



European
Commission

Annual Activity Report 2023

CINEA

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FOREWORD



2023 marked the commencement of my role as Director of CINEA, and I am grateful for the warm welcome and support extended by our dedicated team and parent Directorates-General (DGs).

We close the chapter on this remarkable year with a **20% growth of the number of our projects** from a diverse array of programmes seamlessly integrated into our portfolio. This expansion did not only intensify our contribution to the implementation of the European Green Deal but also led to **a record of EUR 10.6 billion** that were committed to new projects for the development of a climate-neutral, resource-efficient, competitive and resilient economy for the benefit of all EU citizens.

Our dedication to providing **first-class services** remains unwavering. We monitored closely our portfolio of projects and provided beneficiaries with technical advice and support to overcome implementation challenges, including those resulting from the recent geopolitical crisis. Moreover, building on the findings of the Agency's 2022 services satisfaction survey, we refined our guidance **to better meet the evolving needs of our beneficiaries**. In parallel, our parent DGs benefited from valuable insights from the programmes' implementation, emphasising our dedication **to support policy-making initiatives**. Finally, the pursuit of synergies through cross-programme activities remained increasingly prominent with the aim **to ensure that collaboration between programmes** grows beyond the limits of individual projects.

In the face of challenges such as a significant volume of calls, grant agreements, reports and payments, our enhanced recruitment efforts, coupled with the promotion of a corporate culture based on shared core values, resulted in **CINEA's lowest vacancy rate and staff turnover since the Agency's new mandate**. This does not only reflect our resilience but also our dedication to fostering a workplace that thrives on collaboration, respect and trust.

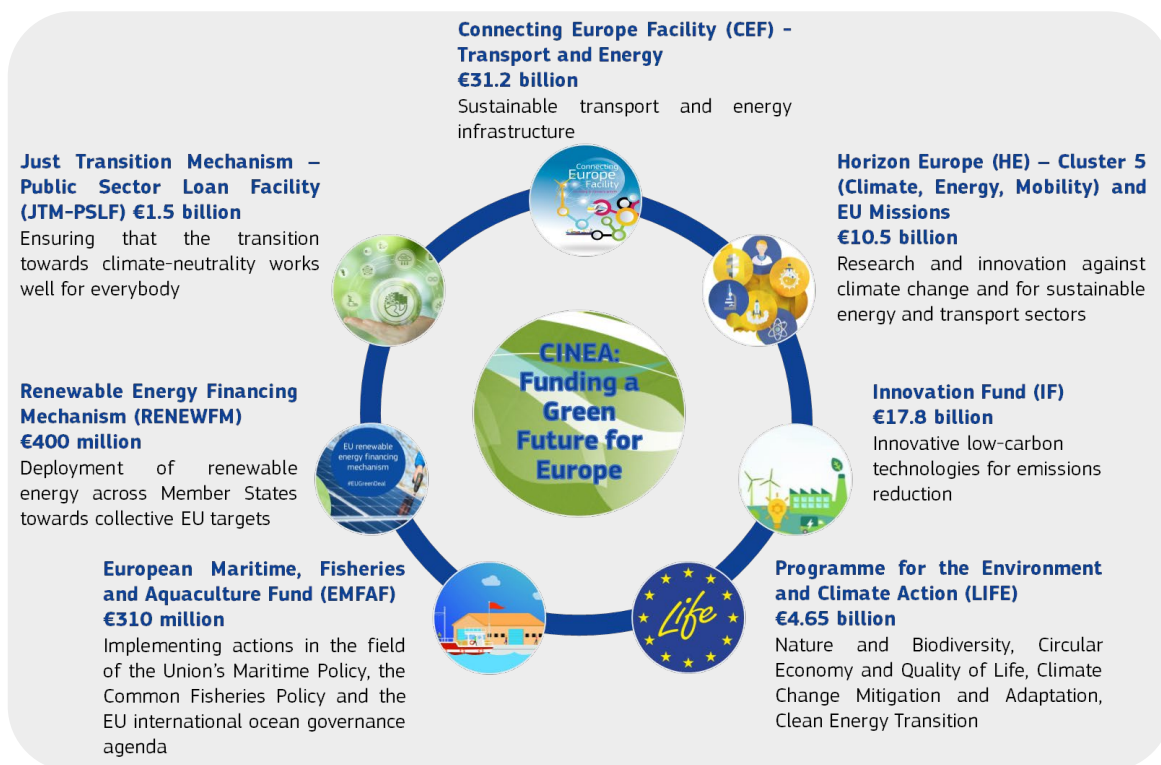
In terms of organisational management, **CINEA carried on with its transformative journey**, embracing digital innovation and optimisation of internal workflows. Advancing the development of tools for gathering and processing project-related information and streamlining processes allowed us to keep increasing efficiency and drive performance.

As we conclude this year, I express my gratitude for the hard work, dedication and support from each member of our team. Together, we celebrate the successes of the past year and look forward to embracing the opportunities that lie ahead to **'fund a green future for Europe'**.

Paloma Aba Garrote, Director of CINEA

CINEA IN BRIEF

The **European Climate, Infrastructure and Environment Executive Agency (CINEA)** started its mandate on 1 April 2021 with an indicative ⁽¹⁾ overall **budget of EUR 66.5 billion** under the new multiannual financial framework (MFF) 2021-2027. The Agency is entrusted with the implementation of seven EU programmes ⁽²⁾ contributing to the **European Green Deal**.



CINEA is responsible for the following tasks:

- ✓ Selection for funding of the best proposals following the principles of transparency, objectivity and equal treatment,
- ✓ Close monitoring of the project portfolio, including mitigation of potential risks,
- ✓ Dissemination of project results, success stories and funding opportunities,
- ✓ Identification of potential synergies among projects and programmes,
- ✓ Provision of timely and comprehensive information to the Commission's services in support of their policy – making activities.

CINEA has seven parent DGs – DG CLIMA, DG ENER, DG ENV, DG MARE, DG MOVE (lead parent DG), DG REGIO and DG RTD. They define the policy objectives and priorities and supervise the Agency through a Steering Committee. The Agency has its own legal personality and operating budget for which the Director acts as Authorising Officer by delegation. It is based in Brussels and at the end of 2023, it had a multi-national team of 567 statutory staff members.

⁽¹⁾ Overall budget is subject to changes in line with the programmes' priorities.

⁽²⁾ Including legacy programmes from the 2014-2020 MFF: CEF1, Horizon 2020 (H2020), LIFE legacy, European Maritime and Fisheries Fund (EMFF) and three crosscutting EU Missions implemented by CINEA 'Adaptation to climate change', 'Restore our oceans and waters' and 'Climate-neutral and smart cities'.

EXECUTIVE SUMMARY

This annual activity report is a management report of the Director of CINEA 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 treaties ⁽³⁾.

A. Key results and progress towards achieving the Commission's general objectives and DG's specific objectives


CINEA in 2023

 **70** calls completed

730 selected proposals 

833 grant agreements signed 

 **>3200** payments on operational budget

29 procurement/service contracts signed (operational budget) 

71 events with CINEA's involvement 

2023 was a very dynamic year, during which CINEA had the opportunity to reaffirm itself as a trustworthy partner in the implementation of the European Green Deal. **Despite challenges associated with a high volume of operations, the Agency successfully excelled on all fronts.**

Strong relationships with stakeholders remained key for the Agency's success. Throughout the year, CINEA actively helped applicants by organising informational sessions and guided project beneficiaries in all aspects of project implementation, including by providing tailored support to projects facing challenges. Moreover, CINEA kept regular contacts with its parent DGs and provided regular feedback to policy on the implementation of the delegated programmes. Examples include reports on programme implementation, sharing of lessons learned from passed calls to feed future work programmes, and contribution for legislative proposals as well as for programmes' evaluations.

The Agency facilitated collaboration among its programmes through diverse cross-cutting activities. They ranged from portfolio analyses and overviews capturing information across the Agency's portfolio, for instance on Carbon Capture Utilisation and Storage (CCUS), to thematic workshops such as on potential synergies between Horizon 2020 (H2020)/ HE and IF as well as on Climate science & Innovation projects. Additionally, CINEA produced communication materials highlighting, among other things, synergies between its programmes, such as the Intelligent Transport Systems (ITS) flyer, a CCUS public map viewer and a CORDIS Synergy Info Pack on clean energy transition.

Recognising the importance of communication in supporting its role and implementation activities, **CINEA actively promoted its programmes** by co-organising or participating in

⁽³⁾ Article 17(1) of the Treaty on European Union.

important external events like the European Sustainable Energy Week (EUSEW), the EU Green Week, ECOMONDO, the European Maritime Day (EMD), the Covenant of Mayors Investment Forum and the Hannover Messe. Furthermore, project success stories were showcased on the Agency's website and its social media accounts.

The driving force behind CINEA's success lies in its highly skilled and motivated staff, dedicated to achieving the Agency's mission and strategic objectives. Recruitment of new talent and staff retention remained a top priority, resulting in a reduced vacancy rate of 3%, down from 9% at the close of 2022, despite an expanded 2023 staffing plan. To achieve these results, CINEA carried out activities focused on career development and promoted bottom-up initiatives such as the adoption of CINEA Staff Core Values. What remains a challenge is the proportion of women in middle management positions, standing at 39% compared to 50% target to be achieved by the end of 2024. Nevertheless, the Agency is working closely with its parent DGs to increase this percentage.

In terms of organisational development, CINEA placed emphasis on digital transformation by developing tools for the collection and processing of project-related data such as MAP-IT ⁽⁴⁾, whilst at the beginning of the year the Agency published a [public dashboard](#), encompassing the entire portfolio of projects, including an interactive map and detailed statistics.

Operational highlights in 2023

- ✓ EUR 5.3 billion were paid to CEF projects to build sustainable transport and energy infrastructure whilst Moldova and Ukraine were associated to the programme to reinforce the Solidarity Lanes. Newly awarded projects aim, among others, to build 12000 charging points and 18 hydrogen refuelling stations and to support the construction of the first high voltage underwater electricity interconnection between Sicily and Tunisia.
- ✓ Following intensive evaluations, the Agency's Horizon Europe portfolio grew to more than 1200 innovation projects which aim to fight climate change and to make the energy and transport sectors more resilient, efficient and competitive.
- ✓ The first Innovation Fund auction call for renewable hydrogen was published with a budget of EUR 800 million. It aims to kick-start the development of a European hydrogen market in view of meeting Europe's ambitious climate targets. The programme's portfolio doubled since the end of 2022.
- ✓ The LIFE public dashboard was released, offering detailed data on over 1400 LIFE projects aiming at circular and energy-efficient EU economy as well as to protect the environment and to halt and reverse biodiversity loss. In addition, free tailored advisory support started to be provided through the Green Assist framework contract.
- ✓ Newly awarded EMFAF projects to support Blue Careers and Women in the Blue Economy started their implementation alongside several key contracts to support DG MARE's policy activities.
- ✓ CINEA kicked off the implementation of the RENEWFM by launching the first call under this instrument. Simultaneously, the first grant agreement funded under the Public Sector Loan Facility was signed.

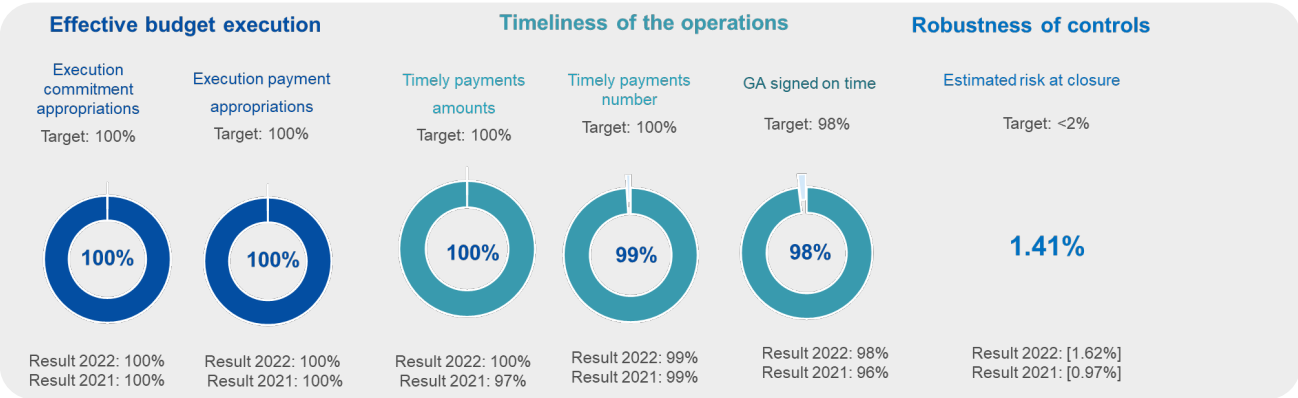
⁽⁴⁾ Mapping Performance Indicators for Transport.

B. Key performance indicators

CINEA uses a diversified framework to monitor performance, integrating both process and result-oriented indicators around three key objectives. These indicators allow the Agency to monitor its performance in a systematic manner and, on that basis, to take actions whenever necessary.

Objective 1 High quality programme implementation through the efficient and sound management of the delegated budget

For the second consecutive year, CINEA successfully achieved all targets for indicators related to sound budget management, surpassing expectations, notably in the number of payments processed on time. Furthermore, the efficient programme implementation occurred amid the consistent management of a high volume of operations.



Objective 2 High quality services

The quality of the Agency’s evaluation process is measured by the percentage of proposals re-evaluated following review requests upheld by the Redress Evaluation Committee with a target of less than 1%. For 2023, 70 calls were completed with a total of 144 redress cases out of 3143 evaluated proposals. Three proposals were re-evaluated following review requests **leading to a result of 0.1% that is below the set target** (0% in 2022 and 0.02% in 2021).

CINEA places significant emphasis on **delivering high-quality services** to both applicants and beneficiaries, evaluating its performance through a targeted survey conducted every two years. In 2022, the Agency conducted its first service satisfaction survey, revealing an overall satisfaction rate exceeding 90% and gathering first-hand insights for improvement. Building upon these findings, CINEA implemented an action plan in 2023 to refine its support, particularly focusing on information days, grant agreement preparation, and project implementation. The next survey is scheduled for 2024.

Objective 3 - Increased visibility of the delegated programmes

The visibility of the delegated programmes indicator is measured by the total potential reach recorded across all communication channels ⁽⁵⁾, which for 2023 was **103 million against** a target of 30 million. This achievement is attributable to a combination of various factors such as improved access to media-monitoring results ⁽⁶⁾ (58 million), and an increased outreach due to a rise in social media activity and audio-visual content (45 million), particularly the expansion of project stories on EuroNews. Furthermore, it reflects CINEA's ongoing expansion of communication activities and engagement with stakeholders.

C. Key conclusions on internal control and financial management

In line with the Commission's Internal Control Framework, CINEA 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 well overall, but some improvements are needed as some deficiencies were identified related to the adequacy of some internal procedures (as highlighted in the IAS audit reports for the Innovation Fund and LIFE) and the quality of some information provided on CINEA's intranet.

In addition, the Agency 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 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated. Improvements are necessary concerning the deficiencies noted above. The following actions are/will be taken in this respect: update of CINEA's Manual of Procedures and other relevant sections of the CINEA's intranet as appropriate. The Director of CINEA, in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

D. Provision of information to the Commissioner(s)

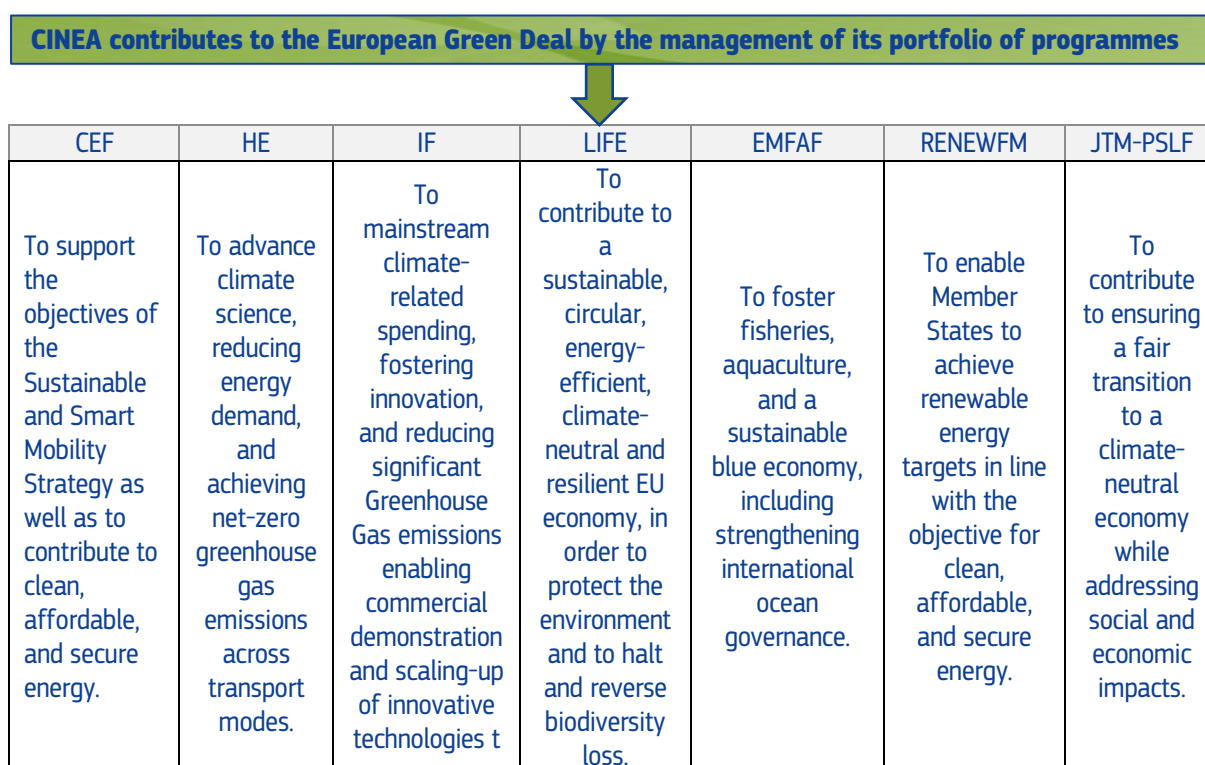
In the context of the regular meetings during the year between the Director and the parent DGs on management matters, the main elements of this report and assurance declaration have been brought to the attention of the Agency's Steering Committee and to the parent DGs' Directors General.

⁽⁵⁾ Total potential reach is measured through the number of unique people who potentially saw CINEA's content, calculated using data collected from all the Agency's communication channels: website, social media, videos, events, publications, campaigns, press/media actions, etc.

⁽⁶⁾ The number of media outreach increased from 1.5 million in 2022 to 57.8 million in 2023. This is due to new sources used in 2023 for monitoring media monitoring results, which were not available in 2022.

1. IMPLEMENTATION OF THE AGENCY'S ANNUAL WORK PROGRAMME – HIGHLIGHTS OF THE YEAR

CINEA supports its stakeholders in delivering the European Green Deal, one of the European Commission’s main strategic priorities. Through the sound and cost-efficient management of its portfolio of projects as well as through communication and feedback to policy activities, the Agency contributes to achieving its parent DGs’ specific objectives and ultimately to transforming the EU into a fair and prosperous society, with a modern, sustainable, resource efficient and competitive economy.



In terms of reliability of performance information, CINEA’s approach to data management follows a set of principles in line with the memoranda of understanding with its parent DGs, coupled with adherence to the corporate data governance rules. To that end, the Agency implements a set of controls, encompassing project report reviews, risk-based quality controls, and ex post verifications, conducted in accordance with the legal framework. Regular monitoring, proportionate to risks, involves direct engagement with beneficiaries to address reliability issues. Additionally, the use of IT tools for reporting and data collection incorporates encoder guidance to ensure the integrity of transferred data. The implemented controls in 2023 did not reveal any significant data reliability issues.

This section ^(?) covers the most important Agency’s accomplishments and highlights for 2023, while the performance tables in annex 2 provide additional details on concrete deliverables.

^(?) There has been a slight rearrangement of the points compared to the 2023 Annual Work Programme.

1.1. Connecting Europe Facility

Portfolio management

CEF Transport

CINEA concluded the evaluation of the **2022 CEF Transport calls** and signed all grant agreements ⁽⁸⁾ as per the foreseen deadline. Among the selected proposals, beneficiaries in Moldova and Ukraine were also awarded funding for projects related to border crossing points, for which CINEA organised a workshop covering all steps of grant management to offer tailored support.



Following the evaluation of the AFIF call (4th cut-off date), 26 projects received a total financial support of over €352 million. The investment will translate into approximately 12 000 charging points, 18 hydrogen refuelling stations, and the electrification of numerous ports and airports.

The Agency also progressed on the evaluation of the 2023 Transport Military Mobility call and the 5th cut-off date of the Alternative Fuels Infrastructure Facility (AFIF) call ⁽⁹⁾, which will be completed at the beginning of 2024. Moreover, it published the **2023 CEF Transport call** making EUR 7 billion available for projects targeting new and improved European transport infrastructure. To promote the 2023 calls, CINEA organised virtual information sessions and produced dedicated flyers.

Further to call management, CINEA analysed the progress reports of ongoing projects, revealing that overall implementation was progressing well, although some delays were reported because of the war in Ukraine, which has repercussions on supply chains, overall construction prices, and, for certain Member States, on the availability of workforce.



Construction of the Szczuczyn-Budzisko (state border) S61 expressway

This [key project](#) with over EUR 379 million of CEF funding came to an end in 2023. It is a critical part of the Polish stretch of the via Baltica co-financed by

CEF Transport. Given Russia's invasion of Ukraine, the importance of the via Baltica has further increased to support military mobility. The S61 road is part of the trans-European transport network connecting Poland to the Baltic States and ensures the continuity of the North Sea-Baltic Core Network Corridor between the two closest urban nodes on both sides of the Polish-Lithuanian border.

More examples of CEF Transport projects can be found [here](#).

⁽⁸⁾ Refers also to calls for which the evaluation was completed in 2022.

⁽⁹⁾ The AFIF call has several cut-off dates. In 2023, these were in April (4th cut-off) and in November (5th cut-off).

CEF Energy

CINEA finalised the evaluation and signed all grant agreements for the **2022 CEF Energy calls**, including the Cross-border Renewable Energy (CB-RES) projects calls (studies and works) and the respective Project of Common Interest (PCI) call ⁽¹⁰⁾.

In parallel, the Agency concluded the evaluation of the **2023 PCI call** and started grant agreement preparation. Furthermore, in October, CINEA published the 2023 call for works and studies for CB-RES projects ⁽¹¹⁾, making available EUR 50 million to contribute to the EU decarbonisation strategy and enhance security of supply. The info days organised to promote both calls attracted high interest.

In terms of programme management, the Agency monitored its portfolio through regular interactions with its beneficiaries, mitigating risks linked to the implementation, including by taking appropriate measures, where relevant. The annual assessment exercise of ongoing actions revealed overall good progress, albeit in some cases challenges and delays were reported due to disruption of supply chains and inflation.



Kadri Simson, Commissioner for Energy, and Paloma Aba Garrote, Director of CINEA, at the signature ceremony of the [ELMED](#) project organised during the PCI days. The project was awarded €307 million under the 2022 CEF Energy call to support the construction of the first high voltage underwater electricity interconnection between Sicily and Tunisia.

CEF Energy enhances the security and diversification of gas supplies



The Baltic Pipe project, which received EUR 263 million for both studies and works was completed in February 2023. Thanks to it, a new gas supply corridor was built to bring Norwegian gas to Poland via Denmark.

Another CEF Energy [project](#), co-funded with EUR 27.6 million, contributed to the construction of the gas pipeline on Bulgarian territory (62 km) and to the interconnection of the gas transmission systems of Bulgaria and Serbia. It was completed in December 2023.

Both projects are of strategic importance for enhancing the security and diversification of gas supplies, as well as for the interconnection of the gas transmission systems to reduce EU Member States' energy dependence from unreliable suppliers.

To date, CEF Energy actions have contributed to the implementation of 109 PCIs, out of which 40 PCIs were commissioned.

More examples of CEF Energy projects can be found [here](#).

⁽¹⁰⁾ Evaluations were completed in 2022.

⁽¹¹⁾ Following the evaluation of the second call for projects to acquire the 'status' of cross-border renewable project, which is a pre-condition to apply for CEF Energy calls for technical studies and works.

Feedback to policy and most important external communication actions

CINEA provided reports on the implementation of the CEF programme and supported its parent DGs in the preparatory work for the evaluation of CEF1, the biennial CEF2 progress report and the CEF2 mid-term evaluation.



CINEA at the 2023 Airspace World

For **CEF Transport**, CINEA maintained close contacts with DG MOVE and contributed to its policymaking by providing data on the overall portfolio implementation. The Agency supported the work of the European Coordinators and participated in the corridor meetings involving Member States, stakeholders and the parent DG. The 16th Advisory Group meeting took place in Copenhagen and was combined with an on-site visit to two supported large infrastructure projects on the Scandinavian-Mediterranean Core Network Corridor ⁽¹²⁾. Finally, the MAP-IT ⁽¹³⁾ tool was further developed, and an updated version was released showcasing inland waterways, airport infrastructure, air traffic management and maritime project indicators.

To raise awareness about the programme, the Agency participated in key transport events such as the 2023 Airspace World in Geneva, at which CINEA and other EU aviation stakeholders had a stand. At the annual European Intelligent Transportation Systems congress, CINEA shared a stand with DG MOVE showcasing how CEF Transport and Horizon Europe support the sector, and a [flyer](#) was produced for the occasion. Together with other CINEA programmes, CEF Transport also took part in the European Maritime Day, the Urban Mobility Days, ECOMONDO and the European Hydrogen Week, and was present at the Zero Emissions Bus Conference.

For **CEF Energy**, the Agency supported DG ENER in the monitoring of projects of the PCIs and cross-border renewable energy projects lists and provided regular reports, including on specific actions. CINEA assisted the DG on costs assessment of revised Recovery and Resilience plans from Member States in the context of the REPowerEU amendments and kept the PCI Transparency Platform and the CB-RES Transparency tool updated. Finally, several activities took place to promote the programme. Examples include a joint event with the Covenant of Mayors on CB-RES projects and the Agency's participation in the 9th Energy Infrastructure Forum. Moreover, CINEA took part in the Smart Grid PCI Summit in Bratislava and was awarded 'Leader of the Energy Transition' at the Central European Northern Climate Summit.



The Agency took part in the fourth edition of the PCI Energy Days, during which it organised a PCI Garden exhibition to showcase prominent projects. In addition, a new [brochure](#) featuring CEF Energy projects was published for the occasion.

⁽¹²⁾ The Storstrøm Bridge and the Fehmarn Belt tunnel projects.

⁽¹³⁾ MAP-IT allows to map performance information for CEF Transport, including to geographically locate projects and allocate them to the TEN-T network.

1.2. Horizon Europe Cluster 5 and EU Missions

Portfolio management

CINEA finalised the evaluation and concluded the signing of grant agreements for the **2022 and 2023 calls** with submission deadlines in the first semester. The evaluations for the remaining 2023 calls, with a submission deadline in September and October, will be completed in the first quarter of 2024. All calls registered high interest, as demonstrated by their oversubscription and the substantial number of submitted proposals.

Horizon Europe Cluster 5 Info Day

In October, the Cluster 5 DGs (RTD, ENER, MOVE & CLIMA) and CINEA organised the Horizon Europe Cluster 5 info day, during which the research and innovation topics for the year 2024 proposed under the HE work programme 2023-2024 were presented.

In parallel, the Agency finalised several tenders, including for support to the BRIDGE initiative ⁽¹⁴⁾ and the implementation of the ‘Restore our Ocean and Waters by 2030’ Mission. Moreover, CINEA published the **2024 calls** to support innovation projects linked to the climate transition, energy, and mobility areas.

As part of the monitoring of the Horizon portfolio, CINEA assessed periodic reports, which showed that projects are mostly on track. In cases of suspension due to implementation difficulties, CINEA worked with the projects to encourage resumption or proceed to termination.

CarbFix 2

The [CarbFix2](#) project received EUR 2.2 million from the H2020 programme to test a ground-breaking technology which extracts CO₂ from thin air and permanently buries it underground in the form of a carbonate rock. At the Hellisheidi geothermal plant in Iceland, the Carbfix technology thus captures carbon dioxide from the air, dissolves it in water and turns it into stone, creating a permanent storage solution. The project has featured on the [BBC](#) and [BBC World](#).

The Carbfix mineralisation technology will be brought to full commercial scale by another CINEA project funded by the IF, demonstrating the synergetic potential of the Agency’s programmes. The IF [Silverstone](#) project will deploy commercial scale CO₂ capture and mineral storage of the emissions, enabling Hellisheidi to reach a near-zero carbon footprint.

More CINEA Horizon actions can be found in the [CORDIS database website](#).



Among the high-level visitors of the ground-breaking Carbfix project were Canadian Prime Minister Justin Trudeau and Icelandic Prime Minister Katrin Jakobsdottir.

⁽¹⁴⁾ BRIDGE is a European Commission initiative which unites Horizon 2020 and Horizon Europe Smart Grid, Energy Storage, Islands, and Digitalisation Projects to create a structured view of cross-cutting issues which are encountered in the demonstration projects and may constitute an obstacle to innovation.

Feedback to policy and most important external communication actions

CINEA maintained regular contacts with its parent DGs and provided **feedback to policy** through contributions to specific requests and/or targeted projects briefings (for instance on innovative photovoltaic technology, waterborne transport, aviation safety, automated mobility, CIVITAS, waste heat recovery and climate modelling). Moreover, the Agency took part in the workshops organised by DG RTD for the preparation of the next framework programme for research and innovation and provided input for the amendment of the HE 2023-2024 work programme as well as lessons learned on the co-creation process for Cluster 5 and the EU Missions. The Agency also participated in some of the Mission Board meetings and selected relevant projects for the portfolio analysis '[Restore our Ocean and Waters by 2030](#)'. Lastly, the [EU's Mission on Climate Adaptation portal](#) and [Mission Ocean and Waters service portal](#) were launched in the frame of the Mission Implementation Platform contract managed by CINEA.

To maintain an active dialogue with stakeholders, CINEA organised several **clustering meetings** such as on the Just Transition in coal intensive regions and on biofuels and biomethane projects. Moreover, CINEA hosted the 8th H2020 CCUS and alternative fuels physical workshop to discuss future priorities in achieving climate neutrality. Dedicated Cities Mission projects cluster meetings, for example, on public transport and urban space, were also organised with the involvement of the parent DGs, while the Agency took part in the Ocean Mission's 'lighthouses' high-level events.

Great emphasis was put on promoting the Horizon programme at **key events** to disseminate project results and raise awareness on funding opportunities. These included the Road Transport Research Conference, the Waterborne Days, the EU/ES Presidency Conference on Aviation, the Hannover Messe, the Urban Mobility Days, the Urban Mobility session at the European Week of Regions and Cities, and the Transport Start-ups South-East Europe Event with Commissioner Vălean in Bucharest. The Agency also helped to organise several sessions during the 13th European Aviation and Science Network (EASN) international conference and took part in ENLIT Europe, showcasing several Horizon Energy and LIFE projects.



CINEA at the EUCAD Conference, during which the Agency's Director emphasised the importance of exploiting synergies between CEF and Horizon.



CINEA hosted a cluster meeting for biofuels and biomethane projects at which project coordinators and policy makers from DGs RTD, CLIMA and ENER met to discuss the latest policy developments, funding opportunities and potential synergies among projects.

Moreover, CINEA produced a number of **publications**, including a [governance solution booklet](#) on the experiences of cities that took part in the H2020 Smart City Lighthouse projects and brochures on HE [Cooperative, Connected and Automated Mobility \(CCAM\)](#) and on [smart and green logistics](#). Finally, CINEA participated in the publication of several CORDIS results packs on [e-vehicles](#), [inclusive mobility](#), and [heat pumps](#), as well as

in the Joint Research Centre's (JRC) publication '[Research and Innovation in Transport Safety and Resilience in Europe](#)'.

1.3. Innovation Fund

Portfolio management

CINEA concluded the evaluation and signature of grant agreements ⁽¹⁵⁾ under the **3rd large-scale projects call**, with a budget of EUR 3 billion, which included RePower EU topics. In parallel, the evaluation of the **3rd small-scale projects call** was completed, and successful proposals were invited to start grant agreement preparation. To encourage small and medium enterprises' (SMEs) participation in the call, CINEA and DG CLIMA carried out a lesson learned and orientation dialogue session. SMEs applicants accounted for 30% of all applicants for this call.

In November, the Agency launched the first-ever **EU-wide auction call for** renewable fuels of non-biological origin (RFNBO) **hydrogen production** under the European Hydrogen Bank, aimed to kick-start the development of a European hydrogen market and contribute to meeting Europe's ambitious climate targets. At the same time, the **IF 2023 call for proposals** for net/zero technologies with a record budget of EUR 4 billion was published. This call is targeted at small, medium and large-scale decarbonisation, cleantech manufacturing and pilot projects, covering a variety of areas such as renewables, energy storage, Carbon Capture and Storage and Energy-Intensive Industries (EII). Following the revision of the EU Emissions Trading System (ETS) Directive, this call also targets new sectors under the Innovation Fund, such as maritime. In cooperation with DG CLIMA, the Agency organised info days for both calls that will be followed by national info days in the first quarter of 2024.

In respect of the current portfolio of projects, the periodic reports submitted revealed good progress in the implementation of the actions albeit challenges were reported linked to disruption of supply chains, inflation, and delayed permitting procedures. The programme's portfolio doubled since the end of 2022 to 104 projects, out of which 19 have reached financial close and 4 have entered into operation.



The Waga 4 World (W4W) project has already achieved a remarkable feat in Spain by producing grid-compliant biomethane from landfill gas, all thanks to the cutting-edge WAGABOX[®] technology deployed at the Can Mata (Spain). With a EUR 2.4 million grant under the Innovation Fund, the technology will avoid the emission of 17 000 tonnes of CO₂ equivalent per year by replacing fossil natural gas.

More IF project examples can be found [here](#).

⁽¹⁵⁾ The Agency also signed the remaining grant agreements under the 2nd small-scale projects call, with deadline for submission in August 2022.

Feedback to policy and most important external communication actions

Within the frame of the implementation of the 2023 Knowledge Sharing (KS) plan, CINEA started preparatory work on the KS IT system, provided quarterly **reports** on the IF portfolio to DG CLIMA and kicked-off a series of meetings on different thematic areas between the two services. Moreover, the Agency organised three **closed-door knowledge sharing events** for IF projects and other relevant projects funded by CEF, Horizon Europe and LIFE addressing CCUS, green hydrogen and energy storage, for which a [summary](#), [presentations](#) and [background documents](#) were made publicly available.



During the IF Fund Clean Tech conference, leaders of projects from the 2021 large-scale call signed an engagement to contribute to the EU Green Deal.

CINEA assisted DG CLIMA in the design of the 2023 calls, including for the improvement of the related procedures and guidance documents, and maintained close cooperation with the national contact points and the European Investment Bank (EIB) for the IF Project Development Assistance (PDA). To that end, CINEA supported 14 information events organised by the national contact points and Member states. It also took part in the IF stakeholder consultation events organised by DG CLIMA in June and October, which was an opportunity to update stakeholders on developments linked to the programme and to gather their feedback for future calls.

To promote the IF, the Agency participated in a high number of external events such as the EU Green Week, the European Maritime Day, the European Hydrogen Week, Wind Europe, the Enterprise Europe Network sustainability events, the European Sustainable Energy Week and the Innovation Fund Clean Tech Conference, which raised awareness about the many business opportunities provided by the programme. In November, ECOMONDO visitors had the opportunity to listen directly from successful projects about how the Innovation Fund helped them bring their innovative ideas to life.

Finally, to improve the efficiency of outreach to project promoters, CINEA started cooperation with DG CLIMA on the development of training programmes for national contact points in eligible countries.

1.4. Programme for the Environment and Climate Action

Portfolio management

CINEA finalised the evaluation of the **2022 LIFE calls** ⁽¹⁶⁾ and assisted in awarding the ‘[Seal of Excellence](#)’ for proposals not retained for funding from the 2021 calls, including transmitting those seals awards to concerned applicants and parent DGs ⁽¹⁷⁾. Subsequently, the Agency followed up with the grant agreement preparation and organised a welcome meeting for the new beneficiaries to present the programme’s rules, including financial and technical issues, communication and Close to Market (C2M) matters.

In parallel, the Agency started the evaluation of project proposals received under the **2023 LIFE calls**, for which applicants from the Republic of North Macedonia could also apply for the first time following the country’s association to the programme. The launch of these calls was followed by dedicated info days, including targeted events for applicants from Ukraine and Moldova, which have also joined the LIFE programme recently.

In terms of portfolio management, interim reports confirmed that projects were generally on good track despite some challenges reported in relation to increased inflation and permitting issues.



CINEA launched a #LIFEAmplifiers campaign to encourage LIFE projects to be present on social media. Throughout 2023, 30 projects became amplifiers such as the [Life Ponderat](#) project, which aims to protect seabirds on several Italian islands.

LIFE Award Ceremony

During the EU Green Week, the LIFE programme announced the winners of the 2023 LIFE Awards. The [LIFE Luchs Pfälzerwald](#) project won the Award for Nature for reintroducing Eurasian lynxes in southwest Germany three centuries after they disappeared from the area. The Award for Environment went to the [Plants for Plants](#) project, which developed plant-based bio-stimulants that save water and make crops more resilient to climate change and disease, while the project [METRO ADAPT](#) won the Award for Climate Action for enhancing adaptation strategies and measures in Milan through water management and nature-based solutions. Finally, the public awarded the LIFE Citizens’ Prize to the [LIFE TECMINE](#) project, which addresses the improvement of restoration practices in mining areas of the Mediterranean.



More examples of LIFE projects can be found [here](#).

⁽¹⁶⁾ And two 2023 calls: LIFE-2023-NGO-OG-SGA, LIFE-2023-TA-PP.

⁽¹⁷⁾ The LIFE Seal of Excellence is currently used for the calls on Standard Action Projects (SAPs) and Strategic Integrated Projects/Strategic Nature Projects (SIPs/SNAPs).

GREEN ASSIST – Advisory Services for Sustainable Investment Support

In 2023, the Green Assist framework contract funded by the LIFE programme with an estimated budget of EUR 30 million for the period 2022–2027 became fully operational. To that end, CINEA finalised the set-up of a pool of experts and started with the assignment of individual experts to project developers who introduced a request for advisory services. In addition, four contractors were retained for the Enabling Advisory services related to capacity building, market development and investment advisory support.

To promote the instrument, the Agency enriched [its website](#), for instance by publishing two brochures for [experts](#) and [beneficiaries](#) explaining the different aspects, steps and advantages of the initiative. In parallel, CINEA launched a promotion campaign on LinkedIn and presented the Green Assist at relevant fora such as the European Maritime Day, the EU Green Week, the European Week of Regions and Cities, and Pollutec.

Boosting circular sustainability on tyre recycling

Between July and December 2023, free tailored advisory support was provided to the Cuibhil project, which aims at using an innovative process to recycle tyres in an environmentally responsible way. The project received support from Green Assist to improve its carbon footprint and waste management practices.



Feedback to policy and most important external communication actions

The Agency kept enhancing its existing relationship with all parent DGs with a particular focus on supporting their policy development process. Based on the information and experience of the projects, CINEA provided input for legislative proposals (e.g. the Biodiversity Strategy and the newly adopted Nature Restoration Law), including by publishing studies such as the [LIFE ex-post study](#) on 20 soil projects ⁽¹⁸⁾. In addition, the Agency produced feedback fiches of the main project issues with policy relevance and provided support for the evaluation of LIFE ⁽¹⁹⁾ as well as for the drafting of the next multiannual work programme.

CINEA collected data at proposal stage via a simplified set of key performance indicators (KPIs) in eGrants and provided information on impact indicators using the LIFE KPI database. Moreover, the [LIFE public dashboard](#) was released in July, offering detailed information on over 1 400 LIFE projects (funded since 2014) supporting the circular and energy efficient EU economy, reducing greenhouse gas emissions, increasing resilience to climate change as well as helping to protect the environment and to halt and reverse biodiversity loss.



The LIFE public dashboard was published in July.

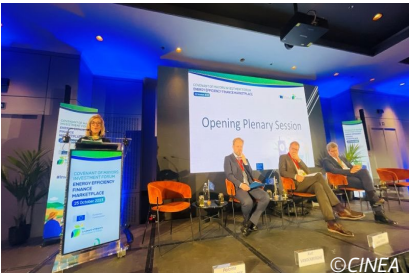
The Agency participated in various fora linked to strategic initiatives such as the Central & Eastern European Energy Efficiency Forum (C4E Forum) and continued to support the Consultation Forum for Sustainable Energy in the Defence and Security Sector (CF SEDSS) as well as the Concerted Actions (CAs). The Agency took part in the Advisory Group of the

⁽¹⁸⁾ The report was prepared under the CINEA managed support contract.

⁽¹⁹⁾ Evaluation of the LIFE programme 2014–2020, the mid-term evaluation of the LIFE programme 2021–2027.

Climate-ADAPT knowledge platform and organised project platform meetings such as the one on peatland, which gathered 90 participants to discuss the benefits of peatland restoration for Europe.

In cooperation with its parent DGs, the Agency organised some key **events** to promote the



CINEA co-organised the Covenant of Mayors Investment Forum, which saw the participation of more than 400 people. The Agency's Director moderated the opening plenary session, together with colleagues from DG CLIMA and DG ENER. She stressed the essential role of CINEA's programmes in supporting cities and regions in their decarbonisation paths.

LIFE programme to stakeholders and the wider public. The 17th edition of the LIFE Awards, held as part of the EU Green Week, honoured the most innovative and effective LIFE projects. In June, the most significant event on renewables and efficient energy use in Europe, the European Sustainable Energy Week took place under the LIFE umbrella.

Other prominent events at which the LIFE programme and its projects were present included the EU Green Week, the Clean Air Forum, the European Congress of Entomology and ECOMONDO. At the IV International Climate Summit TOGETAIR, participants could visit the LIFE stand to learn about the

programme, and CINEA presented LIFE at the EU Soil Day.

Lastly, to enhance the visibility of the programme, several **publications, factsheets and infographics**

were released, for instance on [LIFE's contribution to a resilient and future-proof food system](#) or on its role in protecting Europe's [peatlands](#) and [soil](#) ⁽²⁰⁾.

[LIFE newsletters](#) provide monthly updates on the programme's highlights, (project) news and events.

1.5. European Maritime Fisheries and Aquaculture Fund

Portfolio management

CINEA completed the evaluation and grant agreement signature for the **2022 calls** as well as for the **2023 Blue Careers and Maritime Regional Cooperation calls**. In parallel, the Agency started evaluation of the annual Fisheries Scientific Advice call and opened new funding opportunities targeting, amongst other things, submerged munitions in the Baltic Sea and Maritime Spatial Planning. Several calls to identified beneficiaries ⁽²¹⁾ were concluded or are being evaluated as per their schedule.

Simultaneously, the Agency carried out several **procurement procedures** to purchase services in support of the common fisheries and maritime policies. They

Blue careers projects
Both the 2022 call for proposals on Women in the Blue Economy and the 2023 call for proposals on Blue Careers attracted high interest attested by a significant oversubscription. The awarded projects kicked off their implementation in May and September respectively.

⁽²⁰⁾ All recent publications can be accessed [here](#).

⁽²¹⁾ Voluntary contributions to Regional Fisheries Management Organisation (RFMOs) were also processed.

concerned, among others, the provision of support for sustainable algae industries and for the implementation of EMODnet, the European Marine Observation and Data Network. Additionally, several key contracts to support DG MARE's policies, including on sustainable blue economy, started their activities. Examples include a study to support the implementation of the BBNJ Treaty ⁽²²⁾, the [Blue Forum](#), the [EU4OCEAN coalition](#) and the new sea basins' assistance mechanism covering the Atlantic, the Western Mediterranean and the Black Sea.

In terms of portfolio management, the analysis of the interim and final reports, both for contracts and grants, showed that projects are overall on track with the implementation of their actions.

Alqueva Floating Solar Farm wins the EUSEW Award



[Alqueva Floating Solar Farm](#), where 12 000 solar panels float on four hectares of an existing hydropower reservoir in central Portugal, was awarded the 2023 European Sustainable Energy Award in the Innovation category. The park, that brings together solar energy, hydropower, and battery storage was developed as part of the EMFF funded Fresher project (EUR 0.7 million EU contribution) and supplies enough energy to power 30% of the energy usage of households in the region.

More examples of EMFF/EMFAF projects can be found [here](#). Some of them featured on the [EURONEWS Ocean series](#).

Feedback to policy and most important external communication actions

CINEA maintained regular contacts with DG MARE and provided policy feedback as per the respective annual plan. Examples include **reports** with information on the results of the marine litter call, lessons learned from passed calls (e.g. blue careers and regional flagship calls), input to the 2024-2025 EMFAF work programme and factsheets from clusters of projects.

Moreover, the Agency organised four lunchtime conferences (biobased materials, post-harvest and climate change, food-webs, invasive species and fisheries) and one session on algae to present results from recent EMFF studies to DG MARE and other Commission services. Several thematic **workshops** took place under the EMFF service contract on synergies managed by the Agency while the final event in September 2023 presented the results of the evaluation of about 90 EMFF projects.

⁽²²⁾ Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ Agreement).



At the European Blue Economy Conference, CINEA's Director gave a keynote presentation on the Agency's role in supporting the EU's sustainable blue economy.

CINEA promoted the programme and its projects at various external **events**. During the BlueInvest day, two EMFF projects won awards under the categories 'People's Choice' and 'Ocean Observation' whilst at the Black Sea Common Maritime Agenda Stakeholder Conference, CINEA participated in the thematic session on 'Boosting Innovation and Blue skills' and three EMFF projects won Black Sea project awards. Additionally, the Agency had a strong corporate presence in this

year's edition of the European Maritime Day and contributed to the organisation of the Atlantic Stakeholder Platform Conference and the WestMED Stakeholder Conference.

To enhance the visibility of its portfolio, CINEA produced infographics on [Ocean Health and Observation](#) and on [Algae projects](#) and released a new [video](#) to present the EMFAF programme and its priorities. Finally, other studies funded by contracts managed by the Agency were published, for instance on aquaculture, algae and climate, or a fish genome study (all recent publications can be found [here](#)).



EMFAF was present at ECOMONDO where it organised four workshops on key issues such as planning the marine space for a sustainable Blue Economy, Blue Skills and Aquaculture.

1.6. Renewable Energy Financing Mechanism

In April, CINEA launched the first call for proposals under the RENEWFM and co-organised a dedicated info day with the Finish Ministry of Economic Affairs and Employment in Helsinki. The call closed in September with an oversubscription and eight solar photovoltaic projects located in Finland were awarded funding through the voluntary contribution (EUR 40 million) of Luxembourg. The selected projects, which aim to contribute to the achievement of the national targets of these two countries, were invited to start grant agreement preparation in 2024.

Following the 2023 call for expression of interest by the Member States, the Agency started collaboration with DG ENER for the design of the subsequent call for proposals subject to the finalisation of the related binding commitments.

CINEA presented the RENEWFM at various fora, such as the European Maritime Day, the European Hydrogen Week and the European Sustainable Energy Week.

1.7. Just Transition Mechanism - Public Sector Loan Facility

CINEA completed the evaluation of proposals received under the three closed cut-off dates ⁽²³⁾ of the JTM-PSLF call and signed the first grant agreement funded by this instrument. The project linked to the socioeconomic transition of the Western Macedonia region in Greece will receive EUR 14.5 million of EU funding to help the region in its transition away from carbon intensive activities, such as lignite mining. Additional projects were selected for funding and their grant agreements would be signed once the European Investment Bank confirms its intention to provide loans for these projects ⁽²⁴⁾. More project proposals are currently under evaluation following further submission deadlines of the Facility's call.

To enhance the visibility of the JTM-PSLF, CINEA produced a dedicated [publication](#) with focus on explaining the interplay between the grant and loan components of the programme. This publication was translated in all EU languages and widely disseminated via CINEA and DG REGIO's communication



The Agency took part in various promotional events alongside the EIB, the EU Advisory Hub and DG REGIO to elucidate the financial opportunities offered by the JTM-PSLF.

channels. Moreover, CINEA also published a video tutorial to help potential applicants go through the different steps of the application process.

1.8. Enhancing synergies through cross-programme feedback to policy

As per its 2023 cross-programme feedback to policy and synergies action plan, the Agency carried out numerous crosscutting activities to foster the interaction among its delegated programmes and to support its parent DGs' strategic programming process.

In reply to policy and communication needs, CINEA produced [portfolio analyses and overviews](#) comprising data from various relevant Agency's programmes. Examples include an analysis of CINEA's Carbon Capture Utilisation and Storage portfolio (encompassing CEF, IF and H2020/HE), a summary of projects funded by HE, IF, LIFE and CEF in the biomethane



CINEA produced an [overview](#) of its hydrogen portfolio for the occasion of the European Hydrogen Week. In addition, at the event the Agency showcased hydrogen projects across its funding programmes, from the Connecting Europe Facility and LIFE Programme through the Innovation Fund and Horizon Europe.

⁽²³⁾ JTM-PSLF call was launched in 2022 with annual cut-off dates. In 2023, these were in January (no admissible proposals received), April (applicants informed on 03/07) and September (applicants informed on 14/12).

⁽²⁴⁾ The EIB assesses the selected proposals, which should obtain a loan from it or one of its financial intermediaries to be able to start grant agreement preparation.

sector as well as an analysis of CINEA's portfolio of H2020/HE, IF and LIFE heat pumps projects. Following the [temporary emergency regulation on accelerating the deployment of renewable energy](#), CINEA carried out a stakeholder consultation to collect feedback from beneficiaries of relevant CINEA managed programmes (LIFE, CEF, EMFAF, IF, HE).

To encourage bottom-up synergies, CINEA carried out a series of cross-programme **thematic workshops**. To that end, a virtual workshop on potential synergies between H2020/HE and IF took place as well as an event on Climate science & Innovation projects, which brought together more than 100 participants including beneficiaries from HE, LIFE and IF and policy makers from several DGs. Another opportunity for exchange was the workshop on 'Ocean Health & Observation' organised under the Agency managed service contract on synergies between maritime projects, which aimed at encouraging the dialogue among relevant EMFF/EMFAF and HE funded projects. Finally, the Agency organised a training on the Smart Readiness Indicator (SRI) for smart buildings involving projects from LIFE and HE, and presented the CEF, RENEWFM and LIFE CET programmes during the May and the October editions of the Concerted Action-RES4 meeting.

To ensure that collaboration grows beyond the limits of individual projects, great emphasis was put on **CINEA's cross-programme participation in key events**. To that end, CINEA organised a series of events at the European Maritime Day involving either several of its programmes or other executive agencies (EISMEA and REA), including a workshop on how CINEA-managed projects contribute to deliver the European Green Deal and the Fitfor55 package objectives. During the European Sustainable Energy Week, CINEA co-organised a



During the opening session of the Waterborne Days, CINEA's Director highlighted how the various programmes contribute to the greening of the waterborne sector as well as the importance of exploiting their synergies, emphasising the Agency's large portfolio of EU projects in the area of waterborne transport.

panel discussion with DG ENER involving CEF Energy and Horizon Europe projects on how the 'smartification' of the electricity grid can help solve the challenges faced by decentralised and decarbonised energy systems. CINEA delivered another successful edition of the Covenant of Mayors Investment Forum – Energy Efficiency Finance Market Place, including an exhibition area of its energy and climate related programmes and the Green Assist. The Agency took part in the Paris Air Show 2023 and the European ITS congress, where it presented its programmes' funding opportunities to a large international audience alongside an exhibition of a set of relevant CINEA managed projects from HE and CEF. Other key events at which the Agency ensured a joint participation were the Urban Mobility Days, the PCIs Days, the European Week of Regions and Cities, the European Climate Stocktake, ECOMONDO, the 6th European Climate Change Adaptation (ECCA) Conference, and the European Hydrogen Week.

Finally, new **publications and audio-visual products highlighting complementarity** among CINEA's programmes were produced, including an [Intelligent Transport Systems flyer](#) illustrating synergies between CEF and H2020/HE, a CCUS public map viewer and a [CORDIS Synergy Info Pack](#) on the clean energy transition.

2. INTERNAL CONTROL AND FINANCIAL MANAGEMENT

Assurance is provided on the basis of information on the efficiency and effectiveness of internal control systems and governance processes. The management monitors the functioning of the internal control systems on a continuous basis and carries out an objective examination with internal and external auditors. The results are explicitly documented and reported to the Director-General. The following reports/documentation have been considered:

- The reports submitted by the authorising officers by sub-delegation on the progress of their areas of responsibility including internal control.
- Regular reporting on ex ante and ex post controls and results.
- The limited conclusion of the Internal Auditor on the state of internal control.
- The reports by the European Court of Auditors (ECA) and Internal Audit Service (IAS).
- The report on the annual assessment of the internal control systems of CINEA as well as the results of the annual risk assessment exercise and its mid-term review.
- The exceptions and non-compliance events reported throughout the year.

The systematic analysis of the available evidence provides sufficient guarantees as to the completeness and reliability of the information reported and results in the full coverage of the budget delegated to the Director of CINEA.

This section covers the control results and other relevant elements that support management's assurance. It is structured into 2.1. Control results, 2.2. Audit observations and recommendations, 2.3. Effectiveness of internal control systems and resulting in 2.4. Conclusions on the assurance.

2.1. Control results

This section reports on the control results used by management to support the assurance on the achievement of the internal control objectives (ICO) ⁽²⁵⁾. CINEA's assurance building and materiality criteria are outlined in annex 5 whilst 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.

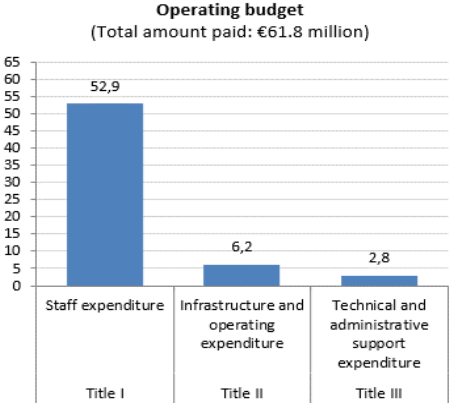
CINEA has established a system of controls and checks aiming to ensure sound financial management and to build reasonable assurance on the legality and regularity of all financial

⁽²⁵⁾ 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.

transactions. These controls are embedded in the roles and responsibilities of the different actors as per CINEA’s Control Strategy, which covers budget implementation in direct management through grants and procurement, both with respect to the operational and operating budgets. The Agency monitors closely all KPIs linked to financial management ensuring that they are reached following the principles of economy, efficiency and effectiveness. KPIs on budget execution and on timeliness of operations (time-to-grant and time-to-pay) contribute to the regularity of transactions and to ensuring better and more efficient support to all Agency’s stakeholders.

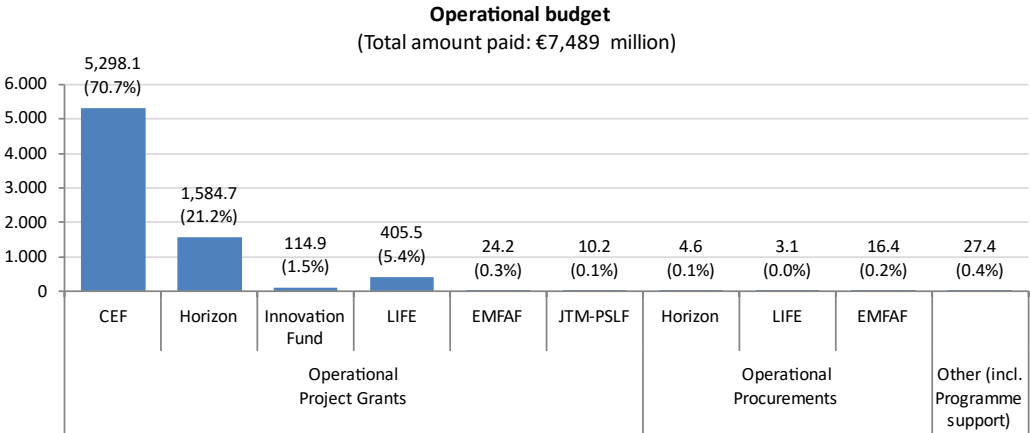
Operating budget

The Agency performs ex ante checks on transactions related to payments and recoveries in view of spotting any possible errors that may impact the reliability of the accounts. The result of the checks is the basis for the certification of the annual accounts, the validation of the financial processes by the accounting officer of CINEA and the signature of the Management Representation Letter that accompanies the Financial Statements, addressed to the Court of Auditors. In 2023, in total 578 payments related to the operating budget of € 61.8 million were processed.



The cost of controls linked to the management of the operating budget is not quantified given the nature of the transactions performed by the Agency (low risk, standard transactions). The residual error rate is currently estimated at 0.5% ⁽²⁶⁾, which is significantly below the target of 2%. In the past few years, the Court of Auditors did not issue any observations on CINEA’s system of controls.

Operational budget



⁽²⁶⁾ For types of low-risk expenditure with indications that the equivalent error rate might be close to 'zero' (administrative expenditure, procurement and experts), following DG BUDG instructions CINEA uses 0.5% as a conservative estimate.

CINEA's operational budget is almost exclusively implemented through grants under direct management (> 99% in terms of total payments made). The Agency's system of controls ensures the sound financial management and the legality and regularity of all financial transactions including grants (€7,438 million or 99.31%), procurement (€24.0 million or 0.32%) and other expenditure (incl. programme support and compulsory contributions to RFMO) (€27.4 million or 0.37%). In 2023, CINEA performed a total of 3,205 payments on the operational budget.

In line with the 2018 Financial Regulation, CINEA's assessment for the new reporting requirement is as follows:

- Cases of "confirmation of instructions" (new FR art 92.3) – no such cases.
- Cases of financing not linked to costs (new FR art 125.3) – one grant agreement under the JTM-PSLF signed for EUR 14.5 million of EU funding.
- Financial Framework Partnerships >4 years (new FR art 130.4) – one case concerning the Framework Partnership Agreement (FPA) for the Climate-Neutral and Smart Cities Mission Platform Scaling Netzerocities for which the duration of five years is clearly indicated in the Work Programme.
- There were no cases of flat rates > 7% for indirect costs in 2023 other than those allowed under the Horizon 2020 and Horizon Europe Rules for Participation, providing that indirect eligible costs are determined by applying a flat rate of 25% of the total direct eligible costs (FR art 181.6).
- Cases of "Derogations from the principle of non-retroactivity [of grants] pursuant to Article 193 FR" (new Financial Regulation Article 193.2) – no such cases.

2.1.1. Effectiveness of controls

a) Legality and regularity of the transactions

CINEA uses internal control processes to ensure sound management of 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.

1) Control objective

The Agency measures the effectiveness of ex ante controls by ex post controls (audits). Due to its multi-annual nature, the effectiveness of the ex post control strategy for all programmes managed by CINEA can only be measured and assessed at the final stages in the lifecycle of each sector and once it has been fully implemented. Notwithstanding the multiannual span of the ex post control strategy, the Director of CINEA is required to sign a declaration of assurance for each financial year. In order to determine whether or not to qualify this declaration of assurance with a reservation, the effectiveness of the control systems in place needs to be assessed not only for the year of reference but also with a

multiannual perspective, to determine whether it is possible to reasonably conclude that the control objectives will be met in the future as foreseen. In relation to the later, the materiality threshold in CINEA has been set at a residual error rate of 2% ⁽²⁷⁾, in application of the Commission's standard practice. In qualitative terms, the following factors are considered: nature and scope of any significant weaknesses, duration, compensatory measures such as mitigating controls, and existence of corrective actions to correct any significant weaknesses. Further details on CINEA's assurance building and materiality criteria are outlined in annex 5.

2) Assessment of the control results

The Agency's Control Strategy comprises all control activities applicable to the operational and financial implementation of its spending programmes. In addition, in the course of 2023, CINEA issued further programme-specific ex ante strategies for the grants financed under the 2021-2027 MFF. As regards procurements, CINEA published detailed guidance to support operational units in the different steps of the tendering procedure and in managing contracts.

As the share of procurements is comparatively low in the context of the overall Agency's activities (<1% of the operational budget was spent through procurement), the below assessment of the control results encompasses only grants in direct management.

Stage 1 – Evaluation and selection of proposals

The control objective of this stage is that only the best proposals are selected. As such, the Agency organises evaluations with the support of external independent experts ensuring transparency and equal treatment. Qualitatively, the Agency strives to ensure that only the best projects meeting policy objectives are selected. Quantitatively, the benefits are the requested funding by proposals that were not recommended by the external experts during evaluations. For 2023, the benefits for this stage amounted to €16.3 billion.

Stage 2 – Grant Agreement Preparation

The control objective of this stage is to translate each of the selected proposals into legally binding grant agreements, setting the basis for the achievement of the projects' goals and contribution to policy objectives. In addition, this stage ensures an optimal allocation of the EU funds, as the grant agreement preparation process may result in grant reductions, notably as an outcome of the evaluations. Quantitatively, a total amount of €429.5 million was not contracted, due to cancellations or reductions applied during the grant agreement preparation.

Stage 3 – Monitoring the execution

The control objective of this stage is to ensure that projects are performing according to schedule and technical specifications, and that payments (or recoveries) made comply with regulatory and contractual provisions. The execution of the projects is monitored through different means, the results of the ex ante controls being the most important one. Non-quantifiable benefits of this stage are a reduced risk of fraud, prevention of errors, deterring

⁽²⁷⁾ For Horizon 2020, the threshold is set within the range of 2-5%, aiming to be as close as possible to 2%.

effect of controls and improved quality of accounting data. Quantitatively, €65.4 million (or 1.4%) of the submitted amount of €4.6 billion was rejected due to ineligibility of costs/irregularities ⁽²⁸⁾. Additionally, €5.4 million was recovered due to early termination of grant agreements.

Stage 4 – Ex post controls ⁽²⁹⁾

CINEA is responsible for ex post controls of all programmes managed by the Agency except H2020, which is under the responsibility of the DG RTD Common Audit Service (CAS).

The ex post controls (audits) are carried out on the declared costs to the Agency and consist of verifying the legality and regularity of the underlying transactions and consequently the final eligible EU contribution.

The benefits of this stage can be quantified by the amount of EU contribution detected in ex post control activities. In 2023, the overall amount was estimated at €6.6 million.

Residual error rates are calculated on a multi-annual basis to reflect the multi-annual nature of the CEF, LIFE, EMFF and H2020 programmes and projects.

For CEF, LIFE and EMFF programmes, the Agency's quantitative materiality threshold is set at a residual error rate of 2%

The control system established for Horizon 2020 is designed to achieve a control result in a range of 2-5% detected error rate, which should be as close as possible to 2%, after corrections. Consequently, this range has been considered in the legislation as the control objective set for the framework programme.

Multi-annual detected and residual error rates for programmes with ex post audits at the end of 2023 are shown in the table below ⁽³⁰⁾.

Programme / Sector	Detected Error Rate	Residual Error Rate
Financial Framework 2014-2020		
CEF Transport	1.62%	1.39%
CEF Energy	1.87%	1.65%
LIFE	0.67%	0.62%
EMFF	2.03%	1.99%
H2020	2.57%	1.86%

⁽²⁸⁾ It is important to highlight that the ineligible amount considered for this purpose refers to invoices with detected irregularities and OLAF notified. Other ineligible amounts resulting from overspending or from the maximum ceiling of interim payments were not taken into account for this calculation.

⁽²⁹⁾ IF, RENEWFM and JTM- PSLF are not subject to ex post controls.

⁽³⁰⁾ An explanation of the methodology for ex post controls for each programme that is subject to ex post controls under CINEA management is provided in annex 5. Error rates are not yet available for the programmes under the 2021-2027 MFF due to the early stage of their implementation.

3) Overview of CINEA's risk profile

As far the programmes under the 2014-2020 MFF are concerned, CINEA's portfolio consists of segments with a relatively low detected error rates i.e. CEF Transport, CEF Energy and LIFE, with medium detected error rate - EMFF and with a higher error rate, i.e. H2020. This is, respectively, thanks to the inherent risk profile, the complexity of the programmes and the performance of the related control systems. For the latter (sub) segment with control weaknesses, the (root) causes of the issues are due to the inherent risk profile of the programme, particularly its reliance on personnel cost and the inexperience of beneficiaries, including SMEs and new entrants, in implementing projects with EU funding. CINEA has already taken actions to address the weaknesses such as revision of relevant ex ante control checks, reinforced monitoring of the concerned participant(s)/action(s) as well as provision of additional guidance on cost eligibility rules. In this context, the improvements made during the year already resulted in the implementation of targeted checks for the identified higher risk cases.

Given the early stage of implementation of the programmes under the 2021-2027 MFF, their detected error rates have been determined in line with the current risk profile of the respective legacy programmes (2% for HE and between 1-2% for the rest of the concerned programmes).

4) Table: Estimated risk at payment and at closure

Based on all the above, CINEA presents in the following table an estimation of the risk at payment and risk at closure for the expenditure managed during the reporting year:

Table: Estimated risk at payment and at closure (amounts in EUR million)

The full detailed version of the table is provided in annex 9.

DG CINEA	Payments made	Relevant expenditure	Estimated risk (error rate %) at payment		Estimated future corrections and deductions		Estimated risk (error rate %) at closure	
	m EUR	m EUR	m EUR	%	m EUR	%	m EUR	%
Grants under direct Management (Financial Framework 2014-2020 - Programmes based on actual costs) - CEF Transport (incl. CEF Synergy)	2 173,92	2 044,37	33,20	1,62%	5,82	0,28%	27,38	1,34%
Grants under direct Management (Financial Framework 2014-2020 - Programmes based on actual costs) - CEF Energy	265,68	364,51	6,80	1,87%	0,74	0,20%	6,06	1,66%
Grants under direct Management (Financial Framework 2014-2020 - Programmes based on actual costs) - Horizon 2020	329,98	894,65	22,99	2,57%	6,35	0,71%	16,64	1,86%
Grants under direct Management (Financial Framework 2014-2020 - Programmes based on actual costs) - LIFE	194,07	257,13	1,73	0,67%	0,19	0,08%	1,54	0,60%
Grants under direct Management (Financial Framework 2014-2020 - Programmes based on actual costs) - EMFF	13,99	22,36	0,45	2,03%	0,03	0,14%	0,42	1,89%
Grants under direct Management (Financial Framework 2021-2027 - Programmes based on actual costs) - CEF Transport	2 625,53	167,83	3,36	2,00%	0,50	0,30%	2,85	1,70%
Grants under direct Management (Financial Framework 2021-2027 - Programmes based on actual costs) - CEF Energy	232,95	0,08	0,00	2,00%	0,00	0,30%	0,00	1,70%
Grants under direct Management (Financial Framework 2021-2027 - Programmes based on actual costs) - Horizon Europe	1 254,68	4,13	0,08	2,00%	0,00	0,00%	0,08	2,00%
Grants under direct Management (Financial Framework 2021-2027 - Programmes based on actual costs) - LIFE	211,47	13,36	0,27	2,00%	0,04	0,30%	0,23	1,70%
Grants under direct Management (Financial Framework 2021-2027 - Programmes based on actual costs) - EMFAF	10,18	2,40	0,05	2,00%	0,00	0,10%	0,05	1,90%
Grants under direct Management (Programmes based on lump sums) - Innovation Fund	114,90	114,90	0,57	0,50%	0,00	0,00%	0,57	0,50%
Grants under direct Management (Programmes based on lump sums) - PSLF - JTM	10,17	0,00	0,00	0,50%	0,00	0,00%	0,00	0,00%
Operational procurements - Horizon Europe / Horizon 2020	4,56	4,56	0,02	0,50%	0,00	0,00%	0,02	0,50%
Operational procurements - LIFE	3,07	2,97	0,01	0,50%	0,00	0,00%	0,01	0,50%
Operational procurements - EMFF/EMFAF	16,38	16,00	0,08	0,50%	0,00	0,00%	0,08	0,50%
Other (incl. Programme Support)	27,35	25,31	0,13	0,50%	0,00	0,00%	0,13	0,50%
Sub-total	7 488,89	3 934,57	69,75	1,77%	13,69	0,35%	56,07	1,42%
operating budget	61,84	61,84	0,31	0,50%	0,00	0,00%	0,31	0,50%
total EA (operational + operating)	7 550,73	3 996,41	70,06	1,75%	13,69	0,34%	56,38	1,41%

The estimated overall risk at payment for 2023 expenditure, 1.75% ⁽³¹⁾, is the AOD's best conservative estimate 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, corresponding to the conservatively estimated future corrections for 2023 expenditure, 0.34%.

The difference between those two, results in the estimated overall risk at closure ⁽³²⁾, 1.41%. This is a decrease of 0.21% compared to 2022 (1.62%) mainly due to the decrease of the detected error rates for CEF, LIFE, EMFF and H2020 compared to 2022.

For an overview at Commission level, the departments' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated in the AMPR.

5) Preventive and corrective measures

As regards the corrections carried out in 2023, CINEA has in place an effective mechanism for correcting errors, through ex ante and ex post controls, resulting in preventive and corrective measures, amounting to EUR 70.8 million and EUR 15.4 million respectively, compared to last year with EUR 89.8 million and EUR 8.6 million respectively. This represents a global decrease compared to 2022 of EUR 12.2 million, which is mostly explained by a lower amount of irregularities detected ex ante as well as by less significant cases of technical incompleteness, coupled with a higher implementation of irregularities detected ex post, being either adjustments of costs declared in previous reporting periods or adjustments deriving from audit findings.

b) Fraud prevention, detection and correction

CINEA has its own Anti-Fraud Strategy (AFS) since 2013, which was updated in 2021 to reflect the extension of the Agency's mandate. To that end, an action plan was put in place and started to be implemented as of 2022. Its implementation is monitored and reported to CINEA's management on a regular basis and is embedded in the Agency's internal control system, which is assessed every year. In 2023, all actions were implemented except the revision of the internal guidelines of conflict of interest, which is still ongoing but is expected to be concluded during the first quarter of 2024.

The Agency contributed to the implementation of the Commission's Anti-Fraud strategy action plan ⁽³³⁾ (e.g. making use of relevant IT tools, which support fraud prevention and detection, providing training to staff and participating in all relevant channels and working groups) and followed up all of relevant OLAF's financial recommendations (66% of them

⁽³¹⁾ Amount at risk at payments/total relevant expenditure from amount at risk table (70.06/3.996,4)

⁽³²⁾ This is the AOD's best, conservative estimation of the expenditure authorised during the year that would remain not in conformity of applicable regulatory and contractual provisions by the end of implementation of the programme.

⁽³³⁾ More information on the revised plan can be found here: [European Commission Anti-Fraud Strategy - European Commission \(europa.eu\)](https://ec.europa.eu/eu-anti-fraud/).

already fully implemented). In addition, it participated in the consultation of the Common Anti-Fraud Strategy in the R&I Family and will follow up on its implementation.

The results achieved during the year thanks to the anti-fraud measures in place can be summarised as follows:

- Consolidation of CINEA’s anti-fraud culture through the delivery of the ‘Fight against fraud’ training session. 99% of the Agency’s staff followed this training.
- Delivery of two compulsory trainings on procurement, including ethics’ aspects for staff involved in calls for tenders.

On the basis of the available information, CINEA has reasonable assurance that the anti-fraud measures in place are effective.

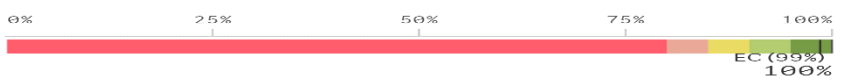
2.1.2. Efficiency of controls

The efficiency of controls is assessed through quantitative indicators that are continuously evaluated throughout the implementation of the programmes. Below is a short state of play for each indicator and more details, including on the average number of days can be found in annex 7.

The **time-to-inform** ⁽³⁴⁾ limit for all programmes was respected.

The **time-to-grant** ⁽³⁵⁾ limit for all programmes was respected in most cases achieving a result of 98%. In 2023, CINEA signed 833 grant agreements on time with the exception of 15 outside the time limits.

As far as the **timely payments indicator** is concerned (i.e. payment accepted amount on time/ payment accepted amount in EUR), CINEA managed to pay on time 100% of its operational appropriations, which is higher than the EC average, demonstrating effective processing of payments and deadline monitoring.

Timely Payments	CINEA Score	EC Score
	100%	99%

Apart the quantitative indicators, other initiatives have contributed to increase the efficiency of the implemented controls such as information sessions to stakeholders, additional/ updated internal guidance documents and checklists published in the Agency’s Manual of

⁽³⁴⁾ Only calls for proposals whose time-to-inform deadline took place in 2023 have been taken into account.
⁽³⁵⁾ Reserve list proposals are not taken into account. They are concerned only for the time-to-inform but not for the time-to-grant period, which only applies to successful applicants.

Procedures. One example is the risk-based ex ante controls for CEF2 that were developed taking into account the feedback from participants in the programme.

As shown by the results on the monitored indicators, CINEA delivered efficient services to its stakeholders.

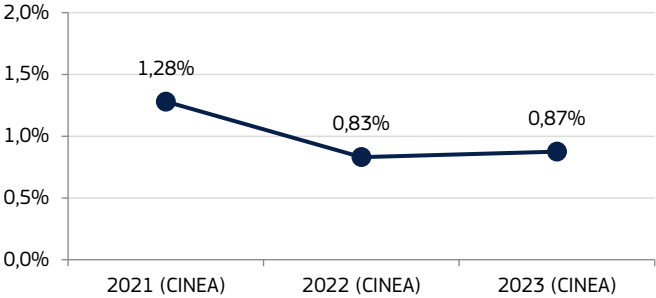
2.1.3. Economy of controls

The total costs of CINEA’s overall control system (all stages combined) can be approximated by the costs of staff working in control functions ⁽³⁶⁾, including other related control expenses as follows:

- on-site missions in the context of project monitoring and costs of ex post audits contracted externally.
- payments for evaluation experts.
- payments for monitoring activities, including costs of the LIFE programme support framework contract.

Therefore, the costs of controls amount to €65.1 million (out of which €63.6 million related to ex ante controls and €1.5 million related to ex post controls) against a total of operational payments made in this control environment of €7,438 million ⁽³⁷⁾. This results in a ratio of around 0.87%, which is below the target of 2% set by CINEA’s AWP 2023 and demonstrates the cost-effectiveness of the controls in place. This outcome is very similar to the previous reporting period in 2022, during which the ratio was 0.83% and confirms an overall trend of cost of controls around 1%. The performed controls led to quantifiable benefits of €16.85 billion. More details on the cost of controls and benefits per programme can be found in the section on effectiveness of the implemented controls and annex 7.

Cost-effectiveness of CINEA (grants under direct management)
(cost of controls vs. operational payments made)



Details of the estimated cost related to shared/pooled control activities carried out by REA and hosted by DG RTD (Common Implementation Centre; Common Audit Service; Common Policy Centre) for the Research and Innovation family are reported in the Annual Activity Reports of REA and DG RTD.

⁽³⁶⁾ In accordance with CINEA’s methodology for calculating the cost of controls.
⁽³⁷⁾ Includes only payments on grants.

2.1.4. Conclusion on the cost-effectiveness of controls

Based on the most relevant key indicators and control results, the Agency has assessed the effectiveness, efficiency and economy of its control system and reached a positive conclusion on the cost-effectiveness of the controls for which it is responsible. This can be attested by an adequate balance between stable or decreasing error rates, generally timely operations (time-to-inform, time-to-grant and time-to-pay), and consistently low costs of controls.

The system of controls in place is therefore considered suitable to fulfil the intended control objectives efficiently and at a reasonable cost. This conclusion is attested by the satisfactory balance between generally low error rates, swift time-to-pay and low costs of controls.

2.2. 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.

Internal Audit Service (IAS)

In 2023, CINEA was concerned by nine assurance engagements and one limited review. During the year, the IAS issued four final reports, which included seven recommendations for CINEA (four very important ⁽³⁸⁾), which were all accepted. Furthermore, the recommendations were partly implemented in 2023, in a timely manner and in accordance with the action plans agreed with the IAS. The remaining recommendations will be implemented in the course of 2024.

In its contribution to the 2023 Annual Activity Report process, the IAS issued the limited conclusion of the Internal Auditor on the state of CINEA's internal control, which concluded that the internal control systems in place for the audited processes are effective, except for the observations giving rise to the abovementioned very important recommendations.

⁽³⁸⁾ One in the context of the LIFE audit related to the management of Conflict of Interest of experts and staff participating in the evaluations and three in the context of the IF audit related to (1) the formal establishment of the evaluation committee; (2) the management of Conflict of Interest of experts and staff participating in the evaluations as well as the use of non-EU experts and (3) other shortcomings of procedural nature in the evaluation of proposals.

European Court of Auditors (ECA)

In 2023, CINEA was subject to the recurring ECA financial audit on the Statement of Assurance (SoA), including the audits on the administrative and on the operational annual accounts. No important or critical shortcomings were identified. Only one reference to CEF was included in the 2022 Annual report of the ECA, related to a case of irregularities in procurement procedures, to which the Commission disagrees. Furthermore, there were no open recommendations from the previous SoA exercises for the Agency.

In addition, the Agency provided support to its parent DGs in the context of thirteen ECA special audits in different stages of implementation. Several special reports were published in 2023, giving rise to a number of recommendations. CINEA is associated to the dedicated action plans targeting the areas with identified deficiencies.

In conclusion, CINEA continuously considers the IAS and ECA audit observations and recommendations and addresses them to the greatest possible extent. More details are provided in annex 8.

2.3. 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.

CINEA 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.

In line with the Commission's Internal Control Framework, CINEA 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 well overall. The assessment identified particularly robust areas, such as the reduction of vacancy and turnover rates as well as the residual error rates of some programmes, the improvement of CINEA's staff engagement, and increased attention to sound environmental management, among others. It showed as well that improvements are needed as some deficiencies were identified related to the adequacy of certain internal procedures (as highlighted in the IAS audit reports for the Innovation Fund and LIFE) and the quality of some information provided on CINEA's intranet. The following actions are/will be taken in this respect: update of CINEA's Manual of Procedures and other relevant sections of the CINEA's intranet as appropriate. Annex 8 provides details about the assessment of the internal control system of CINEA.

Furthermore, CINEA addressed the deficiencies identified following the 2022 exercise. Notably, thanks to the remedial measures developed, a significant improvement in the attendance rate of staff in the compulsory training on ethics was achieved – from 92% to 99%.

Finally, on matters of internal control, the Agency also builds upon the good working relations with other executive agencies, the central Commission services and the parent DGs. These working relations materialise into a series of initiatives that range from regular meetings to the organisation of information sessions on matters of internal control and risk assessment.

2.4. Conclusions on the assurance

The information reported in section 2.1 stems from the results of management and auditor monitoring contained in the reports listed. 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 comprehensive coverage of the budget delegated to the Director of CINEA.

The budget, for which CINEA was responsible in 2023 was managed for its intended purpose and in accordance with the principles of sound financial management. To that end, the Agency considers that its Control Strategy is appropriate as it ensures a good balance between low errors and efficient controls at a reasonable cost.

In conclusion, based on the elements reported above, 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 Director of CINEA, in her capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

2.5. Declaration of Assurance

Declaration of Assurance

I, the undersigned,

Executive Director of CINEA

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 view ⁽³⁹⁾.

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.

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

Brussels, 27 March 2024

(e-signed)

Paloma Aba Garrote

⁽³⁹⁾ True and fair in this context means a reliable, complete and correct view on the state of affairs in the Executive Agency.

3. MODERNISING THE ADMINISTRATION

3.1. Human resource management

CINEA implemented a series of actions foreseen in the Inter-Executive Agency Human Resources Strategy, which is built around three pillars. Detailed information on the specific indicators can be found in annex 10.

Under **‘Attractiveness & Staff retention’**, the Agency carried out actions to promote a trust-based and participatory workplace culture. Two sessions of the ‘Let’s talk’ initiative took place, alongside other initiatives such as the ‘Innovation Lab’ and the ‘Ideas box’, which allowed to explore bottom - up ideas for modern, service oriented and innovative ways of working. Additionally, in November, CINEA adopted Staff Core Values with the aim of establishing shared principles as a guiding force within the Agency. As a result of these initiatives, CINEA concluded the year with a staff turnover rate of 7.6%, marking its lowest level since the inception of its new mandate. Furthermore, the result of the 2023 Commission’s staff survey showed an increase of the Agency’s staff engagement index to 74% from 72% in 2021. To that end, CINEA will continue to pay utmost attention to fostering a positive and engaging working environment.



CINEA came together to clean the Oostende beach during its Away Day, which took place in September as part of the #EUBeachCleanup campaign.

To enhance staff well-being, various activities were introduced, including a 'Vitality Month' featuring a diverse program of over 50 sports and training activities. Moreover, the Agency co-organized the Inter-EA Respect & Dignity @ Work week and actively participated in the Interinstitutional Health and Safety Week.



To achieve a low vacancy rate, CINEA intensified its recruitment and enlarged the variety of channels for the publication of vacancies, including on social media.

In terms of **‘Selection and Recruitment’**, the second pillar of the HR strategy, the Agency achieved great results on strengthening its workforce despite additional posts received in the first semester of the year managing to reduce its vacancy rate to 3% ⁽⁴⁰⁾ compared to 9% at the end of 2022.

One of the challenges remained the proportion of women in middle management positions, which at the end of 2023 was 39%. To that respect, CINEA continues its effort in increasing this percentage within its remit and in close cooperation with its parent DGs.

⁽⁴⁰⁾ Frozen posts are not taken into account for the calculation of the vacancy rate.

Several initiatives were executed under the third pillar '**Career prospects**'. These encompassed CINEA's involvement in pilot programmes for staff exchange and junior professionals, as well as participation in the Inter-Agency Women Talent Programme, designed to support women aspiring to assume leadership roles. Additionally, CINEA's Career Day provided an opportunity for staff interested in enhancing their professional skills and taking on new challenges.

3.2. Digital transformation and information management

Digital Transformation



Fostering the promotion of the Digital culture, at the end of 2023, 100 % of CINEA staff was migrated to Welcome. In addition, back-office services were transferred to DIGIT, resulting in CINEA's full enrolment into the EC Digital Workplace service.

In line with the Corporate Digital Strategy, the Agency's **digital transformation** progressed well marked by the successful launch of an upgraded MAP-IT version. This release incorporated additional indicators for CEF Transport, a crucial milestone that enhances support for policy feedback activities. The CEF Energy cross border renewable energy system (CBRES) viewer and submission modules were completed, and the evaluation module was released. Initiatives such as the ongoing risk management exercise for the new CBRES, coupled with the formulation of a security plan, have been initiated.

Additionally, the Transparency platform was updated to reflect amendments in the Trans-European Networks for Energy (TEN-E) regulation. Maintenance activities continued for the legacy LIFE system with focus on improving reliability of the data. Furthermore, CINEA took on the technical responsibility of the Land Purchase Database (LPD), previously hosted in the European Environmental Agency. All the above systems rely exclusively on supported components, ensuring a seamless digital environment.

Finally, following an updated assessment in 2023, CINEA's compliance with corporate data governance principles has risen to 71% compared to the 2022 score of 64%. This improvement can be attributed to various implemented enhancements, including adding disclaimers to public dashboards indicating the information source, making data accessible on the Open Data Portal, and ensuring compliance with relevant legislation, regulations, and guidelines for data asset management.

Information and IT security rules

Regarding alignment with the Secure Digital Infrastructure principle, in the second half of 2023, CINEA launched a risk management process to cover all its Information Systems by an IT Security Plan (ITSP) expecting to achieve 100% at the end of the first quarter of 2024. Furthermore, the Agency encouraged staff participation in cybersecurity events or trainings organised by DIGIT and in activities launched in the context of the European Cybersecurity Month 2023.

Data, information and knowledge management

CINEA follows the Commission's lead for Data, Information and Knowledge Management and in 2023 implemented various actions **to enhance knowledge-sharing**. They included managing a 'sharing platform/knowledge repository/hub', creation of eAcademy to further develop staff competencies, and the organisation of 'CINEA Green Talks' to share the latest policy developments within the framework of the EU Green Deal.

Regarding Business Intelligence services, the Agency advanced the development of its data warehouse by enhancing the integration of information from diverse source systems. The use of the QlikSense tool for knowledge-sharing and collaborative work was also expanded. A significant achievement in this context was the official launch of [CINEA's public dashboard](#), enabling users to explore all projects managed by the Agency, including through an interactive map and detailed statistics.

Finally, citizens' requests for access to documents also continued to be a priority. In 2023, CINEA received a total of 48 requests for access to documents, which were handled within the time limits prescribed.

More information on specific indicators linked to digital transformation and information management can be found in annex 10.

Data protection

CINEA continued to implement the Commission's Data Protection Action Plan (C(2018) 7432) and its review (C(2020) 7625). On top of participating and promoting training activities to raise awareness on data protection, key achievements of the reporting period include:

- Two new records for processing of personal data alongside update of about twenty data protection notices.
- Input for the finalisation of the written arrangements on joint controllership for corporate data processing operations within SEDIA ⁽⁴¹⁾, which were signed in December 2023.
- Address of EDPS' opinion on the use of cooperate tools by adapting the relevant documents (record, etc).



CINEA's first internal communication survey was launched in July 2023 to evaluate the Agency's internal communication channels and activities. Results revealed that 84% of the respondents were either very satisfied or satisfied with CINEA's internal communication. The survey's results were used to propose follow-up actions aimed at further improving internal communication.

⁽⁴¹⁾ Single Electronic Data Interchange Area.

3.3. Sound environmental management

Several initiatives were implemented to help minimise CINEA's environmental footprint. Progress was made towards **the Agency's Eco-Management and Audit Scheme (EMAS) accreditation**, anticipated to be finalised in 2024. Other examples include the installation of additional plugs for e-bikes, raising awareness activities, and support for corporate campaigns such as Buildings Energy Savings Together (BEST) actions, along with maintaining reduced building temperatures. At the end of 2023, the energy consumption of the Agency was 22% less compared to 2022.



CINEA colleagues promoted the benefits of sustainable travelling. 35% of the Agency's missions' journeys in 2023 were performed by train.

In 2023, nearly 70% of CINEA's waste was converted into secondary raw material and the Agency participated in the [European Week for Waste Reduction](#) (EWWR) with a session on zero waste cooking. Lastly, the Agency encouraged staff participation in initiatives supporting the objectives of the Green Deal, including the [European Climate Pact movement](#) launched by the Commission. More information can be found in annex 10.

3.4. Examples of economy and efficiency

Improvement of the internal working methods

In 2022, CINEA launched 'The Innovation Lab' to enhance a culture of change and innovation addressing concerns identified in the 2021 Job Satisfaction Survey. The group, comprising 12 members from various departments, focused on streamlining procedures and improving working methods in six main areas within the programme management lifecycle. Their efforts, spanning until April 2023, resulted in 32 actions, enhancing CINEA's operational efficiency while preserving the existing robust internal control system. All actions were implemented until the end of the year, except for two, which will be completed in Q1 2024. The 'Innovation Lab' initiative has not only fostered change, innovation, knowledge sharing, and creativity, but has also strengthened operational effectiveness.

Improvement of the services provided to the Agency's external stakeholders

In 2022, CINEA conducted its first services satisfaction survey, the main qualitative performance indicator of the Agency, which revealed a 93% satisfaction rate of the respondents expressing that they were 'very satisfied' or 'satisfied' with CINEA's services. Subsequently, in 2023, the Agency implemented improvement suggestions through a series of actions. They aimed to enhance information accessibility on funding opportunities through a streamlined 'one-stop-shop,' provide advance notice for significant tenders, offer more practical advice during info days, and present user-friendly guidance on grant agreement preparation and project implementation. The successful implementation of these initiatives strengthened the Agency's support to external stakeholders, ensuring it became more targeted, effective, and aligned with its intended purpose.