. 12 of those projects are multicountry projects.	Reforming Higher Education National Access Framework: towards a more inclusive approach Implementation of strategic initiatives of the National Strategy for Smart Cities/Smart Territories Study for the construction of a unify Social Benefit Developing structural tools to support the implementation of the European Child Guarantee in Portugal SupTech roadmap for the securities market supervision (advanced analytics, Al and other tools) Industrial ecosystems Building Policy Coherence for Sustainable Development (PCSD) across national and local government in Portugal

Strengthening tax compliance by implementing behavioural insights for revenue administrations in Belgium, Austria and Portugal PACE - Civil service mobility

PACE - Public Administration Performance Improvement - Public Real Estate Optimization

EU Supervisory Digital Finance Academy

Supporting the implementation of spending reviews in Portugal

Climate adaptation

Industrial ecosystems

Proof of concept of AI models in market abuse monitoring

EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms

Communicating the benefits of the recovery and resilience plans to the general public

Civic Participation and Emergent Technologies



COM Country Fact Sheet:

In the third round of the TSI, the Commission will support Romania with 14 projects. 8 of those projects are multicountry projects Professionalisation of public procurement personal - fostering strategic methodologies, integrity and transparency

Strengthening the capacity of the Public Ministry for investigating IP infringements

Interventions to reduce poverty and increase equity through the use of integrated community services, sustainable partnerships and local community strengthening

Implementing Romania's renewable energy support scheme

Improving the business environment by implementing a streamlined licensing reform

Technical Support for the Romanian authorities to implement the eID Investment under RRP

PACE - Civil service mobility

PACE -Cooperation exchange between Romania and other MS in key areas of interest

EU Supervisory Digital Finance Academy

Enhance strategic tax administration reforms through Tax Administration Diagnostic Assessment Tool in Romania

ESG risk management framework for the financial sector

Mapping competencies of national authorities in the area of implementation of EU restrictive measures. Best practices and legislative recommendations

Proof of concept of Al models in market abuse monitoring

Communicating the benefits of the recovery and resilience plans to the general public



COM Country Fact Sheet:

In the third round of the TSI, the Commission will support Slovenia with 13 projects. 9 of those projects are multicountry projects. Increase ESIF absorption, eliminate gold-plating and provide result-oriented investments in the 2021-2027 period

Accelerating permitting for renewable energy

Improve Efficiency of the ESI Funds Absorption Processes in Slovenia

Review of Slovenian Industrial Strategy 2021-2030 for green, creative and smart development

Ensuring the best interest of the child in civil court proceedings in Slovenia

Upgrading and improving the RRF implementation system in Slovenia

Implementing the 'Do No Significant Harm' (DNSH) principle in public funding programmes in Slovenia

ESG risk management framework for the financial sector

Enhancement and operationalisation of National Handbook for resolution and compulsory winding-up of banks

Youth FIRST - supporting children and youth wellbeing, education, training, social protection and labour prospects

Climate adaptation - Prevention and management of wildfires

Mapping competencies of national authorities in the area of implementation of EU restrictive measures. Best practices and legislative recommendations.

Proof of concept of Al models in market abuse monitoring

Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust

EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms



COM Country Fact Sheet:

In the third round of the TSI, the Commission will support Slovakia with 12 projects. 5 of those projects are multicountry projects. Increase ESIF absorption, eliminate gold-plating and provide result-oriented investments in the 2021-2027 period

Accelerating permitting for renewable energy

Process Map of the new IT system in insolvency

Towards person-centered integrated care

Strengthening the role of spending reviews in the budgetary process of Slovakia

Industrial ecosystems - Integrated policymaking in the area of RDI

Youth FIRST - supporting children and youth wellbeing, education, training, social protection and labour prospects

Integration of environmental dimensions in public finances - implementing the 'Do No Significant Harm' (DNSH) principle in public funding programme

Crisis Management National Handbook

Proof of concept of Al models in market abuse monitoring

EU Survey of Central Government Public Servants: Strengthening Evidence-based People Management Policies and Reforms

Support to Climate adaptation in Slovakia



Spain

COM Country Fact Sheet:

In the third round of the TSI, the Commission will support Spain with 19 projects. 13 of those projects are multicountry projects. Centralisation of services and development of e-government catalogue at local level in Spain

Building the strategy and foundations of a centralized IT platform for TCNs labour market inclusion.

Skills intelligence strategy for higher education, including support on micro-credential design

Design of a strategy for the creation of community participatory processes, focussed on equity in health, at local level

Strengthening policies and governance arrangements within the Spanish national employment system

Capital markets for a vibrant and sustainable Spanish economy and corporate sector

Integration of environmental dimensions in public finances - implementing the 'Do No Significant Harm' (DNSH) principle in public funding programme

PACE - Civil service mobility

PACE - Detection and investigative tools in competition enforcement

National Handbook - Bridge institution and Asset Separation Tool sections and supporting material

Youth FIRST - supporting children and youth wellbeing, education, training, social protection and labour prospects

Mapping competencies of national authorities in the area of implementation of EU restrictive measures. Best practices and legislative recommendations.

Strengthening the capacity of Independent Fiscal Institutions (IFIs)

External Evaluation of the Spanish Independent Authority for Fiscal Responsibility (AIReF)

		Industrial ecosystems Proof of concept of AI models in market abuse monitoring Measuring Citizen's Satisfaction with Key Government Services for Better Performance and Enhanced Trust Project in relation to the communication obligations of the Spanish Recovery, Transformation and Resilience Plan. Civic Participation and Emergent Technologies
Sweden	COM Country Fact Sheet: In the third round of the TSI, the Commission will support Spain with 7 projects. 4 of those projects are multi-country projects.	Development of analytical and statistical tools to estimate the shadow economy in Sweden Strengthening the Governance of the Swedish Skills System Joint Management of Data and Analysis for Swedish Healthcare Regions Improve the quality of multi-level governance and strengthening the resilience of island economies of Croatia, Greece and Sweden Industrial ecosystems Proof of concept of AI models in market abuse monitoring Migrant integration and talent attraction

Sources: (1) 2023 Country Fact Sheets as published on COM website (retrieved 17.10.2023)

ANNEX 2: The main features of the Technical Support Instrument

<u>Regulation 2021/240</u> of 10 February 2021 established the Technical Support Instrument (TSI). It was put forward by the Commission in May 2020 as part of the <u>Next Generation EU</u> and it replaced the <u>Structural Reform Support Programme</u> (SRSP)³.

The Instrument finances, through the EU budget, technical assistance to Member States in designing, preparing and implementing structural reforms in a number of identified areas. In particular, its purpose may be to assist national authorities in improving their capacity to design and implement RRPs under as foreseen in Regulation 2021/241 establishing the Recovery and Resilience Facility (RRF).

The Instrument is endowed with a budget of EUR 864 bn in the current Multiannual Financial Framework (1 January 2021 to 31 December 2027). It is demand driven and **no specific quotas are allocated per Member** State.

On <u>20 March</u> 2023, the Commission adopted a decision on the financing of the TSI and its work programme for 2023. A budget of EUR 119 693 156.59 is available in 2023 for the TSI, an increase of around EUR 2.9 million compared to the year before ⁴. The budget in 2024 is supposed to increase to around EUR 135.5 million.

The Commission publishes information on approved projects, both for the <u>TSI</u> and its predecessor, the <u>SRSP</u>. The Commission also discloses <u>country fiches</u>, compiling summarised information on projects per Member State, and horizontal brochures on specific areas⁵. Annex 1 to this note lists the 2023 TSI-approved projects.

There is, however, little information centrally available on the actual outcomes of the technical assistance (reports, studies or recommendations produced as a result of the technical assistance); the *TSI Regulation* requires the Commission to set up a centralised repository where such reports and studies may be made available.

Scope of support available

Following the experience of the preceding instrument providing technical assistance (the SRSP), the TSI may grant support in a multitude of policy areas. It shall contribute to promoting cohesion, competitiveness, inclusive growth, jobs and investment, with specific emphasis on digital and just green transitions, by supporting Member States efforts in implementing reforms in a broad range of policy areas. These include

³ The TSI is based on articles <u>175</u> and <u>197(2)</u> of the Treaty on the Functioning of the European Union (TFEU). Article 197(2) allows the Union to support Member States' efforts to "improve their administrative capacity to implement Union law"; article 175 is one of the legal basis allowing to legislate on cohesion polices.

The 2022 annual financial decision is dated 9 March 2022. It is based on requests submitted by Member States up to 31 October 2021; the 2022 budget is set at EUR 116 837 248.29, slightly below 1/7 of the TSI 2021-2027 budget. An annex to the financial decision explains the outlook for 2022 and the criteria the Commission took into account when setting the budget. In particular, the Commission notes: "The estimated cost of the support measures requested by the 27 Member States was approximately two times the budget allocation for 2022. This led the Commission to strongly prioritise when selecting which requests to fund. This prioritisation was based on the criteria defined in the Regulation, bearing in mind the prioritisation made by the Member States themselves and themain challenges faced by the Member States, as indicated in the recovery and resilience plans under the RRF, the past country-specific recommendations, the country reports, relevant infringement cases, etc. The Commission also considered the link between requests and strategic Union priorities. In application of the principle of sound financial management, the most mature requests having the highest potential impact on the ground were prioritised over others." The Annex also outlines the areas where the TSI will finance projects, on the basis of Member State's plans (the Commission notes that 98% of projects address needs identified in Country Specific Recommendations).

The publications in 2021 can be found here and cover: Governance and public administration; Growth and business environment; Labour market education, health and social services; Helping EU Member States carry out growth-enhancing reforms; Financial sector and access to finance; Technical support for implementing the European Green Deal; Revenue administration and public financial management. These broadly correspond to the core units within DG Reform, which manages the TSI.

notably public administration and tax policies, financial services, business environment, education and learning, healthcare policies, statistics and Member States' preparations for accessing the euro area.

Support can also be requested for some specific reform objectives as set out in article 9. These include, notably, the implementation of reforms in the context of economic governance processes (in particular of Country Specific Recommendations under the European Semester) or actions related to the implementation of Union law and the implementation of economic adjustment programmes.

Technical support is *complementary* and *additional* to other EU funds. This means that, in practical terms, funding available under the TSI can be complemented with assistance or funding available under other EU instruments insofar the same cost is not supported twice.

Various actions are *eligible* for technical support ⁶. These are, notably, the provision of expertise related to policy advice, policy change, formulation of strategies and reform roadmaps and legislative, institutional, structural and administrative reforms; provision of experts; institutional, administrative or sectoral capacity building and related supporting actions; collection of data and statistics, development of methodologies; organisation of local operational support notably in areas such as asylum, migration and border control; IT capacity building; carrying out of studies; establishment and execution of communication projects and strategies for learning; compilation and publication of materials; and any other relevant activity that may contribute to the general or specific objectives of the *Regulation*.

Technical support may be given through grants, public procurement contracts, reimbursement of costs of external experts, contributions to trust funds set up by international organisations and actions carried out under indirect management. Technical support can be offered by the Commission directly or through other Member States entities, international organisations.

Procedures

Member States wishing to receive technical support under the instrument shall submit a request for technical support to the Commission (to DG REFORM), identifying the policy areas and the priorities for support (see above). Such requests shall be submitted - each year- by 31 October. Specific and additional dedicated calls may be organised for requests relating to the preparation, amendment and revision of RRPs pursuant to the RRF and the implementation thereof undertaken by Member States.

To facilitate proceedings, the Commission prepared a specific <u>template requestfor technical support</u> which structures the information needed by the Commission to assess the request⁷. Once requests are submitted, the Commission analyses the projects and their merits in light of criteria set out in the *Regulation*. These are the urgency, breadth and depth of the challenges identified; the support needs in respect of the policy areas concerned; an analysis of socioeconomic indicators, as well as institutional and general administrative

⁶ Technical support is defined in the *Regulation* as "measures that help national authorities to implement institutional, administrative and structural reforms that are sustainable and resilience-enhancing, strengthen economic, social and territorial cohesion and support the public administration in the preparation of sustainable and resilience-enhancing investments". The SRSP Regulation refrained from defining technical support using, instead, the word "support".

The sections of the template include: (1) Description of the problem/need to be addressed (inter alia: how broad is the problem? Does it affect a significant part/sector of the economy? How deep or severe is the problem? Provide relevant socio-economic and environmental indicators); (2) indicative description of the support measure requested and the estimated cost (*inter alia* briefly describe the indicative support measures requested and how they will help to address the problem identified, indicate the possible duration of the support measures requested (all measures together) and if available, an indicative timeline of each individual measure, indicate the estimated total cost of the support measures requested (in EUR), indicate the expected results (what is the ultimate objective that the technical support should achieve) and the expected use of these results (how will these be taken forward by the Member State) and provide information on the administrative capacity of the recipient national authority and (3) circumstances of the request (inter alia preparation or implementation of Recovery and resilience plans under the Recovery and Resilience Facility, reforms in the context of economic governance process such as CSRs, Country reports, implementation of Economic adjustment programmes, implementation of Union priorities such as Capital Market Union, Energy Union and Customs Union and implementation of Member States' own reform priorities to support recovery, sustainable economic growth, job creation and enhance resilience.

capacity of the requesting Member State, all in light of principles such as transparency, equal treatment and sound financial management.

The Commission shall implement the instrument in accordance with the Financial Regulation. Measures under the instrument may be implemented either directly by the Commission or, indirectly, by persons or entities in accordance with Article 62(1) of the Financial Regulation.

The support under the TSI shall take the form of grants, public procurement contracts, reimbursement of costs incurred by external experts, contributions to trust funds set up by international organisations; and actions carried out through indirect management⁸. Grants may be awarded to the national authorities, the European Investment Bank, international organisations, public or private bodies and entities. The cofinancing rate for grants shall be up to 100 % of the eligible costs. Technical support may also be provided with the cooperation of other Member State entities and international organisations or by individual experts, who may be invited to contribute to selected activities organised wherever that is necessary for the achievement of the specific objectives.

In accordance with the RRF Regulation, Member States may specifically include as estimated costs in their RRP a national voluntary contribution to the TSI to enable additional technical support by the Commission (with a limit of 4% of the plan's total allocation). According, to information provided in the Commission website dedicated to the TSI, Member States will need to propose specific milestones and/or targets linked to the use of funds for technical support.

Support may be provided directly through the Commission's in-house expertise or with other providers of technical support:

- experts from EU Member States' national administrations (TAIEX Technical Assistance and Information Exchange instrument of the European Commission)⁹;
- international organisations;
- private firms and consultancies; and/or
- individual experts from the private sector.

Member States wishing to receive technical support under the instrument may consult, where appropriate, relevant stakeholders before requesting technical support, in accordance with national law and practices.

The *Regulation* foresees specific cooperation and support plans detailing the measures for the provision of technical support to Members States.

The Commission shall analyse the request for support, taking into account the existing actions and measures financed by Union funds or other Union programmes (article 9(5) of the TSI Regulation). On that basis, the Commission and the Member States concerned shall agree on the priority areas for support, the objectives, an indicative timeline, the scope of the support measures to be provided and the estimated global financial contribution for such technical support, which shall be set out in such cooperation and support plans. In accordance with Art 9 (6), the measures linked to the RRPs shall be identified separately in the cooperation and support plan.

⁸ As explained by the <u>Commission</u>, funds under EU budget are either managed directly by the Commission, or together with Member States (shared management) or by partner organisations or other authorities inside or outside the EU.

While TAIEX is not only addressed to TSI objectives and projects (but in general to application and enforcement of EU legislation as well as facilitating the sharing of EU best practice) and may also be granted to non-EU Member States, TAIEX-TSI Peer 2 Peer is only available for projects selected under the TSI and is an instrument managed in cooperation with the Directorate General for European Neighbourhood Policy and Enlargement Negotiations (DG NEAR) to implement part of the TSI of DG REFORM. Both TAEIEX and TAEIX_TSI Peer 2 Peer allow experts from national administrations to exchange expertise through expert missions, study visits and workshops.

The Commission shall transmit, with the consent of the Member State concerned, the cooperation and support plan simultaneously to the European Parliament and to the Council without undue delay. The Member State concerned may redact all sensitive or confidential information. In any case, the transmission by the Commission shall not be later than two months after the implementation of such measures under the cooperation and support plan.

The Commission is also invited to engage in communication activities in that regard. Furthermore, the Commission should publish on its website a list of approved requests for technical support (see here). Furthermore, it may engage in joint communication activities with the national authorities and the representation offices of the European Parliament and of the Commission in the Member State concerned. It shall also regularly inform the representation offices of the European Parliament and of the Commission of projects in the Member States concerned.

Governance: the Parliament, the Council and the Commission

Technical support can be requested by a Member State (TSI is a *demand-driven* instrument), following a call from the Commission. As such, the *TSI Regulation* foresees a strong cooperation by Commission and Member States in implementing the instrument; Member States have full ownership of the projects (which are *agreed* with the Commission¹⁰).

The Commission is responsible for managing the funds, assesses and decides on projects to be given technical assistance. Notably, the Commission is mandated to:

- Receive and analyse Member States' requests for technical support and implement the Instrument;
- Issue guidance on the main elements to be included in the requests for technical support;
- Organise the calls for assistance;
- Publish and regularly update a list of approved requests for technical support and regularly inform
 the representation offices of the European Parliament and of the Commission of projects in Member
 States;
- Adopt work programmes by way of implementing acts (an annual financing decision) and inform the European Parliament and the Council thereof;
- Monitors implementation of the Regulation and assesses whether its objectives are being met and report on implementation;
- Set up a centralised repository of information on Member State's projects.

The Council and Parliament are responsible for scrutinising the implementation of the Instrument. In particular, Council and Parliament are to receive Commission reports (an annual report on implementation, mid-term and ex-post evaluation reports) and the Member States' cooperation and support plans.

In addition, Parliament can invite the Commission for an exchange of views. Such exchanges may notably address the implementation of the instrument and the annual report.

In accordance with the *Regulation*, the Commission monitors the implementation of the instrument and measures the achievement of the objectives, including by making use of the cooperation and support plans. It uses indicators when monitoring and reporting progress¹¹. The performance reporting shall ensure that

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See in particular article 9(5) 2nd paragraph of the Regulation: "the Commission and the Member States concerned shall agree on the priority areas for support, the objectives, an indicative timeline, the scope of the support measures to be provided and the estimated global financial contribution for such technical support, which shall be set out in a cooperation and support plan (the 'cooperation and support plan').".

If available, the following quantitative/qualitative indicators shall be used: Output indicators (a) number of cooperation and support plans concluded (b) number of technical support activities carried out (c) deliverables provided by the technical support activities such as action plans, roadmaps, guidelines, handbooks and recommendations Result indicators (d) outcomes of the technical support activities provided, such as the adoption of a strategy, the adoption of a new law/act or the modification of an existing one and the adoption of new procedures and actions to

monitoring data are collected in an efficient, effective and timely manner and, where relevant and feasible, in a gender-disaggregated form. Proportionate reporting requirements shall be imposed on recipients of Union funding.

Funding of the TSI

While the SRSP operated with a budget of EUR 222.8 million for the period of 2017-2020 (ca. EUR 56 million per year), the *TSI Regulation* includes an increased budget and an extended duration that matches the duration of the MFF (EUR 864 million for 7 years in current prices, ca. EUR115 million per year) ¹². No specific quotas are allocated per Member State: decisions on granting assistance are made on the basis of calls organised by the Commission and projects put forward by Member States.

The Commission does not provide direct funding to Member States. It funds expertise that Member States can use to address the identified concerns, implement reforms, etc. Member States remain responsible to carry out the reforms. This expertise requires no national co-financing but the success of the reform support relies on the engagement and ownership of the Member State authorities. In many cases, the support is given as a mix of external support, combined with Commission's own expertise (DG REFORM and/or other Commission services) which is deployed specifically for each case in a tailor-made fashion.

Finally, while the Commission provides expertise for supporting Member States in designing and implementing reforms, the reforms themselves are not funded by the TSI. The actual reforms can be funded by national means or other EU funds, such as the RRF or the Just Transition Fund.

Both the <u>Financial Regulation</u> and the recently approved Regulation on a general regime of conditionality for the protection of the Union budget (<u>Rule of Law Regulation</u>) are relevant for implementation of the TSI, with the aim of ensuring sound financial management and the protection of the financial interests of the Union.

enhance the implementation of reforms Impact indicators (e) the objectives set in the cooperation and support plans which have been achieved due, inter alia, to the technical support received.

Art. 6 of the Regulation adds that the "financial envelope for the instrument may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the instrument and the achievement of its objectives, in particular studies, meetings of experts, information and communication actions, including corporate communication of the political priorities of the Union, in so far as they are related to the objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange, including corporate information technology tools, and all other technical and administrative assistance expenses incurred by the Commission for the management of the instrument."