



Manuscript completed in July 2020

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Luxembourg: Publications Office of the European Union, 2020

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 Print
 ISBN 978-92-76-18591-8
 doi:10.2887/816541
 HT-03-20-308-EN-C

 PDF
 ISBN 978-92-76-18592-5
 doi:10.2887/305629
 HT-03-20-308-EN-N

# INTRODUCING THE DIRECTORATE-GENERAL FOR STRUCTURAL REFORM SUPPORT

The Directorate-General for Structural Reform Support (DG REFORM) helps EU Member States carry out reforms to stimulate job creation and sustainable growth. EU Member States can ask DG REFORM for support, which is then delivered in the form of tailor-made expertise.

Today, DG REFORM is engaged in **over 1 000 projects** in **all 27 EU Member States**.

DG REFORM was created in January 2020, taking over the mandate previously carried out by the Structural Reform Support Service.

Our economic destinies are bound together by the internal market and the euro. Reforms have therefore become a matter of common concern. The Commission supports Member States' reform initiatives while enabling them to share best practices and learn from each other's experience.

#### VALDIS DOMBROVSKIS

Executive Vice-President for economy that works for people





Growth enhancing reforms are a precondition for sustainable and inclusive growth. Investment alone is not enough to adapt to a rapidly changing world. Our administrations and frameworks also need to be constantly strengthened and modernised. The Commission is strongly backing Member States in their reform initiatives. It is our goal not to leave anyone behind.

#### **ELISA FERREIRA**

Commissioner for cohesion and reform

An economy must work for people and the planet. In our fast changing society, Member States need to adapt to new circumstances, such as the green transition, digital transformation and economic recovery. DG REFORM helps Member States respond to these challenges where reform is needed.

#### **MARIO NAVA**

Director-General of DG REFORM



# WHAT DOES **DG REFORM** DO?

DG REFORM provides **tailor-made expertise (technical support) on the ground** to help EU Member States design and implement growthenhancing reforms in a wide range of policy areas.

DG REFORM provides input on the **practical aspects** of reforms. This can take the form of strategic or legal advice, studies, training and in-country missions by experts. It covers the **whole reform cycle**, from identifying needs to implementation, monitoring and evaluating outcomes.

#### **Examples of support projects**



In **Ireland**, DG REFORM provided recommendations for the implementation of civil and public service reform in order to review the current human resources management system and move towards a more strategic human resources model.



In **Slovakia**, DG REFORM helped to prepare a strategy for the transition out of coal energy, in close cooperation with a wide range of stakeholders.



In **Austria**, DG REFORM helped to implement the primary healthcare reform by enabling health professionals to start their own primary healthcare units.



In **Greece**, DG REFORM helped to establish the Independent Authority for Public Revenue and optimise its processes for collecting revenues.

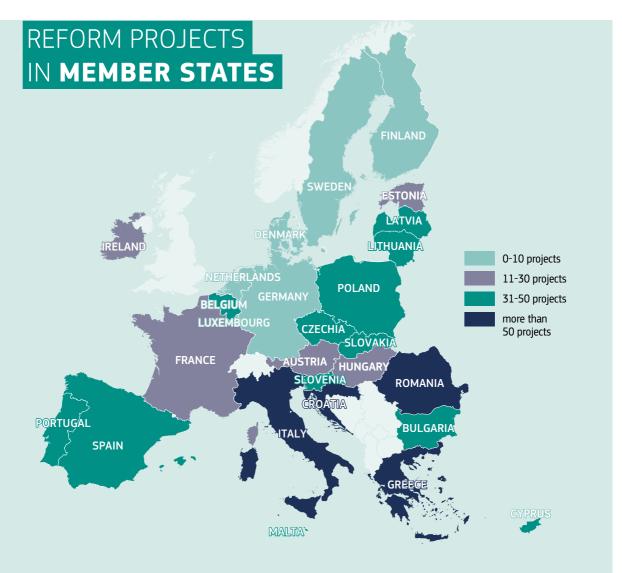


In **Estonia**, DG REFORM provided support to the Ministry of Justice to strengthen measures to prevent debtors' insolvency and introduce a system of early warning tools.

In addition to the central offices in Brussels, DG REFORM also has **local offices** in several Member States. The on-the-ground presence of DG REFORM staff makes it possible to work closely with national administrations on the preparation, implementation and follow-up of strategic reforms through targeted reform projects.

The **Athens** office was originally established to support Greece in carrying out its reform commitments under the Economic Adjustment Programme. It is currently helping the authorities to implement its national reform agenda. To date, more than 190 technical support projects have been or are about to be launched. DG REFORM has provided crucial support, for instance, in simplifying the investment licensing system and establishing the Independent Authority for Public Revenue and the Hellenic Development Bank. The Athens office also coordinates DG REFORM's work in Cyprus. More than 60 technical support projects have been or are about to be launched in Cyprus, with an important example being the reform of the judicial system.

In 2019, DG REFORM also established offices in **Bucharest** and **Zagreb** to support national authorities in coordinating technical support and ensuring coherence and complementarity. To date, more than 60 technical support projects have been or are about to be launched in Romania. This includes support in establishing and implementing a system for preventing early school dropouts and helping to simplify the licensing process. In Croatia, more than 70 technical support projects have been or are about to be launched, including support in improving the governance and restructuring of state-owned enterprises and in enhancing market liberalisation for professional services.



# **PROGRAMME** AND BUDGET

Since 2017, DG REFORM has been managing a dedicated programme - the Structural Reform Support Programme – with a budget of **EUR 222.8 million** for 2017 to 2020.

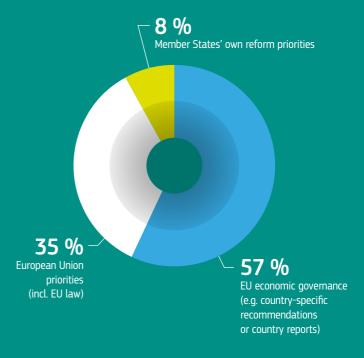
The programme is the main source of funding for technical support projects in EU Member States and does not require co-financing.

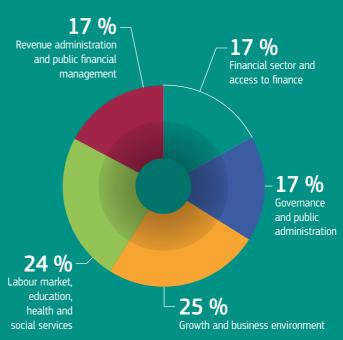
Member States can request help from the programme to implement the following:

- reforms identified by the European Commission, for example in its annual economic policy recommendations (the 'European Semester' process);
- measures they have to take to implement EU priorities and EU law:
- reforms undertaken on their own initiative.

Under the programme Member States can also transfer a part of unused EU funds allocated to them to DG REFORM.

# PROJECTS PROVIDED BY DG REFORM





# AREAS OF **SUPPORT**

DG REFORM provides technical support in five main areas:

Governance and public administration Revenue administration and public financial management Growth and business environment

Labour market, education, health and social services Financial sector and access to finance

Anti-corruption and anti-fraud strategies

Better regulation

Central and local administration

Digital public administration

Governance and IT function

Judicial reform

Management of
human resources

Administration of revenues

Aggressive tax planning

Budget preparation and implementation

Customs union

Debt and cash

management

Expenditure policy

Macro-fiscal framework

Public sector accounting Public finances

oversiaht

Tax compliance
Tax policy

Better regulation, licensing and inspections

Climate

Competition and consumer policy

Digital economy, research and innovation

Energy

Environment and natural resources

Foreign investment and trade

Investment management, public-private partnerships and state-owned enterprises

Just transition

Small and medium-sized enterprises, tourism and other sectors

Transport and mobility

Access to longterm care Digital health

Equity and inclusive

education

Higher education and research

Labour market policies & governance

Migration and border management

Public health

Resilience of health care systems

School policy

Social protection
Social services

Upskilling of adults

Vocational education and training

Anti-money laundering

Banks

Capital markets

Crisis

management Financial literacy

Green finance

Insolvency

Insurance undertakings and pensions







## **HOW IT WORKS**

DG REFORM provides Member States with expertise, which can take the form of:

- expert and fact-finding missions on the ground to assess the situation:
- diagnostic analyses and recommendations on ways to address the situation;
- sharing relevant best practices through seminars, conferences and workshops;
- developing and implementing targeted solutions to address the situation.

To deliver this support, DG REFORM uses a wide range of experts from national administrations (including through the TAIEX-SRSP Peer 2 Peer instrument), international organisations, private firms and consultancies, or expertise directly from the European Commission.



# **ANNUAL PROGRAMME** CYCI FS

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

MARCH

July-October

DG REFORM discusses ideas for technical support requests with Member States and provides assistance with preparation.

31 October

Member States submit their requests for technical support to DG REFORM through their **national coordinating** authority.

**November-January** 

DG REFORM analyses the requests received and proposes a selection of requests for funding.

February-March

The European Commission approves financing for the selected requests.

March onwards

Support projects start to be **delivered on** the ground.

# OTHER RESPONSIBILITIES

# SUPPORT FOR THE REUNIFICATION OF CYPRUS AND AID PROGRAMME FOR THE TURKISH CYPRIOT COMMUNITY

DG REFORM also coordinates the Commission's efforts to support the **process led by the United Nations for the reunification of Cyprus**. In this context, it is responsible for the implementation of the EU Aid Programme for the Turkish Cypriot community and for monitoring the application of the Green Line Regulation.

From 2006 to 2019, the EU allocated EUR 554.8 million to projects in support of the

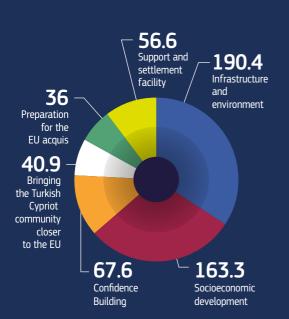
Turkish Cypriot community. The Aid Programme aims to facilitate the reunification of Cyprus by encouraging the economic development of Turkish Cypriot community with particular emphasis on the economic integration of the island and improving contact between two communities and with the EU.

The **objectives** of the programme are:

- to promote social and economic development in the Turkish Cypriot community;
- to develop and refurbish infrastructure;
- to foster reconciliation, build confidence and support civil society;
- to bring the Turkish Cypriot community closer to the EU, through information and contact between Turkish Cypriots and other EU citizens;
- to help the Turkish Cypriot community prepare for the implementation of EU law once a comprehensive settlement of the Cyprus issue has been agreed.

# AID PROGRAMME FUNDING 2006-2019 BY OBJECTIVE

Total: EUR 554.8 million



# PUBLIC ADMINISTRATION AND GOVERNANCE

DG REFORM has the task of building a coherent approach within the European Commission in the area of public administration. The European Commission competence centre for public administration and governance, managed by DG REFORM, develops the Commission's knowledge on the way in which the public administrations in EU Member States function. It looks into challenges and approaches that can help improve their operations and generate trust.

Strong institutions and high quality public administration in Member States are important prerequisites for successful delivery on EU objectives and policies. Effective **judicial system reforms** play a crucial role in upholding the rule of law and the fundamental values of the European Union. **E-government** has a strong interministerial aspect, as it requires an overall simplification of administrative processes and procedures to meet citizens' needs.

## **WAY FORWARD**

DG REFORM's mandate is to help Member States design and implement reforms. Building on specialised expertise gained over the years and on continued dialogue with Member States, DG REFORM supports them in fulfilling their reform ambitions. This will be particularly important in the framework of the Recovery Plan, launched by the European Commission in May 2020 in response to the coronavirus crisis.

The bulk of the proposed recovery measures will be powered by the new temporary recovery instrument "Next Generation EU", which is made up of three pillars.

In the first pillar, the **Recovery and Resilience Facility** will offer financial support for investments and reforms, including in relation to green and digital transitions and the resilience of

national economies, linking these to the EU priorities. This facility will be embedded in the European Semester. It will be equipped with a grant facility and will also be able to provide loans. Support will be available to all Member States.

As part of the Recovery Plan, a **Technical Support Instrument** is proposed as the continuation of the existing Structural Reform Support Programme. It builds on its success, allowing the Commission to help strengthening the institutional and administrative capacity of EU Member States.

Thanks to **good cooperation** established with Member States, DG REFORM will continue – especially in the aftermath of the crisis – to support their efforts to implement tailor-made reforms, which are necessary to achieve economic and social recovery, resilience and convergence.



## **CONTACT DETAILS**

### Main contact points for applying for the Structural Reform Support Programme

REFORM-SRSP@ec.europa.eu

National coordinating authority in your country

#### Further details on our work

- Governance and public administration REFORM-02@ec.europa.eu
- Revenue administration and public financial management REFORM-TAX-PFM@ec.europa.eu
- Growth and business environment REFORM-03@ec.europa.eu
- Labour market, education, health and social services
   REFORM-04@ec.europa.eu
- Financial sector and access to finance REFORM-Finance@ec.europa.eu
- DG REFORM office in Greece
   REFORM-ATHENS@ec.europa.eu
- Cyprus settlement support REFORM-CYPRUS-SETTLEMENT-SUPPORT@ec.europa.eu

#### Find out more

- DG REFORM
   https://ec.europa.eu/info/departments/structural-reform-support\_en
- Structural Reform Support Programme
   https://ec.europa.eu/info/funding-tenders/overview-funding-programmes/structural-reform-support-programme-srsp\_en
- Examples of support projects
   https://ec.europa.eu/info/examples-reform-support\_en