European Commission

STATE OF THE UNION 2017

EU STRUCTURAL REFORM SUPPORT SERVICE

'I want the new Economy and Finance Minister to promote and support structural reforms in our Member States, building on the work the Commission is doing since 2015 with our Structural Reform Support Service.'

European Commission President Jean-Claude Juncker, State of the Union Address, 13 September 2017

What is the EU Structural Reform Support Service?

- Created in 2015, the service's task is to support the preparation, design, implementation and evaluation of **growth-enhancing reforms**.
- It is the **Commission's main tool to support Member States in key areas of reform needs**, such as the modernisation of public administration, the business environment and the labour market.
- It has a **team of up to 160 staff**, based in Brussels and in some Member States, under the guidance of Vice-President Valdis Dombrovskis and managed by Director-General Maarten Verwey.
- While this support covers the entire process — from identifying the need to reform to the completion of the process — the **ownership** of the reforms remains with the Member State.

What does the Service do?

A UNIQUE COMBINATION OF SUPPORT MEANS	Commission, Member State	Commission, Member State	Commission, Member State	Commission, Member State, international organisations, public and/ or private sector	Commission, Member State
Member State request	**Scoping mission** Frame and assess the request for support	**Workshops and study visits** Assess against EU best practices	**Strategic guidance**	**Implementation** Design, data analysis, legal advice, deployment	**Evaluation**

At the request of a Member State, the Service:

- **discusses** with the Member State where **support for reforms** is needed;
- **designs a demand-driven 'cooperation and support plan'** together with the Member State;
- **pools expertise from all over Europe**: this can be via experts from the Commission, other Member States, international organisations, public entities and/or the private sector;
- **supports** the national authorities throughout the reform process with the agreed **practical assistance**, including through workshops, study visits and strategic guidance;
- **provides financing** for the reform support and coordinates the necessary **expertise**.

How does it work in practice?

The Service manages a dedicated support programme — the Structural Reform Support Programme — with a **budget of €142.8 million** over the years 2017-2020. This programme entered into force in May 2017 and requires **no co-financing from Member States**. The service is **demand-driven** and provides support **only upon request from a Member State**. In addition, a Member State can decide voluntarily to redirect funds from its own technical assistance budget under the EU Structural and Investment Funds to be managed by the Service.

So far, the Service has engaged with **15 Member States to carry out more than 150 projects**. More projects will follow.

Which areas are covered?

Governance & public administration	Revenue administration & public financial management	Growth & business environment	Labour market, health & social services	Financial sector & access to finance
• Governance • Central & local administration • E-government • Human resources reform • Better regulation • Anti-corruption & anti-fraud • Anti-money laundering • Judicial reform	• Revenue collection • Budget preparation • Spending reviews • Fiscal strategy & tax policy • Supreme audit institutions/fiscal council	• Investment licensing • Competition policy • Trade issues • Digital society • Land registry • Energy Union • Better regulation • State-owned enterprise management • Sectoral expertise: transport, environment, water, agriculture	• Labour market & laws • Strategies to mitigate unemployment • Labour inspectorates • Welfare system • Pension system • Healthcare system • Education & vocational education and training	• Access to finance • Capital Markets Union • Bank supervision & resolution • Non-performing loans • Insolvency • Insurance & pensions • Competition issues

Special assignments: The Service has helped to coordinate the response to the refugee crisis in Greece and is also responsible for the implementation of the Aid Programme for the Turkish Cypriot community.

Examples of projects so far

The Service is helping:

- **Cyprus** and **Malta** to meet their climate and energy goals;
- the **Czech Republic** and **Greece** to improve their transport infrastructure;
- **Lithuania** to develop the digital economy;
- **Slovenia** to enhance the efficiency of dealing with non-performing loans;
- the **Baltic Member States** to improve financing options for companies under the Capital Markets Union initiative;
- several countries (such as **Bulgaria**, **Croatia**, **Lithuania**, **Cyprus**, **Greece**) to reform their education systems;
- several countries to modernise their public financial management (**Greece**, **Poland**, **Portugal**) and to move towards accrual account standard (**Italy**, **Cyprus**, **Malta**).