ANNEXES

ANNEX 1: Statement of the Resources Director

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission[1], I have reported my advice and recommendations to the Director-General on the overall state of internal control in the DG.

I hereby certify that the information provided in Section 2 of the present AAR and in its annexes is, to the best of my knowledge, accurate and complete.

Brussels, 26/03/2018

[signed]

Pamela BRUMTER-CORET

[1] Communication to the Commission: Clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission; SEC(2003)59 of 21.01.2003.

ANNEX 2: Reporting – Human Resources, Better Regulation, Information Management and External Communication

Human Resources

Objective: The DG effectively deploys its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.			
Indicator 1: Percentage of female representation in middle management. **Source of data:** SEC(2015)336			
Baseline	Target (2019)		Latest known results (December 2017)
26% (May 2015)	35%		33%
Indicator 2: Percentage of staff who feel that the Commission cares about their well-being. **Source of data:** Commission Staff Survey.			
Baseline	Target (2020)		Latest known results (December 2017)
42% MARKT (2014) 38% ECFIN (2014)	45% (5 percentage points higher than the average of DG MARKT and DG ECFIN, 10 percentage points higher than the 2014 average for the Commission)		Staff survey 2016: 67% FISMA, compared to 58% Commission average
Indicator 3: Staff Engagement Index. **Source of data:** Commission Staff Survey.			
Baseline	Target (2020)		Latest known results (December 2017)
71% MARKT (2014) 66% ECFIN (2014)	70% (1.5 percentage point higher than the average of DG MARKT and DG ECFIN; 5 percentage points higher than the 2014 Commission average)		Staff survey 2016: 73% FISMA, compared to 64% Commission average
Main outputs in 2017:			
Description	Indicator	Target	Latest known results
Coaching for AD women on management	Participation in the course	10 women	11
Regular activities supporting AST professionalization	Participation rate	50% of available places	Average of 76% room occupation rate for 8 events in 2017
Knowledge hours during which units and staff members will present their field	Number of sessions	10 per year	10

of activities to all staff			
Mini coaching sessions offered by Directors to interested staff.	Number of participants	15 participants	Planned for Q4 2017 but finally did not happen due to enormous workload in all the Directorates before the end of the EC mandate
Session with middle managers and DHoU on giving feedback	Number of participants	At least 10 participants	11 participants
Session with middle managers and DHoU on dealing with underperformance	Number of participants	At least 10 participants	9 participants

Better regulation

Objective: Prepare new policy initiatives and manage the EU's acquis in line with better regulation practices to ensure that EU policy objectives are achieved effectively and efficiently.			
Indicator 1: Percentage of Impact assessments submitted by DG FISMA to the Regulatory Scrutiny Board that received a favourable opinion on first submission. ***Explanation:*** *The opinion of the RSB will take into account the better regulation practices followed for new policy initiatives. Gradual improvement of the percentage of positive opinions on first submission is an indicator of progress made by the DG in applying better regulation practices.* **Source of data:** DG FISMA			
Baseline 2015	Interim milestone 2016	Target 2020	Latest known results (December 2017)
83% (68% = Commission average in 2014) on first submission	4 IAs approved: • 75% on first submission • 100% with resubmission	Positive trend compared to interim milestone.	7 IAs approved • 43% on first submission • 100% with resubmission
Indicator 2: Percentage of the DG's primary regulatory acquis covered by retrospective evaluation findings and Fitness Checks not older than five years. ***Explanation****: Better Regulation principles foresee that regulatory acquis is evaluated at regular intervals. As evaluations help to identify any burdens, implementation problems, and the extent to which objectives have been achieved, the availability of performance feedback is a prerequisite to introduce corrective measures allowing the acquis to stay fit*			

for purpose. ***Relevance of Indicator 2:** The application of better regulation practices would progressively lead to the stock of legislative acquis covered by regular evaluations to increase.* **Source of data:** DG FISMA			
Baseline 2015	Interim Milestone 2016	Target 2020	Latest known results (December 2017)
DG FISMA conducted 15 retrospective reviews and 2 green papers in 2015. 10 retrospective reviews have been adopted to date. As Better Regulation principles came into force only late May 2015 (with a transition period for full application at the end of 2015), only 1 DG FISMA review qualified as "evaluation" according to the Better Regulation Principles.	18% of primary regulatory acquis (105 directives and regulations) covered by retrospective evaluations.	Positive trend compared to interim milestone	22% of primary regulatory acquis covered by retrospective evaluations.[2]

Information Management

Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable.		
Indicator 1: Percentage of registered documents that are not filed (ratio) **Source of data:** Hermes-Ares-Nomcom (HAN) statistics		
Baseline	Target	Latest known results (December 2017)

[2] Regulatory acquis as per base year 2016. 23 retrospective reviews and evaluations including: 10 reviews adopted up to 2015 and 7 additional reviews adopted in 2016; 2 evaluations fully qualifying as "evaluations" according to the better regulation principles in 2015 and 2016; and 4 additional evaluations in 2017.

2014: 1%	1%		1,06%
Indicator 2: Percentage of HAN files readable/accessible by all units in DG FISMA **Source of data:** HAN statistics			
Baseline	Target		Latest known results (December 2017)
2014: 99%	99%		95%[3]
Indicator 3: Percentage of briefings managed in accordance with a uniform business process and using a common tool **Source of data:** BASIS (Briefings And Speeches Information System) – Re: Briefings at DG and DDG level only			
Baseline	Target		Latest known results (December 2017)
2015: 100%	100% every year		86%[4]
Main outputs in 2017:			
Description	Indicator	Target	Latest known results
Use of standard collaborative platforms for DG FISMA project teams	Use of collaborative platforms by project teams created in 2017	All project teams created in 2017 use a collaborative platform	Target abandoned in the course of the year.
Decision on a knowledge management strategy for the DG	Decision taken by senior management on the strategy	By 31.7.2017	Knowledge management strategy endorsed at directors meeting on 24.4.2017
Increase in the quality of ARES files	Number of unfiled documents	< 200	179
	Number of files without "file manager"	< 5%	0.98%

External Communication

Objective 1: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.
Indicator 1: Percentage of EU citizens having a positive image of the EU. ***Definition:*** *Eurobarometer measures the state of public opinion in the EU Member States. This global indicator is influenced by many factors, including the work of other EU institutions and national governments, as well as political and economic factors, not just*

[3] This figure takes all HAN files as the denominator, including files with personal data while those were excluded when the baseline and target were defined. The percentage of HAN files shared with other DGs is 1.4%.

[4] The significant gap to the target is due to the fact that the 2015 baseline did not take account of briefings outside BASIS (then the only "Source of data"). Other sources of briefings gradually merge into BASIS over 2017-2018, with the exception of briefings for the EEAS. This will lead to a better attainment of the target in the coming years.

the communication actions of the Commission. It is relevant as a proxy for the overall perception of the EU citizens. Positive visibility for the EU is the desirable corporate outcome of Commission communication, even if individual DGs' actions may only make a small contribution. **Source of data:** Standard Eurobarometer (DG COMM budget).			
Baseline	Target (2020)		Latest known results (December 2017)
November 2014: Total "Positive": 39% Neutral: 37 % Total "Negative": 22%	Positive image of the EU ≥ 50%		Standard Eurobarometer 88 (Autumn 2017) Total positive: 40 Neutral: 37 Total negative: 21 Don't know: 2
Objective 2: Higher user satisfaction with DG FISMA's main information channels, i.e. its website, Finance Newsletter and social media accounts.			
Indicator 1: Percentage of users who "totally agree" or "tend to agree" with the statement "The website / Finance Newsletter / social media accounts improve my understanding of what the EU is doing on banking and finance." ***Definition:*** *This objective covers the DG's main communication channels horizontally across all topics. It focuses on the quality of their services to the DG's main target audience, i.e. stakeholders.* **Source of data:** Online surveys.			
Baseline	Target (2020)		Latest known results (December 2017)
2016: 90.39% "totally agree" or "tend to agree"	+10% (as compared to 2016 baseline).		No new results in 2017. Next user satisfaction survey in summer 2018.
Main outputs in 2017:			
Description	Indicator	Target	Latest known results
Communication actions on Capital Markets Union and related initiatives	Number of mentions of #CMU and related hashtags used by DG FISMA (measured in Engagor)	1,500 mentions in 2017	3,086*
Communication actions on retail finance	Number of mentions of #MyMoneyEU and related hashtags used by DG FISMA (measured in Engagor)	3,000 mentions in 2017	857**
Communication action on FIN-NET	Use of FIN-NET online complaint form (number of views) on EUROPA	+10% as compared to 2016	+ 23,5% (reference period July to November)***

Annual communication spending (based on estimated

commitments):			
Baseline 2016	Target 2017	Total amount spent	Total of FTEs working on external communication
EUR 408,436.5	EUR 413,000 (including conferences and hearings for stakeholders and the general public)	EUR 460,078.26****	9 (including team management)

* Combination of data from Engagor (01.01.2017 to 27.09.2017) and data from Digimind (28.09.2017 to 31.09.2017)

** Combination of data from Engagor (01.01.2017 to 27.09.2017) and data from Digimind (28.09.2017 to 31.09.2017).

*** Due to the change in the statistic tool used, comparison between 2016 and 2017 is only possible for a reference period from July to November.

**** EUR 313,176 for conferences and hearings + EUR 146,902.26 for other external communication actions.

ANNEX 3: Draft annual accounts and financial reports

Annex 3 Financial Reports - DG FISMA - Financial Year 2017

Table 1 : Commitments
Table 2 : Payments
Table 3 : Commitments to be settled
Table 4 : Balance Sheet
Table 5 : Statement of Financial Performance
Table 5 Bis: Off Balance Sheet
Table 6 : Average Payment Times
Table 7 : Income
Table 8 : Recovery of undue Payments
Table 9 : Ageing Balance of Recovery Orders
Table 10 : Waivers of Recovery Orders
Table 11 : Negotiated Procedures (excluding Building Contracts)
Table 12 : Summary of Procedures (excluding Building Contracts)
Table 13 : Building Contracts
Table 14 : Contracts declared Secret

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2017 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 11 Maritime affairs and fisheries					
11	11 01	Administrative expenditure of the 'Maritime affairs and fisheries' policy area	0,05	0,05	99,51 %
Total Title 11			0,05	0,05	99,51%
Title 12 Financial stability, financial services and capital markets union					
12	12 01	Administrative expenditure of the 'Financial stability, financial services and capital markets union' policy area	2,7	2,54	94,26 %
	12 02	Financial services and capital markets	52,14	49,87	95,65 %
Total Title 12			54,84	52,42	95,58%
Title 20 Trade					
20	20 02	Trade policy	0,05	0,05	100,00 %
Total Title 20			0,05	0,05	100,00%
Total DG FISMA			54,94	52,51	95,58 %

** Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).*

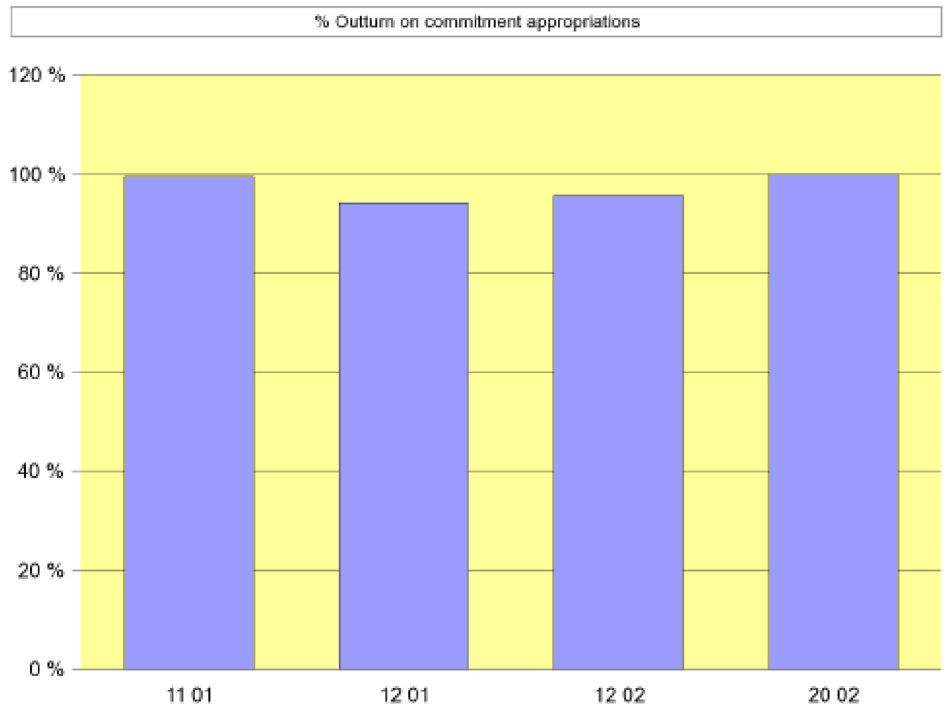
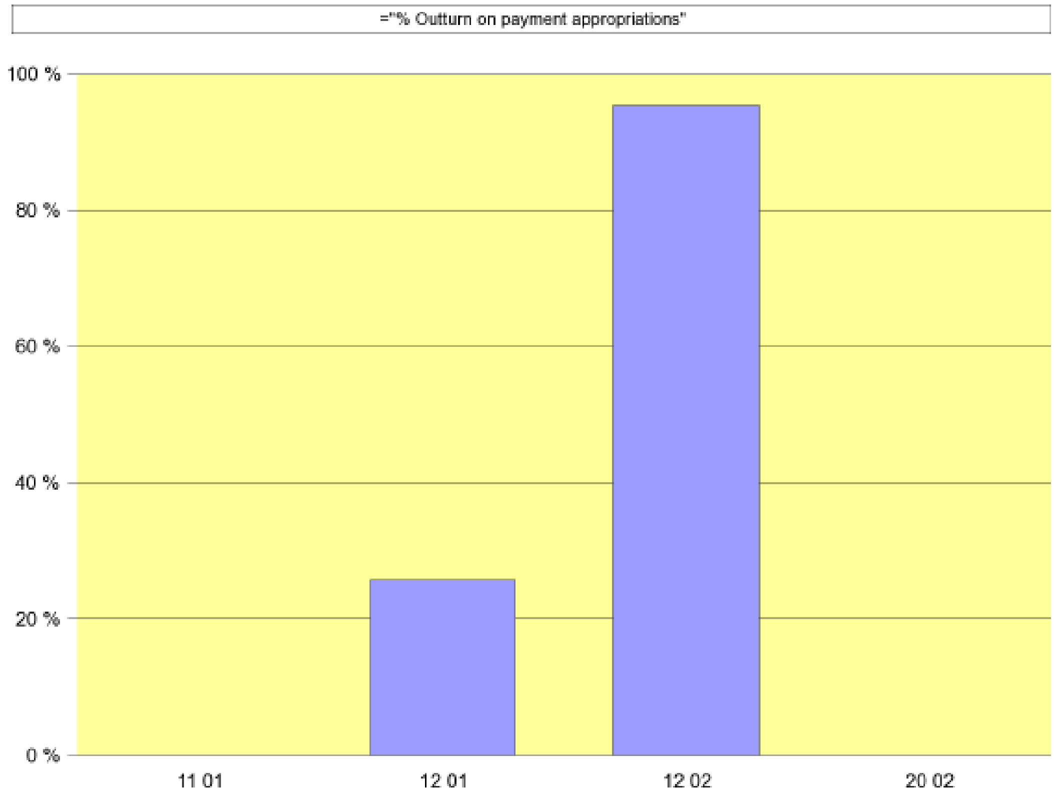


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2017 (in Mio €)					
Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 11 Maritime affairs and fisheries					
11	11 01	Administrative expenditure of the 'Maritime affairs and fisheries' policy area	0,05	0	0,00 %
Total Title 11			0,05	0	0,00%
Title 12 Financial stability, financial services and capital markets union					
12	12 01	Administrative expenditure of the 'Financial stability, financial services and capital markets union' policy area	3,27	0,84	25,77 %
	12 02	Financial services and capital markets	50,54	48,25	95,46 %
Total Title 12			53,81	49,09	91,23%
	Total DG FISMA		53,86	49,09	91,15 %

** Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).*



For corporate reconciliation purposes the amounts indicated in this table differ from the amounts actually executed by DG FISMA. Under operational lines (1) they include all payments made under DG FISMA credits appropriations even if executed by cross subdelegated or co-delegated DGs (FISMA/EMPL and FISMA:OP) and (2) they exclude payments actually executed by DG FISMA through cross-subdelegations received (DIGIT/FISMA). Under administrative lines they include payment appropriations executed by the PMO under co-delegated lines (FISMA:PMO) and whose payments made are therefore not reflected in such table. The amount of payments made under the appropriations authorised in chapter 1201 is in reality **EUR 2 327 983** leading to an actual implementation rate of **71%** (instead of 25%) in administrative credits and **94%** all credits considered (instead of 91%). See narrative on paragraph 2.1.1 for more details.

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2017 (in Mio €)										
Chapter			2017 Commitments to be settled				Commitments to be settled from financial years previous to 2017	Total of commitments to be settled at end of financial year 2017	Total of commitments to be settled at end of financial year 2016
			Commitments 2017	Payments 2017	RAL 2017	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
Title 11 : Maritime affairs and fisheries									
11	11 01	Administrative expenditure of the 'Maritime affairs and fisheries' policy area	0,05	0,00	0,05	100,00 %	0,00	0,05	0,00
Total Title 11			0,05	0,00	0,05	100,00%	0	0,05	0
Title 12 : Financial stability, financial services and capital markets union									
12	12 01	Administrative expenditure of the 'Financial stability, financial services and capital markets union' policy area	2,54	1,66	0,88	34,55 %	0,00	0,88	0,81
	12 02	Financial services and capital markets	49,87	42,46	7,42	14,87 %	2,43	9,85	9,69
Total Title 12			52,42	44,12	8,3	15,83%	2,43	10,73	10,49
Title 20 : Trade									
20	20 02	Trade policy	0,05	0,00	0,05	100,00 %	0,00	0,05	0,00
Total Title 20			0,05	0,00	0,05	100,00%	0	0,05	0
	Total DG FISMA		52,51	44,12	8,39	15,98 %	2,43	10,83	10,49

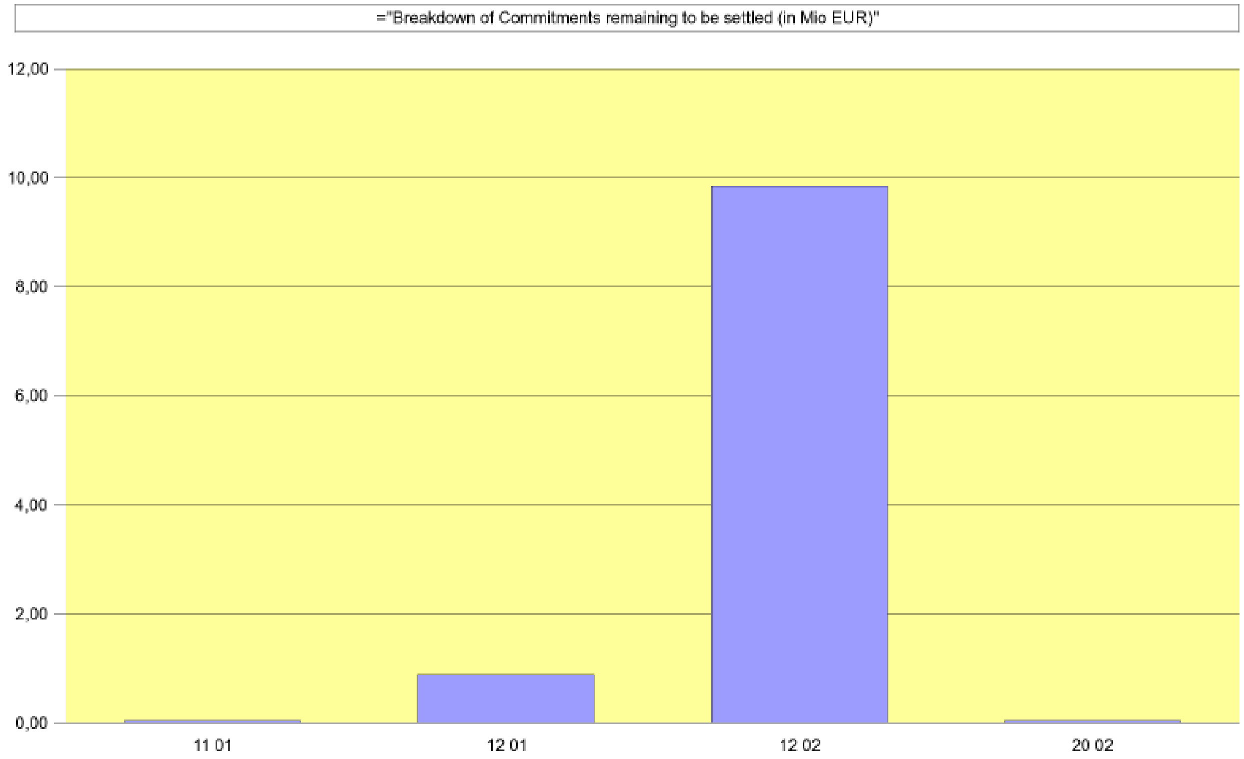

="Breakdown of Commitments remaining to be settled (in Mio EUR)"
12,00
10,00
8,00
6,00
4,00
2,00
0,00
11 01
12 01
12 02
20 02

TABLE 4 : BALANCE SHEET FISMA

BALANCE SHEET	2017	2016
A.I. NON CURRENT ASSETS	0	0
A.I.2. Property, Plant and Equipment	0,00	0,00
A.II. CURRENT ASSETS	5.302.508,32	5.641.427,1
A.II.2. Current Pre-Financing	5.302.411,05	5.641.329,83
A.II.3. Curr Exch Receiv &Non-Ex Recoveral	97,27	97,27
ASSETS	**5.302.508,32**	**5.641.427,1**
P.II. CURRENT LIABILITIES	-204.749,4	-93.533,65
P.II.4. Current Payables	-204.749,40	-93.533,65
P.II.5. Current Accrued Charges &Defrd Incc		0,00
LIABILITIES	**-204.749,4**	**-93.533,65**
NET ASSETS (ASSETS less LIABILITIES)	**5.097.758,92**	**5.547.893,45**

P.III.2. Accumulated Surplus/Deficit	182.767.144,92	149.248.406,23

Non-allocated central (surplus)/deficit*	-187.864.903,84	-154.796.299,68

TOTAL	**0,00**	**0,00**

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE FISMA

STATEMENT OF FINANCIAL PERFORMANCE	2017	2016
II.1 REVENUES	-1.025.430,23	-1.180.816,22
II.1.1. NON-EXCHANGE REVENUES	-1.240.000	
II.1.1.4. FINES	-1.240.000,00	
II.1.2. EXCHANGE REVENUES	214.569,77	-1.180.816,22
II.1.2.2. OTHER EXCHANGE REVENUE	214.569,77	-1.180.816,22
II.2. EXPENSES	48.194.626,78	34.699.554,91
II.2. EXPENSES	48.194.626,78	34.699.554,91
II.2.10.OTHER EXPENSES	1.518.547,52	79.614,43
II.2.2. EXP IMPLEM BY COMMISS&EX.AC	13.473.391,31	3.936.154,39
II.2.3. EXP IMPL BY OTH EU AGENC&BO	33.202.687,95	30.689.658,81
II.2.6. STAFF AND PENSION COSTS		-5.872,72
STATEMENT OF FINANCIAL PERFORMANCE	**47.169.196,55**	**33.518.738,69**

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 5bis : OFF BALANCE SHEET FISMA

OFF BALANCE	2017	2016
OB.1. Contingent Assets	0	0
GR for pre-financing	0,00	0,00
OB.3. Other Significant Disclosures	0	0
OB.3.2. Comm against app. not yet con	0,00	0,00
OB.4. Balancing Accounts	0	0
OB.4. Balancing Accounts	0,00	0,00
OFF BALANCE	**0,00**	**0,00**

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 6: AVERAGE PAYMENT TIMES FOR 2017 - DG FISMA

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	243	242	99,59 %	12,62	1	0,41 %	32
60	22	22	100,00 %	23,91			
90	1	1	100,00 %	11			
95	1	1	100,00 %	11			
122	1	1	100,00 %	7			
232	1	1	100,00 %	7			

Total Number of Payments	**269**	**268**	**99,63 %**		**1**	**0,37 %**	
Average Net Payment Time	**13,57**			**13,5**			**32**
Average Gross Payment Time	**16,23**			**16,17**			**32**

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	16	45	16,73 %	269	8.727.564,85	17,54 %	49.749.660,32

DG	GL Account	Description	Amount (Eur)

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2017								
Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	7=3-6
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	35.805	0	35.805	35.805	0	35.805	0
66	OTHER CONTRIBUTIONS AND REFUNDS	2.198.829,83	0	2.198.829,83	2.198.829,83	0	2.198.829,83	0
71	FINES AND PENALTIES	1.240.000	387.840	1.627.840	1.240.000	387.840	1.627.840	0
90	MISCELLANEOUS REVENUE	0	0	0	0	0	0	0
Total DG FISMA		**3.474.634,83**	**387.840**	**3.862.474,83**	**3.474.634,83**	**387.840**	**3.862.474,83**	**0**

TABLE 8 : RECOVERY OF PAYMENTS
(Number of Recovery Contexts and corresponding Transaction Amount)

Year of Origin (commitment)	Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2016			5	2.234.634,83		
No Link			1	1.240.000		
Sub-Total			**6**	**3.474.634,83**		

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES												
NON ELIGIBLE IN COST CLAIMS												
CREDIT NOTES	1	1.043,68					1	1.043,68	10	166.766,06	10,00%	0,63%
Sub-Total	**1**	**1.043,68**					**1**	**1.043,68**	**10**	**166.766,06**	**10,00%**	**0,63%**
GRAND TOTAL	**1**	**1.043,68**					**1**	**1.043,68**	**16**	**3.641.400,89**	**6,25%**	**0,03%**

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2017 FOR FISMA						
	Number at 1/01/2017	Number at 31/12/2017	Evolution	Open Amount (Eur) at 1/01/2017	Open Amount (Eur) at 31/12/2017	Evolution
2014	1		-100,00 %	387.840,00		-100,00 %
	1		-100,00 %	387.840,00		-100,00 %

TABLE 10 : RECOVERY ORDER WAIVERS IN 2017 >= EUR 100.000						
	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

Total DG FISMA	

Number of RO waivers	

TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG FISMA - 2017

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Total		

TABLE 12 : SUMMARY OF PROCEDURES OF DG FISMA EXCLUDING BUILDING CONTRACTS

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated Procedure with at least five candidates below Directive thresholds (Art. 136a RAP)	1	110,000.00
Open Procedure (Art. 104(1) (a) FR)	2	694,650.00
Open Procedure (Art. 127.2 RAP)	1	430,000.00
Total	**4**	**1,234,650.00**

TABLE 13 : BUILDING CONTRACTS

Legal base	Contract Number	Contractor Name	Description	Amount (€)

TABLE 14 : CONTRACTS DECLARED SECRET

Legal base	Contract Number	Contractor Name	Description	Amount (€)

ANNEX 4: Materiality criteria

The materiality criteria is the benchmark against which DG FISMA identifies in qualitative and quantitative terms the overall impact of a weakness and judge whether it is material enough to have an impact on the assurance.

Even if the amount at risk is under the materiality threshold, a reservation may still be made on qualitative grounds.

Qualitative assessment of materiality:

To assess the significance of a weakness, DG FISMA considers the following factors in qualitative terms:

- the nature and scope of the weakness;
- the duration of the weakness;
- the existence of compensatory measures (mitigating controls which reduce the impact of the weakness);
- the reputational impact of the weakness;
- the existence of effective corrective actions to correct the weaknesses (action plans and financial corrections) which have had a measurable impact.

Quantitative assessment of materiality:

As regards legality and regularity, the weakness is considered material if the estimated error rate (referring to authorised financial operations that do not comply with the applicable contractual or regulatory provisions) exceeds the materiality threshold of **2%** of total annual expenditure.

Quantitative and qualitative indicators are provided by:

- *ex-post* checks by the Financial Resources and Internal Control Unit on a sample of all open commitments and payments processed in 2017;
- the register of annual exceptions and non-compliance events. Weaknesses having a significant impact (which would qualify as a material error) are assessed on the basis of:
    - any significant reputational risk for the DG and the Commission;
    - repetitive or systemic errors/errors that have gone uncorrected;
    - whether they would lead to a failure in identifying any major risk with a financial or policy impact, and/or establishing an adequate action plan to mitigate those risks.
- other errors detected *ex-post* in the course of standard control or reporting activities, and which have been notified to the Internal Control Coordinator;
- control indicators applicable to the direct procurement and grants management.

ANNEX 5: Internal Control Template(s) for budget implementation (ICTs)

Grants direct management

Stage 1 — Programming and assessing grant applications[5]

A — Preparation, adoption and publication of the work programmes

Main control objectives: Ensuring that the work programmes reflect the objectives of the programme as set in the legal base.

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The work programmes do not adequately reflect the objectives of the programme as set in the legal base.	Explicit allocation of responsibility to individual officials (reflected in task distribution); hierarchical validation within the authorising and operational departments; inter-service consultation including all relevant services; adoption by the Commission	**Coverage**: 100% of work programmes If risk materialises, all grants awarded during the year would be irregular. Possible impact: 100 % of budget involved and significant reputational consequences.	**Costs**: Estimated cost of staff involved in preparation and validation of the work programme. **Benefits**: The (average annual) total budgetary amount of the annual work programmes or calls with significant errors detected and corrected or with irregularities detected	**Effectiveness**: Number of negative opinions or substantial comments received via the inter-service consultation **Efficiency:** Average costs over value contracted

B —Assessment of the grant applications received

Main control objectives: Ensuring that the applications received comply with the objectives of the programme, are legal and regular.

[5] Control stage modified compared to previous years since no calls for proposals were launched by DG FISMA in 2017. Since all beneficiaries of DG FISMA grants' programmes are identified in the legal base the first two control stages of the process were adapted accordingly in order to reflect the actual controls.

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The grant applications do not comply with the objectives of the programme as set in the legal base. The grant applications do not contain all information and supporting documents required for its assessment.	Assessment of applications by competent staff	**Coverage**: 100 % of applications are assessed	**Costs:** Estimated cost of staff involved in assessing the grant applications **Benefits:** Number of litigation cases Correction of missing information/ supporting documents related to eligible activities and funding	**Effectiveness**: Number of cases of litigation Grants applications corrected since missing information/supporting documents **Efficiency**: Average costs over value contracted

Stage 2 — Contracting: Transformation of grants applications into legally binding grant agreements

Main control objectives: Ensuring that the allocation of funds is optimal (best value for public money; effectiveness, economy, efficiency); compliance (legality and regularity); prevention of fraud (anti-fraud strategy)

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The description of the action in the grant agreement includes tasks which do not contribute to the achievement of the policy or programme objectives and/or that the budget foreseen	Validation of beneficiaries (operational and financial viability) Use of standard grant agreement templates which include control provisions	**Coverage**: 100 % of draft grant agreements **Depth:** Light controls over beneficiaries since all are identified in the grant	**Costs**: Estimated cost of staff involved in the contracting process **Benefits**: Difference between EU funding requested for	**Effectiveness:** Amount of EU funding (€) proposed by beneficiary that was rejected (not included in the grant agreement budget) **Efficiency:**

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
overestimates the costs necessary to carry out the work programme. The beneficiary lacks operational and/or financial capacity to carry out the work programme. Procedures do not comply with the regulatory framework (e.g. the grant agreement does not contain all applicable provisions or is signed late).	Timely adoption of the annual financing decision Signature of grant agreement by the AO	agreement.	selected proposals and that of corresponding grant agreements	Average costs over value contracted

Stage 3 — Monitoring the execution (this stage covers the monitoring of the operational, financial and reporting aspects relating to the project and grant agreement)

Main control objectives: Ensuring that the operational results (deliverables) of the projects are of good value and meet the objectives and conditions (effectiveness and efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality and regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The work programme of the beneficiary is not, totally or partially, carried out in accordance with the	Operational and financial checks in accordance with the financial circuits Operation authorised by the AO	**Coverage**: 100 % of transactions are controlled and authorised	**Costs**: Estimated cost of staff involved in actual management of grants **Benefits**:	**Effectiveness**: Number or % of grants with cost claim errors Amount (€) of cost items rejected (total ineligible

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
provisions of the grant agreement and/or the amounts paid exceed those due in accordance with the applicable contractual and regulatory provisions. Changes to grant agreements are not properly documented or authorised. Payments to beneficiaries are made late.	On-the-spot verifications Verification results validated with beneficiary	**Coverage**: Sample of beneficiaries (once every two years) **Depth**: Depends on risk criteria	Amount of costs claimed by beneficiary, but rejected by DG	costs) Value of cost claims items adjusted as percentage of total cost claim value Number of potential fraud cases **Efficiency**: Time-to-payment Costs of control over amount paid
	If needed: application of suspension/interruption of payments, penalties If needed: beneficiary or grant referred to OLAF	**Depth**: Depends on results of ex-ante controls		

Stage 4 — *Ex-post* controls

A — Reviews, audits and monitoring

Main control objectives: Measuring the effectiveness of ex-ante controls by ex-post controls; detecting and correcting any error or fraud remaining undetected after implementation of ex-ante controls (legality and regularity; anti-fraud strategy); addressing systemic weaknesses in the ex-ante controls, based on analysis of the findings (sound financial management); ensuring appropriate accounting of recoveries to be made (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The ex-ante controls (as such) fail to prevent, detect and correct erroneous payments or attempted fraud.	Desk reviews of a representative sample of transactions to determine effectiveness of ex-ante controls and consider findings for improving them If needed: beneficiary or grant referred to OLAF On-the-spot checks at the premises of grants beneficiaries	**Coverage**: Sample and frequency of ex-post checks and on-the-spot checks determined based on DG FISMA internal guidelines	**Costs**: Estimated cost of staff involved in desk reviews and on-the-spot checks **Benefits:** Budget value of errors detected during desk reviews and on-the-spot checks	**Effectiveness:** Amount of errors concerned (€) Number of transactions with errors **Efficiency**: Costs of control over amounts checked

B — Implementing results from ex-post audits/controls

Main control objectives: Ensuring that the results from the ex-post controls lead to effective recoveries (legality and regularity; anti-fraud strategy); ensuring appropriate accounting of recoveries made (reliability of reporting)

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
Errors, irregularities and cases of fraud detected are not addressed (in time). Lessons learned from the implementation of audit results are not exploited to reinforce the control systems.	Systematic documentation of audit/control results to be implemented Financial operational validation of recovery in accordance with financial circuits Authorisation by the AO	**Coverage**: 100 % of final ex-post control results with a financial impact Consider 'extending' the findings of systemic errors into corrections of non-audited grants by the same beneficiary	**Costs**: Estimated cost of staff involved in implementing audit results **Benefits**: Budget value of actually corrected errors detected by ex-post controls	**Effectiveness**: Value of ex-post checks and on-the-spot checks results pending implementation (€)

Procurement direct management

Stage 1: Procurement

A – Planning

Main control objectives: Effectiveness, efficiency and economy; compliance (legality and regularity); ensuring efficient and effective organisation of the procurement procedure in order to obtain timely and relevant deliverables, while allocating adequate resources to manage procurement procedures and complying with the established rules regulating the awarding of public contracts.

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The needs are not well defined (operationally and economically) and the decision to procure was inappropriate to meet the operational objectives. Services are discontinued due to late contracting (poor planning and organisation of procurement process). Other suitable/similar solutions already exist or the objectives can be achieved alternatively at lower/no cost.	Financing decisions/list of studies to be procured are discussed and agreed by management/group responsible for assessing the needs for studies.	**Coverage**: 100 % of forecast procurements (open procedures) are justified in a note to the AOSD. **Depth:** All key procurement procedures (generally with a value (€) at or above the Directive threshold) are discussed by management/group responsible for assessing the needs for studies.	**Costs**: Estimated cost of staff involved **Benefits**: Amount of unjustified purchases rejected Costs of litigation saved if discontinuation of service is avoided. Amount saved from procuring expensive contracts when results/data are already available/can be obtained otherwise.	**Effectiveness**: Number of projected calls for tenders cancelled; number of contract discontinued due to lack of use (poor planning). **Efficiency**: Average cost per tender.
	Central financial unit verifies timing and planning of different procurement procedures	**Coverage:** 100 % of forecast procurements		

B- Needs assessment and definition of needs

Main control objectives: Ensuring adequate needs analysis to demonstrate that public procurement is the most appropriate (effective, efficient and economical) way of meeting the DG's objectives and operational needs and carried out in accordance with the established rules on awarding public contracts; compliance (legality and regularity).

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The best offer(s) are not submitted due to poor tender specifications. Failing to identify relevant selection and award criteria to ensure either adequate capacity from contractors and satisfactory offers An offer is biased due to rigged/unbalanced specifications	Operational verification to supervise drawing-up of technical specifications Verification by the Resources Unit (with expertise in procurement) of accuracy/completeness and clarity of tender documents	**Coverage**: 100 % of tender specifications are scrutinised.	**Costs**: Estimated cost of staff involved **Benefits**: Limit the risks of litigation or cancellation of a tender. Amount of contracts for which the approval and supervisory control detected material error.	**Effectiveness:** Number of procedures where only one or no offers were received; number of requests for clarification regarding tender specifications. **Efficiency**: Estimated average cost of a procurement procedure.
	AOSD's final supervision and approval of specifications (two different AOSDs for amounts of € 60 000 or more)	**Coverage**: 100 % of tenders above a financial threshold (e.g. € 60 000) are reviewed by the AOSD and receive a second verification. **Depth:** Risk-based (depends on sensitivity of file).		

C — Selection of the offer and evaluation

Main control objectives: Ensuring that the offers are free from any fraud risks (fraud prevention and detection), comply with the E-E-E (effectiveness, efficiency and economy) principles and are evaluated in accordance with the established rules on impartial evaluation; compliance (legality and regularity)

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The most economically advantageous offer is not selected, due to a biased, inaccurate or 'unfair' evaluation process. There is a conflict of interests between evaluators and tenderers/candidates. There is an overdependence on a limited pool of tenderers given the low number of economic operators able to provide the DG with specialised input. There is corruption or collusion, bids are manipulated or submitted by phantom service-providers.	Formal evaluation process: appointment of the Opening and evaluation committees composed of at least three persons representing at least two organisational entities of the service. The award decision file identifying the proposed contractor is reviewed (before the AOSD's signature) by the central Resources Unit, which checks for any red flags (two ex-ante verifications if necessary).	**Coverage**: 100 % of offers analysed. **Depth**: In terms of justification of the draft award decision	**Costs**: Estimated costs involved **Benefits**: Compliance with FR; difference between most onerous and selected offers. Potential irregularities/ inefficiencies prevented (amount of procurement for which significant concerns are raised)	**Effectiveness**: Number of 'valid' complaints or of litigation cases filed; number of fraudulent cases detected; number of companies excluded from participation in public procurement/awarding. **Efficiency**: Cost of successful tenders (i.e. average cost of 'most economically advantageous tender' procedure) (or average cost). Average cost of a tendering procedure.
	Opening and evaluation committees' declarations of absence of conflict of interests	**Coverage**: All members of opening and evaluation committees	**Costs**: estimated cost of staff involved. **Benefits**: amount of contracts for which the control prevented the risk of litigation or fraud.	
	Exclusion criteria documented	**Coverage**: 100 % checked. **Depth**: required documents provided are consistent	**Costs**: estimated cost of staff involved. **Benefits**: Avoid contracting with excluded economic operators	

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	Standstill period – opportunity for unsuccessful tenderers to put forward concerns on the award decision.	**Coverage**: 100 % when conditions are fulfilled	**Costs**: Estimated cost of staff involved. **Benefits**: Amount of procurements successfully challenged during standstill period.	

Stage 2: Financial transactions

Main control objectives: Ensuring that the contract is implemented in compliance with the signed contracts

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The planned products/services/works are not, totally or partially provided in accordance with the technical description and requirements in the contract and/or the amounts paid exceed those due in accordance with the applicable contractual and regulatory provisions. Business is interrupted because contractor fails (on time) to deliver results (e.g. to be used for impact assessments).	Operational and financial checks: checklist-based verification requiring two actors for both operational and financial level (in accordance with established financial circuits) Authorisation by AOSD For riskier operations, a second ex-ante in-depth verification before payment (checklist and ABAC signatures) A financial initiating agent (contracts officer) checks that the planning	**Coverage**: 100 % contracts controlled. **Depth**: Riskier operations subject to in-depth controls. The depth depends on the amount and potential impact of late or no delivery on the DG's operations.	**Costs**: Estimated cost of staff involved. **Benefits**: Amount of irregularities, errors and overpayments prevented by the controls	**Effectiveness**: Number/amount of liquidated damages; number of transactions 'refused for correction' **Efficiency**: Average cost per payment and recovery order made Average time (days) to payment/number of late payments/rate of late interest payments

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
	of deliverables is respected.			

Stage 3: Supervisory measures

Main control objectives: Ensuring that any weakness in the procedures (tender and financial transactions) is detected and corrected

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
An error, non-compliance with regulatory and contractual provisions, including technical specifications, or fraud is not prevented, detected or corrected by ex-ante control prior to payment.	Ex-post publication (possible reaction from tenderer/potential tenderer, e.g. whistleblowing)	**Coverage**: 100 % of contracts (contract award notices or Financial Transparency Register – FTS)	**Costs**: Estimated cost of staff involved **Benefits**: Amounts detected associated with fraud and error Deterrents and systematic weaknesses corrected.	**Effectiveness**: Amount associated with errors detected ex-post (relating to fraud, irregularity and error) System improvements made **Efficiency**: Costs of ex-post reviews as compared with 'benefits'
	Desk reviews of a representative sample of transactions to determine effectiveness of ex-ante controls and consider findings for improving them	**Coverage**: Random and/or judgmental sampling. **Depth**: Look for any systemic problem in procurement procedure and financial circuits		

Indirect entrusted management
Union contribution to the European Supervisory Authorities (ESAs)[6]

The authorising officer by delegation of DG FISMA does not entrust ESAs with budget implementation tasks. However, as ESAs do not have a separate budget line in the Union budget nomenclature and their budget appears among other DG FISMA budget lines, DG FISMA is responsible for transferring the Union contribution (as determined by the budgetary authority) to the ESAs' administrative and operational budget.

Stage 1 — Establishment (or prolongation) of the mandate to the entrusted entity ('delegation act'/'contribution agreement'/etc.) —[7]

Main control objectives: Ensuring that the legal framework for the management of the relevant funds is fully compliant and regular (legality and regularity), delegated to an appropriate entity (best value for public money, economy, efficiency), without any conflicts of interests (anti-fraud strategy)

Main risks ***It may happen (again) that…***	**Mitigating controls**	**How to determine coverage frequency and depth**	**How to estimate the costs and benefits of controls**	**Possible control indicators**
The establishment (or prolongation) of the mandate of the entrusted entity is affected by legal issues, which would undermine the legal basis for the management of the related EU funds (via that particular entity).	Ex-ante evaluation Hierarchical validation within the authorising department Inter-service consultation, including all relevant DGs Adoption by the Commission	**Coverage/Frequency**: 100%/once **Depth**: In depth analysis related to a package of proposals revising the mandate, governance and funding modalities of the agencies	**Costs**: estimation of cost of staff involved in the preparation, adoption and selection work. **Benefits**: The (average annual) total budget amount entrusted to the entity, possibly at 100% if significant (legal) errors would otherwise be detected.	**Effectiveness**: Quality of the legal work (basic act, LFS and delegation act/contribution agreement/etc.): number of control failures; number of initially negative CIS opinions **Efficiency**: Average cost of preparation, adoption and selection work done for the entrusted entity, compared to amount of annual subsidy.

[6] ICT not applicable to the fully self-financed agency – the Single Resolution Board

[7] Change of controls in respect to previous year (stage 1 was N/A) since in 2017 DG FISMA worked on the revision of the ESAs mandate, governance and funding modalities.

Stage 2 — Ex-ante (re)assessment of the entrusted entity's financial and control framework (towards 'budget autonomy'; 'financial rules') — N/A

Main control objectives: Ensuring that the entrusted entity is fully prepared to start/continue implementing the delegated funds autonomously with respect to all five ICOs.

Main risks ***It may happen (again) that …***	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Possible control indicators**
N/A				

Stage 3 — Operations: monitoring, supervision, reporting ('representation'/'control with or around the entity')

Main control objectives: Ensuring that the Commission is informed fully and in time of any relevant management issues encountered by the entrusted entity, in order to be able to mitigate any potential financial and/or reputational impacts (legality and regularity, sound financial management, true and fair view reporting, anti-fraud strategy)

Main risks ***It may happen (again) that …***	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Possible control indicators**
Due to insufficient cooperation, supervision and reporting arrangements, the Commission is not informed (in time) of relevant management issues encountered by the entrusted entity and/or does not react (in time) to issues by mitigating them or entering a reservation; this may reflect negatively on the Commission's governance	Monitoring or supervision of entrusted entity (e.g. review of management reports, representation and intervention on the board, scrutiny of annual report, etc.). If appropriate/needed: - reinforced monitoring of operational and/or financial aspects of the entity; - potential escalation of any major governance-	**Coverage**: 100 % of entities are monitored/ supervised **Frequency**: Before every board meeting and on receipt of key management reports/documents In the event of operational and/or financial issues, measures are reinforced. **Depth:** Depends on the riskiness	**Costs**: Estimated cost of staff involved in actual (regular or reinforced) monitoring of entrusted entities **Benefits**: Total budget amount entrusted to entity, possibly at 100 %, if significant errors would otherwise not be detected	**Effectiveness**: Quality of management reports Budget amount of errors concerned Positive discharge **Efficiency**: Cost/benefit ratio; average supervision cost per entrusted entity

Main risks *It may happen (again) that ...*	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
reputation and quality of accountability reporting.	related issues with entrusted entities; - referral to OLAF	of the identified issues, if any. Overall light level of control considering the degree of independence of the entrusted entities.		

Stage 4 — Commission contribution: payment or suspension/interruption and recovery of unused contribution[8]

Main control objectives: Ensuring that the Commission assesses fully the management situation at the entrusted entity, before either paying out the (next) contribution for its operational and/or operating budget or deciding to suspend/interrupt the (next) contribution (legality and regularity, sound financial management, anti-fraud strategy)

Main risks *It may happen (again) that…*	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
The Commission pays out the (next) contribution to the entrusted entity, while not being aware of the management issues that may lead to financial and/or reputational damage.	Hierarchical validation of contribution payment and recovery of non-used operating budget subsidy	**Coverage**: 100% of the contribution payments. **Frequency**: usually annually **Depth:** light level of control considering the degree of independence of the entrusted entities.	**Costs**: estimation of cost of staff involved in the OV and FV of the contribution payments/recoveries to/from the entrusted entities. **Benefits**: The (average annual) total budget amount entrusted to the entity, possibly at 100% if significant (legal, management, accounting, fraud, reporting) errors would otherwise be detected.	**Effectiveness**: Number of man-days involved, amount of any unused operating budget recovered, budget amount of the suspended/interrupted payments (if any). **Efficiency Indicators**: Cost/benefit ratio. % cost over annual amount delegated. Time-to-pay/recover.

[8] Change in respect of previous years since the controls of financial transactions are now indicated separately for indirect management even if equal/similar to controls made in direct management financial transactions.

Main risks *It may happen (again) that…*	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Possible control indicators**
			Benefits in case of recovery or suspension/interruption: the amount and % value of budget recovered or not paid out	

Stage 5 — Audit and evaluation, discharge for decentralised agencies — N/A

Main control objectives: Ensuring that assurance-building information on the entrusted entity's activities is also provided through independent sources, which may confirm or contradict the management reporting received from the entrusted entity itself (on the five ICOs).

Main risks ***It may happen (again) that …***	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Possible control indicators**
N/A				

ANNEX 6: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission (if applicable)

Not applicable.

ANNEX 7: EAMR of the Union Delegations (if applicable)

Not applicable.

ANNEX 8: Decentralised agencies (if applicable)

For 2017, the total budgeted Union contribution allocated to the European supervisory authorities (ESAs) was €34 509 340[9] including the recovery of surplus (€538 538) from the 2015 contribution (as assigned revenues). In addition, €807 807 was made available to the ESAs as recovery of the surplus from national authorities' contributions in 2015.

Agency	Policy concerned	Paid by DG FISMA in 2017 (€)
European Banking Authority (EBA)	Financial services	14 771 743
European Insurance and Occupational Pensions Authority (EIOPA)		9 262 519
European Securities and Markets Authority (ESMA)		11 282 885
Single Resolution Board (SRB)	Financial stability	Fully self-financed agency

9 Commission Decision C(2017)1133.

ANNEX 9: Evaluations and other studies finalised or cancelled during the year

Annex 9.xlsx

ANNEX 10: Specific annexes related to "Financial Management"

Implementation of objectives and targets of Management Plan 2017

(see narrative of paragraph 2.1)

Objective 1: Effective and reliable internal control system giving the necessary guarantees concerning the legality and the regularity of the underlying transactions. Main outputs in 2017:			
Description	Indicator	Target	Latest known results
Execution of the annual voted budget, and in compliance with the legal requirements applying to transactions.	% of payments executed within the contractual time limits	90%	99,6%
	% of budget commitment appropriations made (administrative and operational lines)	95%	95,58% (100% of 2017 voted budget appropriations under operational lines)
	% of payments appropriations made (administrative and operational lines)	95%	94%[10]
	Error rate on the legality and regularity of the underlying transactions for administrative budget implementation	Below 2% for administrative budget implementation	Below 2% for administrative budget implementation. In absence of ex post audits this assessment is based on the desk reviews (ex-post checks) made on a sample of transactions and other qualitative indicators such as the absence of findings following IAS audit on financial management carried out in 2017 or the absence of any other detected failure, relevant exceptions or non-compliance

[10] This relative under consumption derives from elements outside DG FISMA's control which required the reservation of administrative expenditure to cover potential and unexpected needs of technical assistance in a very sensitive and changing policy field of activity.

			events.

Objective 2: Effective and reliable internal control system in line with sound financial management. **Main outputs in 2017:**			
Description	Indicator	Target	Latest known results
Procurement procedures are carried out in compliance with the principles and rules governing public procurement at the EC and according to sound financial management.	Number of legal proceedings following complaints in procurement procedures	0 (zero)	0 (zero)
Payments are made in compliance with legal requirements on time limits for expenditure operations.	Time to pay	Below 22 days	16,2 days (gross payment time including suspensions)

Objective 3: Minimisation of the risk of fraud through application of effective anti-fraud measures, integrated in all activities of the DG, based on the DG's anti-fraud strategy (AFS) aimed at the prevention, detection and reparation of fraud. **Main outputs in 2017:**			
Description	Indicator	Target	Latest known results
Implementation of the action plan of the AFS of DG FISMA.	Reassessment of fraud awareness after the implementation of the action plan of the AFS of DG FISMA.	Carry out of a survey on anti-fraud measures awareness within FISMA by year-end.	Anti-fraud survey was carried out in December 2017 following wide campaign on the new AFS of DG FISMA[11]

[11] The results of the survey showed a high level of awareness among the staff having participated to the survey (>90% of correct answers).

Cost-effectiveness indicators
(see narrative of paragraph 2.1.1)

Overall indicators				
Stage	**Description**	**Year 2015**	**Year 2016**	**Year 2017**[12]
Overall indicator	**Total costs of controls / value of payments made**	4%	3%	Direct management: 5%
				Indirect management: 0,8%

Grant indicators				
Stage	**Description**	**Year 2015**	**Year 2016**	**Year 2017**
Overall indicator	**Total cost of controls of grants' processes / value of grants payments made**	0,7%	0,4%	0,6%
All controls from programming to assessment of applications[13]	**Cost of assessing the applications submitted and preparation of financing decisions/ value of grants contracted**	0,2%	0,1%	0,2%
From legal commitment up to payment included	**Cost of control from contracting and monitoring the execution up to payment included/value of grants payments made**	0,5%	0,3%	0,2%
Supervisory measures	**Cost of ex-post checks and on-the-spot checks/ value of grants audited**	N/A (Previously calculated at DG level without distinction between		0,05%

[12] In 2017 DG FISMA calculated separately the costs of controls for direct management (grants and operational procurement) and indirect management (subsidies to ESAs). For the cost calculation of its overall indicator DG FISMA did not use as denominator the amount of total payments mentioned in table 2 of Annex 3 but the amount of the actual operational expenditure implemented directly by the DG based on cross-sub delegations given and received and co-delegations.

[13] DG FISMA did not launch calls for proposals in 2017. All grants were signed with beneficiaries identified in the legal basis. Such stage of control was therefore updated compared to previous years (see Annex 5) by deleting all controls (and corresponding costs) related to the calls for proposals previously launched in the context of DG FISMA preparatory action 'Capacity building of end users and other non-industry stakeholders in Union policy making in the area of financial services'.

		grants, procurement and payments to ESAs)	

Procurement indicators[14]				
Stage	**Description**			**Year 2017**
Overall indicator	**Total cost of controls/ value of procurement payments made**			11,5%
Procurement stage up to evaluation, selection, final award and contracting	**Cost for planning, needs assessment and definition, selection, evaluation, award and contracting/ value of procurement contracted**			3,7%
Financial transactions	**Related costs of cost of control for all transactions related to procurement (payments and recovery orders)/ value of procurement payments made**			7,2%
Supervisory measures	**Cost of ex-post checks /value of procurements audited**			0,04%
Sub-stages indicators				
		Year 2015	**Year 2016**	**Year 2017[15]**
Planning	**Cost of control of planning / n° of call for tenders**	€3 800	€3 900	€4 100

[14] DG FISMA revised the calculation method of these indicators by considering only relevant procurement expenditure and by excluding (1) expenditure related to other management modes and (2) administrative expenditure whose circuits are more simplified and diversified and have for DG FISMA no representative impact on cost-effectiveness. This new indicator gives a fairer even if more conservative overview of the costs of control under procurement. The ratios are higher compared to previous years due to such revision of the calculation method and namely because of the much lower denominator's amount against which the costs are compared. Therefore, the higher percentages in this table do not reflect an actual increase of costs of controls which remain unchanged as shown by the absolute values in the sub-stages indicators.

[15] The slight increase in average costs from 2016 to 2017 is due to the revision of the average personnel costs against which the costs of FTEs are estimated at Commission level.

Needs assessment & definition of needs	**Cost of control of needs assessment & definition / n° of call for tenders**	€10 750	€11 250	€11 600
Selection of the offer, evaluation & award	**Cost of control of selection of the offer & evaluation/ n° of call for tenders**	€12 400	€12 300	€12 400

Indirect management indicators				
Stage	**Description**	**Year 2015**	**Year 2016**	**Year 2017**
Overall indicator	**Overall supervision cost (%)** Staff FTEs costs/annual subsidies paid to ESAs	0,3%	0,3%	0,8%[16]
Establishment (or prolongation) of the mandate to the entrusted entity ("delegation act"/ "contribution agreement" / etc.). **ESAs REVIEW**	Relevant staff FTEs costs/annual subsidies paid to ESAs	-	-	0,4%
Operations: monitoring, supervision, reporting ('representation'/'control with or around the entity')	Relevant staff FTEs costs/annual subsidies paid to ESAs	-	-	0,4%

[16] The percentage is higher compared to previous year since it includes costs related to the work of DG FISMA carried out in 2017 for defining a new legal framework for the ESAs which led to the submission by the Commission of a package of proposals on the ESAs review in September 2017. The increase is also due to the fact that in 2017 DG FISMA made a separate assessment of the costs related to all financial transactions linked to the payment of subsidies which were previously considered under the global costs of the DG and not under indirect management. The results are more conservative but also provide a more detailed overview of the costs in the different stages of the process.

Commission contribution: payment or suspension/interruption and recovery of unused contribution	Relevant Staff FTEs costs/annual subsidies paid to ESAs	-	-	0,03%

ANNEX 11: Specific annexes related to "Assessment of the effectiveness of the internal control systems"

Not applicable

ANNEX 12: Performance tables

General objective 1: A New Boost for Jobs, Growth and Investment.		
Impact indicator: Employment rate population aged 20-64 **Source of the data**: Eurostat		
Baseline	**Target**	**Latest known value** (2016)
2014	2020 Europe 2020 target	
69.2%	At least 75%	71.1%
Planned evaluations:		

Specific objective 1.1: Companies raise more equity in public and private capital markets.				
Result indicator: Public equity: new equity issuance year-on-year growth. **Source of data:** European Central Bank, Data Warehouse.				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
2014 Average	2015	2016	2020	November 2017
0,4%	0,45%	0,5%	0,55%	0,55%
Planned evaluations:				
Result indicator: Private equity activity, gross annual flows. **Source of data:** EVCA - gross annual flows (for private equity data) http://www.investeurope.eu/media/386098/Yearbook-2015-Europe-Country-tables-Public-version-FINAL.xlsx				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
End 2014	2015	2016	2017	2016
EUR 44.6bn	1.9%	2%	2.1% (in line with European Commission's economic forecast for the EU).	**€52.5bn** Average yearly growth rate since 2014: **8.8%**
Planned evaluations:				

Result indicator: Number of prospectuses approved for equity and/or admissions to trading/amount of capital raised under these prospectuses. **Source of data:** Report from the European Securities Markets Authority (ESMA) on prospectuses as per Art 43 of the Prospectus Directive.		
Baseline	**Target**	**Latest known results**
2014	2019: The Prospectus Regulation will start to apply as of July 2019. Therefore, DG FISMA will be able to monitor its effects as of mid-2019.	
3,765	The result of reduced administrative burdens in the revised Prospectus legislation should lead to an increase in the number of approved prospectuses.	DG FISMA will be able to monitor its effects as of 2019.
Planned evaluations:		

Main outputs in 2017:				
Policy–related outputs				
Description	**Lead service**	**Indicator**	**Target date**	**Latest known results**

CWP 2017				
Capital Markets Union Mid-Term Review 2017/FISMA/005 The CMU is a key priority of this Commission. A CMU Action Plan was adopted in September 2015. It stipulates that "*in addition to annual reports, the Commission will prepare a comprehensive stock-take in 2017 as a basis for deciding on any additional measures that may be required.*"	FISMA.DDG. C.1	Adoption by the Commission	Q2 2017	Adopted on 8 June 2017
CWP 2015				
Prospectus regulation 2015/FISMA/043 The regulation should reduce the cost of prospectuses considerably, in particular for frequent issuers and SMEs not listed on regulated markets. Together with a greater level of harmonisation of rules, this should give companies incentive to raise more money publicly.	FISMA.DDG. C.3	Final (formal) adoption by co-legislators	Q1 2017	Adopted on 14 June 2017.
Other important outputs				
Output	**Lead Service**	**Indicator**	**Target**	**Latest know result**
MIFIR: **RTS on derivatives subject to the trading obligation** 2015/FISMA/169 This RTS will designate the classes of derivatives, subject to the clearing obligation which will be mandated to trade on trading venues. **RTS on package transaction that are deemed liquid** ~~PLAN/2017/555~~ PLAN/2017/702 This RTS will designate those packaged orders for which there is a liquid market as a whole, for which the pre-trade transparency waiver for packages cannot be	FISMA.DDG. C.3	Adoption by the Commission Adoption by the Commission	Q2 2017 Q2 2017	Adopted on 17 November 2017. Adopted on 17 August 2017. The later adoption is due to the late delivery of the draft RTS by ESMA

granted.				

Specific objective 1.2: Debt funding for the corporate sector, in particular for SMEs, is more diversified.						
Result indicator: Share of market funding in total outstanding debt. **Source of data:** ECB Statistical Data Warehouse.						
Baseline	**Interim Milestones**				**Target**	**Latest known results**
2014 Average	2015	2016	2017	2018	2019	November 2017
16.3%	16.6%	16.9%	17.2%	17.5%	17.8%	**19.7%**
Planned evaluations:						
Result indicator: Public debt: New issuance in debt securities, year-on-year growth. **Source of data:** European Central Bank data – Statistical Data Warehouse.						
Baseline	**Interim Milestones**				**Target**	**Latest known results**
2014 Average	2015	2016	2017	2018	2019	November 2017
8.6%	5%				5%	9.5%
Planned evaluations:						

Result indicator: Financing gap to SMEs, i.e. difference between the need for external funds and the availability of funds. **Source of data:** European Commission / European Central Bank SAFE Survey (data coverage limited to the euro area).						
Baseline	**Interim Milestones**				**Target**	**Latest known results**
End 2014	2015	2016	2017	2018	2019	2017
13%	<13%					-4% (up to Q1 2017) Interpretation: the result indicates eased financing conditions
Planned evaluations:						

Specific objective: 1.2 Debt funding for the corporate sector, in particular for SMEs, is more diversified				
Main outputs in 2017:				
All new initiatives and REFIT initiatives from the Commission Work Programme				
Description	**Lead service**	**Indicator**	**Target date**	**Latest known results**
CWP 2015				
Package containing Regulation on simple, transparent and standardised (STS) securitisation and Regulation amending Capital Requirements Regulation as regards securitisation 2015/FISMA/064 The initiative intends to revive a sustainable securitisation market that will improve the financing of the	FISMA.DDG.01, FISMA.DDG.D.1	Final adoption by co-legislators	Q2 2017	On 30 May 2017, the co-legislators reached a political agreement and the final document was published in the Official Journal on 28 December.

EU economy, weakening the link between bank deleveraging and credit tightening in the short run and creating a more balanced and stable funding structure of the EU economy in the long run. This should diversify the debt funding for the corporate sector, including for SMEs.				
Other important outputs				
Description	**Lead service**	**Indicator**	**Target date**	**Latest known results**
Revised calibrations for securitisation investments by insurance and reinsurance undertakings under Solvency II 2016/FISMA/017 European insurers are large institutional and long-term investors that manage around EUR 10 trillion in assets. The adaptation of the Solvency II Delegated Act to cater for tailored calibrations within the standard formula for this new asset class – STS securitisation – will follow EP and Council political agreement on the proposed Regulation on STS securisation, and will facilitate investment by insurers in these products, thereby helping them to diversify and increasing the yield of their investment portfolios, in particular in a low interest rate environment. The development of a simple, transparent and standardised securitisation market is a building block of the Capital Markets Union and contributes to sustainable growth and job creation.	FISMA.DDG.D.4	Adoption by the Commission	Q3 2017	Postponed to Q2 2018

Specific objective 1.3: Access to funding for SMEs is less fragmented.			
Result indicator: Dispersion in bank loan rejection rate: best performing versus worst performing Member State. **Source of data:** European Commission / European Central Bank SAFE Survey (data coverage limited to the euro area).			
Baseline	**Interim Milestones**	**Target**	**Latest known results**
End 2014	2017	2019	2017

39 percentage points	<39 percentage points	<39 percentage points (The dispersion in bank loan rejection rate should decrease, i.e. access to funding by SMEs should become more equal).	33%
Planned evaluations:			

Specific objective 1.4: Banks, insurance companies and pension funds have greater incentive to invest in and lend to the real economy in a sustainable way, including investing in long-term European projects.			
Result indicator: Insurance companies' investments in infrastructure. **Source of data:** European Insurance and Occupational Pensions Authority (EIOPA) as of mid-2016.			
Baseline	**Interim Milestone**	**Target**	**Latest known results**
Mid-2015 Before the adoption of a Solvency II amendment on infrastructure.	2018	2019	
No quantitative data available at this point. EIOPA can provide data as of mid-2016.	A first increase.	A general increase in insurance companies' investment in infrastructure by 2019.	No quantitative data available before the adoption of a Solvency II amendment on infrastructure.
Planned evaluations: The 2018 review of the standard formula will allow an interim assessment of the effect of the 2015 amendment.			
Result indicator: Insurance companies' investments in STS securitisation products. **Source of data:** European Insurance and Occupational Pensions Authority (EIOPA) as of mid-2016.			
Baseline	**Interim Milestone**	**Target**	**Latest known results**
End 2015 Before the adoption of a Solvency II amendment on securitisation.	2018	2019	2017
No quantitative data available at this point. EIOPA can provide data as of mid-2016.	A first increase.	An increase in insurance companies' investments in STS securitisation products.	No quantitative data available before the adoption of a Solvency II amendment on securitisation.
Planned evaluations: The 2018 review of the standard formula will allow an interim assessment of the effect of the 2016 amendment.			
Result indicator: Total assets under management by pension funds. **Source of data:** EIOPA Pensions Database; OECD.			
Baseline	**Interim Milestone**	**Target**	**Latest known results**
2016 Entry into force of IORP II.	2019	2020	2017
According to EIOPA, in	Increase from the baseline, one year	Growth in pension	The first

2014 the assets of the occupational pension fund sector in the EU totalled EUR 3.2 trillion.	after the transposition deadline.	assets (especially for the lower ranking countries in terms of pension assets).	increase expected in 2019

Planned evaluations:

Result indicator: Annual change to the share of total loans to non-financial counterparties to GDP (percentage point difference).
Source of data: European Central Bank Statistical Data Warehouse.

Baseline	**Interim Milestones**				**Target**	**Latest known results**
End 2008-2012	2015	2016	2017	2018	2019	2016 (data availability reduced for GDP)
Pre-crisis period was marked by excessive credit growth as compared with GDP from 164% in 2006-Q2 to 208% in 2009-Q2. Banks have then substantially deleveraged until now, reaching 166% in 2015-Q2.	Expected milestone: Annual change within the limits of +/- 5% points.				Annual change within the limits of +/- 5% points.	The ratio between total loans to non-financial counterparties and GDP increased by 1 percentage point in 2016 (2017 data not available yet)

Planned evaluations:

Result indicator: Percentage of non-performing bank loans to all loans.
Source of data: European Banking Authority (EBA) risk assessment studies; ECB (Gross non-performing debt instruments).

Baseline	**Interim Milestones**				**Target**	**Latest known results**
2014	2015	2016	2017	2018	2019	2017
6.14%	Expected milestone <7%				<7% (NPL ratio below 7% thresholds)	4.5%

Planned evaluations:

Result indicator: Maturity of corporate loans granted by banks/maturity of corporate bonds bought by financial institutions (to capture the long-term investment aspect).
Source of data: European Central Bank data for bank credit (outstanding amount of NFC loans with maturity over 1 year divided by the total lending to NFCs); financial accounts for market-based funding.

Baseline	**Interim Milestones**				**Target**	**Latest known results**
End 2014	2015	2016	2017	2018	2019	2017

For bank lending to corporates: 74.8% For corporate issuance: 94.84%	For bank lending to corporates: >74,8% For corporate issuance: >90%	For bank lending to corporates: >74,8% For corporate issuance: >90% (The total value of long-term loans granted by banks (maturity > 1 year) to short-term loans (maturity <1 year) of loans granted by banks and the maturity of bonds bought by financial institutions should increase. The total amount of bonds issued by non-financial corporates having a maturity longer than 1 year (Outstanding amounts of debt securities issued by euro area non-financial corporations) to the total amount of bonds issued by non-financial corporates having a maturity longer than 1 year should increase.) SEC.M.I8.1100.F33000.N.1.Z01.E.Z SEC.M.I8.1100.F33200.N.1.Z01.E.Z	**77.6%** **93.6%**

Planned evaluations: None planned.

Main outputs in 2017:

All new initiatives and REFIT initiatives from the Commission Work Programme

Description	Lead service	Indicator	Target date	Latest known results
CWP 2017				
Revised calibrations for investments in infrastructure corporates by insurance and reinsurance undertakings under Solvency II 2016/FISMA/051 European insurers manage around EUR 10 trillion in assets of which only about 0.25% is currently invested in infrastructure. The insurance industry has indicated that this level of investment can potentially be significantly through	FISMA.DDG.D.4	Adoption by the Commission	Q1 2017	Adopted June 2017

appropriate regulatory treatment. The investment and growth objective of the CMU Action Plan will be supported through additional investments by insurers in infrastructure assets. In September 2015, the Commission adopted amendments to the Solvency II Delegated Act to cover the adapted treatment of qualifying infrastructure projects. The Commission has received further technical advice from EIOPA on infrastructure corporates and is working on a targeted impact assessment.				

Specific objective 1.5: Barriers to the free movement of capital are identified and eliminated.				
Result indicator: Ratio between number of barriers to free movement of capital identified and number of barriers lifted or alleviated OR voluntary commitments to eliminate or alleviate barriers obtained from Member States. **Source of data:** EC/Member States Expert Group on removing barriers to Free Movement of Capital.				
Baseline 2015	**Interim Milestone** End 2016	**Target** 2019	**Latest known results** 2017	
The Economic and Financial Committee endorsed the idea of setting up a collaborative process between the Commission and the Member States in order to map and tackle remaining barriers to free movement of capital. The group has started its work in October 2015 and the baseline scenario will be provided as soon as the mapping of existing barriers is completed.	Complete inventory of barriers.	The target is to lift or alleviate as many barriers as possible. The target cannot be quantified until the mapping exercise is completed. The removal off such barriers is expected to have a positive effect on the free movement of capital between Member States.	The Commission adopted a Report on national barriers to capital flows on 24 March 2017. It contains a mapping of barriers and recommendations for actions, which were summarised in a roadmap adopted by the ECOFIN on 23 May. Actions are being carried out to tackle barriers in 3 areas: procedures on withholding taxes, financial literacy and investment funds. The expert group also discussed best practice as alternatives to the residence requirements for managers of financial institutions, and drivers for pension funds to invest cross border..	
Planned evaluations:				
Main outputs in 2017:				
Policy–related outputs				
Description	**Lead service**	**Indicator**	**Target date**	**Latest known results**
Report on barriers to free movement of capital and Capital Markets Union	FISMA.DDG.B.1	Adoption by the Commission	Q1 2017	Adopted March 2017

2016/FISMA/001 The Report, which is part of the implementation of the CMU Action Plan, will describe the most relevant barriers to the free movement of capital and include a roadmap with commitments undertaken by the Member States to remove or alleviate them. It might also propose ways to pursue the work on barriers.				
Possible legislative or non-legislative initiative on cross-border barriers to the funds distribution framework following review 2016/FISMA/082 The assessment and the elimination of barriers to the cross-border distribution of investment funds is one element in achieving greater integration of European investment fund markets, complementing other CMU actions (like the wider EU retail investment products assessment planned for 2018). In consequence, it is important to assess more deeply if the national implementations of the fund Directives have led to unjustified national burdens which create obstacles for the cross-border marketing of funds. The issues it wishes to address are those raised by respondents to the CMU green paper and the Call for Evidence.	FISMA.DDG.C.4	Adoption by the Commission	Q4 2017/Q1 2018	Planned adoption Q1 2018

Specific objective 1.6: An increased cross-border investment flow.
Result indicator: Average of inward and outward intra-EU foreign direct investment (FDI) flows divided by

GDP. **Source of data:** Eurostat: Balance of Payments, European Union direct investments [bop_fdi6] and GDP and main components (output, expenditure and income) [nama_10_gdp].			
Baseline	**Interim Milestone**	**Target**	**Latest known results**
2013	2016	2018: A higher index indicates higher new cross-border direct investment during the period in relation to the size of the economy as measured by GDP. If this index increases over time, intra-EU direct investment is becoming more integrated.	2016
2%	Stable increase.	Stable increase.	2%
Planned evaluations: None planned.			

Result indicator: Intra-EU portfolio investment (equity and debt) flows divided by GDP. **Source of data:** Eurostat: European Union and euro area balance of payments - quarterly data (BPM6) [bop_eu6_q] and GDP and main components (output, expenditure and income) [nama_10_gdp].			
Baseline	**Interim Milestone**	**Target**	**Latest known results**
2014	2016	2019: A higher index indicates higher new cross-border portfolio (equity and debt) investment during the period in relation to the size of the economy as measured by GDP. If this index increases over time, intra-EU portfolio investment is becoming more integrated.	2016
4%	Stable increase.	Stable increase.	1%
Planned evaluations: None planned.			

Main outputs in 2017:				
Policy–related outputs				
All new initiatives and REFIT initiatives from the Commission Work Programme				
Description	**Lead service**	**Indicator**	**Target date**	**Latest known results**
CWP 2016				
Revision of European Venture Capital (EuVECA) and European Social Entrepreneurship (EuSEF) Fund regulations 2015/FISMA/153 Changes to these Regulations will increase cross-border investment in these funds and enhance financing possibilities for these normally small entities.	FISMA.DDG.C.4	Finalise the trilogues	Q4 2017	Delivered in June 2017

General objective 2: A Deeper and Fairer Internal Market with a Strengthened Industrial Base.		
Impact indicator: Composite indicator of financial integration in Europe (FINTEC) **Explanation:** The FINTEC indicator is a scale-free measure normalized to always lie between 0 and 1; 0 means no cross-border integration, 1 means full integration; for the price-based part 1 would mean total absence of any price differentials for comparable money market instruments; for the volume-based part, full integration would mean lack of any home bias on the side of investors. **Source of the data**: European Central Bank		
Baseline	**Target**	**Latest known results**
2014	2019	2017
0.5/0.3 The first entry is the price-based, the second the volume-based indicator value	Increase	0.56/0.28
Planned evaluations: ECB annual report.[17]		

Specific objective 2.1: Banks and non-banks compete to provide cheap, safe and reliable payment systems and funding to consumers.		
Result indicator: Number of payment cards issued; number of point of sale (POS) terminals; number of ATMs. **Source of data:** ECB Payment Statistics Report.		
Baseline	**Target**	**Latest known results**
2011 The 2013 Study on the Impact of the Payment Services Directive uses 2011 ECB statistics	2020 review of PSD2	2017
737,705 million cards issued; 9,011 million POS terminals in operation; 437 thousands of ATM terminals.	Increase in the number of cards issued; significant increase in the number of POS terminals, maintaining or increasing the number of ATM terminals.	813,592 million cards issued; 12,329 million POS terminals in operation 444 thousands of ATM terminals
Planned evaluations: 2020 review of PSD2 as per Article 108.		

Result indicator: Levels of payment fraud, in particular card payment fraud. **Source of data:** European Central Bank and European Banking Authority (EBA).			
Baseline	**Interim Milestones**	**Target**	**Latest known results**
2013 ECB 4th Report on Card Fraud	End 2018	2020 review of PSD2	2013
1.44 billion EUR (the amount of card fraud in value).	Stable decrease in card fraud. New PSD2 payment security measures shall enter into force by the end of 2018. More comprehensive payment fraud statistics across all payment	Significant decrease in card fraud as PSD2 increases security of payments and, to the extent new fraud statistics cover pre-2018 fraud levels for other payment	No new data available at the EU level. The EU fraud rate in 2013 at 0.035% of the transaction value remained slightly

[17] Work is underway to replicate this data in-house.

	instruments should become available at that time.	instruments, decrease in these figures, too.	below the average for the world in 2013 (0.037%) and three times below US level (0.099%).

Result indicator: Number of cyber breaches in the financial sector.
Source of data: Symantec. https://www.symantec.com/content/dam/symantec/docs/reports/istr-22-2017-en.pdf
DG FISMA will promote intelligence sharing and testing so that market operators gain higher resilience to withstand cyber attacks.

Baseline	Interim Milestones	Target	Latest known results
2015 Internet Security Threat Report by Symantec.	2017 Internet Security Threat Report by Symantec.	2019 Internet Security Threat Report by Symantec.	2017
80 million identities exposed in the financial sector in 2014.	Decrease in cyber breaches.	Significant decrease in cyber breaches.	The number of data breaches that decreased between 2014 and 2016, from 1523 to 1209, with a decrease of identities stolen from 1,226 bn to 1,120 bn

Planned evaluations: None planned.

Result indicator: Number of bank accounts.
Source of data: Commission's review report Payment Accounts Directive.

Baseline	Interim Milestones	Target	Latest known results
2012	2019	2020 The Commission is tackling financial exclusion in the EU by providing every citizen with the right of access to a basic bank account anywhere in the EU regardless of their residence and financial situation. The target was not quantified.	2017
According to a World Bank Study, the number of EU citizens without a bank account in 2012 was 56 million.	Stable decrease.	Significant decrease in the number of unbanked people in the EU from the baseline figure.	According to the most recent data available (2014) from the World Bank, 42.7 million EU citizens do not have a bank account. By 18 September 2018, Member States will have to provide the Commission with information on the number of bank accounts with basic features that have been opened.

Planned evaluations: By 18 September 2019, the Commission will submit to the EP and to the Council a report

on the application of the Directive. The report will assess the level of financial exclusion in the EU and the measures taken by MS to address this issue. In particular, it will intend to estimate/calculate the number of consumers who have opened a payment account with basic features since the transposition of the Directive.

Specific objective: 2.1 Banks and non-banks compete to provide cheap, safe and reliable payment systems and funding to consumers				
Main outputs in 2017:				
All new initiatives and REFIT initiatives from the Commission Work Programme				
Output	**Lead Service**	**Indicator**	**Target**	**Latest known results**
CWP 2017				
Review Regulation (EC) N°924/2009 on cross-border payments in order to extend its scope to all non-Euro currencies in EU 2017/FISMA/003 The Green Paper on Retail Financial Services pointed at excessive fees paid by citizens from MS that do not apply this Regulation when making cross-border transfers. The equalisation of transaction fees would remove differences in domestic and cross-border transaction costs. This review is a Commission Work Programme 2017 REFIT item.	FISMA.DDG.D.3	Adoption by the Commission	Q4 2017	Adoption planned for Q1 2018
Other important outputs				
Output	**Lead Service**	**Indicator**	**Target**	**Current Situation**
RTS on strong customer authentication and on requirements for a common and secure communication channel between payment service providers and users PLAN/2016/222 These Regulatory technical standards shall specify the requirements of the strong customer authentication procedure for ensuring the security of payments, any exemptions to the strong authentication procedure; requirements for the protection of the confidentiality and the integrity of the payment service users' personalised security credentials and common and secure requirements for communication between payment service providers and payment service users.	FISMA.DDG.D3	Adoption by the Commission	Q3 2017	Adopted on 27 November 2017
Possible initiatives on Fintech	FISMA.DDG.01	Adoption by the	Q4 2017	Adoption postponed to

PLAN/2017/635 Possible initiatives on technology enabled financial services and innovation that the Commission could take or propose to support the EU digital financial market place.		Commission		Q1 2018

Specific objective 2.2: Strengthened legal and investor protection for intra-EU investors and a financial system that is less reliant on external credit ratings, with greater diversity in the credit rating industry.		
Result indicator: Number of outstanding intra-EU bilateral investment treaties (BITs). **Source of data:** UNCTAD.		
Baseline	**Target**	**Latest known results**
2015	2019	2017
There are currently 196 outstanding BITs amongst EU Member States.	The target is to reach 0 outstanding BITs by 2019 (i.e. to terminate all outstanding BITs). However, this will largely depend on a forthcoming CJEU judgement regarding the compatibility of BITs with EU Law as well as on subsequent compliance by Member States. Intra-EU BITs confer rights on a bilateral basis to investors from some Member States only, a lower number of (or no) Intra-EU BITs would therefore improve the equality between intra-EU investors.	There has been progress as some Member States such as Denmark have terminated some of their BITs. Others are in the process of being terminated
Planned evaluations: None planned.		
Result indicator: Number of open EU Pilot and ongoing infringement procedures against Member States concerning intra EU-BITs. **Source of data:** EU PILOT/ NIF Database.		
Baseline	**Target**	**Latest known results**
2015	2019	2017
There are currently 21 EU Pilot cases open and 5 infringement procedures.	Closure of all Pilots and infringements procedures against 26 MS for compliance (pre or post CJEU judgement).	The 26 infringements procedures are currently on hold pending judgment on the Achmea case
Planned evaluations: None planned.		

Result indicator: Investor confidence index: EU Financial services indicator. **Source of data:** European Commission.				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
Average in the period 2013-2014	2015	2016	2017	2017
13	> 10 on average as long as the EU is not in economic recession.		> 10 on average as long as the EU is not in economic recession.	23.2

Planned evaluations:					
Result indicator: Number of new entrants in credit rating market. The credit rating market has an oligopolistic structure and is dominated by three large global agencies: Standard & Poor's, Moody's and Fitch. To enhance competition, the CRA 3 Regulation introduced some provisions to encourage market entry of credit ratings agencies, including a requirement for issuers to consider employing a small credit rating agency in the event that more than one CRA is employed; the use of double credit ratings in the case of structured finance instruments; and a rule requiring issuers to periodically rotate the agencies they use to rate certain structured finance instruments. In 2009, prior to the entry into force of the CRA Regulation, there were 24 CRA's in the EU. This number has gradually increased and now there are 40 registered CRAs, of which 17 are part of the groups of the three largest CRAs operating globally. However, many CRAs remain relatively small in terms of market share and have sometimes only local operations. To date, none of the new market entrants have developed into a true competitor of the dominating agencies. See "Study on the state on the state of the credit rating market", 1 January 2016. **Source of data:** https://ec.europa.eu/info/publications/study-state-credit-rating-market_en Website ESMA: https://www.esma.europa.eu					
Baseline	**Interim Milestones**			**Target**	**Latest known results**
2015	2017	2018	2019	2020	2017
32 CRAs currently registered or certified with ESMA.	Assess number of new entrants in the market.			Increase the number of registered and certified CRAs to promote competitive process.	40 CRAs registered, incl. S & P (3), Moody's (7) and Fitch (7 subsidiaries) + 3 certified CRAs

Result indicator: Market shares for the three largest Credit Rating Agencies. The indicator monitors the impact of the measures introduced in the CRA 3, with a particular focus on the provisions contained in Article 8c and 8d on double ratings and the provisions on improving governance and transparency in the market to assess whether these market shares are being reduced and the other smaller CRAs improve their position in the ratings market. **Source of data:** ESMA: Credit Rating Agencies' market share calculations for the purposes of Article 8d of the CRA Regulation .				
Planned evaluations: None planned, but in its "Technical Advice on Competition, choice and conflicts of interests in the credit rating industry" of 30 September 2015, ESMA recommended revisiting the market situation within the next 3-5 years, i.e. 2018-2020.				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
2014	2017	2019	2020	2017
Standard & Poor's Group: 39.69% Moody's Group: 34.53% Fitch Ratings: 16.22% Total: 90.44%	Assess market shares and remaining relevant barriers to entry.		Substantial reduction of potential barriers to entry for smaller CRAs by 2020. Create market conditions that would allow them to increase their market shares, at least in specific sectors.	Standard & Poor's Group: 46.26% Moody's Group: 31.27% Fitch Ratings: 15.65% Total: 93.18% Does not take into account Kroll Bond Rating Agency, registered on 17.11.2017
Planned evaluations: None planned.				
Result indicator: Qualitative assessment of the regulatory references to the mechanistic use of credit ratings included in EU legislative acts.				

Source of data: ESMA Technical Advice on reducing sole and mechanistic reliance on external credit ratings (ESMA/2015/1471). Joint consultation on draft RTS on risk-mitigation techniques for OTC-derivatives contracts not cleared by a CCP (JC/CP/2014/03). Commission: Study on the Feasibility of Alternatives to Credit Ratings, December 2015				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
2015	2017	2018	2020	2017
A number of EU legislative acts contain references to credit ratings. This includes CRR and CRD IV, Solvency II (Delegated Act), UCITIS and AIFMD (for investment funds), EMIR and its Regulatory Technical Standards (for CCPs). A qualitative assessment as regards those references which incentivise sole and mechanistic reliance on credit ratings will be carried out and a baseline figure cannot therefore be provided.	Carry out more In depth evaluation of potential alternatives to ratings.	Identify references which are most likely to induce sole and mechanistic reliance and for which deletion is considered more important.	Elimination of all regulatory references which incentivise sole and mechanistic reliance and for which alternatives were identified (Art 5c CRA Regulation).	The conclusion of the study of 2015 is that there is a range of alternatives that are currently being used by market participants, either as complementary tools or as substitutes for CRA ratings. The range of available approaches means that CRA ratings need not be the default choice of regulators or market participants.
Planned evaluations:				

Specific objective: 2.2 Strengthened legal and investor protection for intra-EU investors and a financial system that is less reliant on external credit ratings, with greater diversity in the credit rating industry				
Main outputs in 2017:				
Other important outputs				
Output	Lead Service	Indicator	Target	Latest known results
Communication on Post-Trade PLAN/2016/379 The CMU Action Plan provided for a broader review by the Commission on the progress in removing barriers to cross-border clearing and settlement, following the	FISMA.DDG.C2	Adoption by the Commission	Q4 2017	Planned adoption for Q3 2018

implementation of recent legislation and market infrastructure developments. The Commission communication will build on the data and analysis gathered by the European Post-Trading Group Forum. The latter is a Commission expert group launched in 2016 with the objective to prepare a report on the developments in post-trading for early 2017.				
Commission Communication on conflict of law rules on securities PLAN/2016/227 To facilitate cross-border investing the CMU Action Plan envisages for 2017 targeted action on securities and claims. The aim is to interpret conflict of laws rules that designate the law applicable to cross-border transactions in securities. The Communication aims to clarify existing conflict of laws rules for securities.	FISMA.DDG.C2	Adoption by the Commission	Q4 2017	Planned adoption for Q1 2018

Specific objective 2.3: Financial and non-financial reporting by companies, as well as audit, is of a high quality.	**Partly related to spending programme 'Union programme to support specific activities in the field of financial reporting and auditing'[18]**

Result indicator: Number of Countries using IFRS (linked to spending programme) [19].

In 2005 the EU took a significant step and made the use of IFRS obligatory for the consolidated financial statements of EU companies which are listed on the EU's stock markets (Regulation 1606/2002). The EU is the largest jurisdiction applying IFRS.

In relation to listed companies, the Commission's work extends beyond the EU's borders and goes towards promoting the use of IFRS as the worldwide financial reporting language so enhancing the efficiency and transparency of capital markets throughout the globe.

Source of data: IASB http://www.ifrs.org/use-around-the-world/use-of-ifrs-standards-by-jurisdiction/#analysis and IASB http://www.ifrs.org/news-and-events/2017/05/3-pocket-guide-to-ifrs-standards-the-global-

[18] Regulation (EU) No 258/2014 of the European Parliament and of the Council of 3 April 2014 as amended by the Regulation (EU) 2017/827 of the European Parliament and the Council of 17 May 2017.

[19] This indicator is also reported yearly in the programme statement related to the 'Union programme to support specific activities in the field of financial reporting and auditing'. The programme statement also contains an additional indicator to measure the 'Percentage of standards endorsed in the EU compared to the number of standards issued by the IASB'. 97% of IFRS standards were endorsed by the EU in 2017 compared to a baseline of respectively 95% and 96% in 2015 and 2016.

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Baseline	Target	Latest known results
2015	2020	2017
130 countries are currently permitting or requiring IFRSs for domestic listed companies (last updated May 2015).	Maintain positive trend.	139 countries are currently permitting or requiring IFRSs for domestic listed companies[20]

Planned evaluations:

Result indicator: Number of EU companies disclosing non-financial information in their management report or in a separate report.
Source of data: Member States, own research (to be determined: no comprehensive, reliable source of information has been identified yet). This would aim at companies included in the scope of the Directive, i.e. large listed companies with more than 500 employees (plus non-listed companies in the banking and insurance sectors and public-interest entities designated by Member States).

Baseline	Interim Milestones	Target	Latest known results
2015	2016	2019	2017
It is estimated that approximately 2500 EU companies currently disclose non-financial information	In line with the baseline.	It is estimated that approximately 6000 EU companies should disclose non-financial information as requested by the Directive on disclosure of non-financial information.	No reliable data in 2017. FISMA expects relevant information by end 2018 as first reports by companies have to be published in 2018 regarding financial year 2017.

Planned evaluations: The review of the Directive on disclosure of non-financial information will be part of the Fitness check of public reporting by companies.

Result indicator: Concentration level of audit market players in terms of revenue from statutory audits for Public-Interest Entities (PIEs).
Source of data: Huber (2011), Reports by national audit authorities and European Competition Network (ECN), REPORT FROM THE COMMISSION TO THE COUNCIL, THE EUROPEAN CENTRAL BANK, THE EUROPEAN SYSTEMIC RISK BOARD AND THE EUROPEAN PARLIAMENT on monitoring developments in the EU market for providing statutory audit services to public-interest entities pursuant to Article 27 of Regulation (EU) 537/2014 ,(COM(2017) 464) .

Baseline	Interim Milestones	Target	Latest known results
2014	2016	2019	2017
The market is currently very concentrated, with the Big Four audit firms for listed companies exceeding 85% of the market share in the vast	Reports on developments in the markets for the provision of statutory audit services to public-interest entities to be drawn up by 17 June 2016 in accordance with Article 27 of Regulation 537/20014 on statutory audit.	Increase diversity at the top end of the EU audit market.	The market for statutory audits of PIEs remains relatively concentrated in most Member States, particularly in terms of turnover. The four largest networks (so called "Big Four") have an average market share of almost 70 % in the number of statutory audits of PIEs (esp. banks and insurance companies) - based on 28

[20] This indicator evolves based on the number of jurisdictions profiles completed by the IFRS foundation on a continuous basis. In order to compare the data across the years DG FISMA uses the situation described in the 'Pocket guide to IFRS standards'.

majority of Member States.			Member States. In 15 of 21 Member States the Big Four hold more than 80 % of the market share in terms of turnover. The Commission will continue monitoring trends in the consolidated concentration levels of the largest audit firms in Member States in future reports

Planned evaluations: None planned.

Result indicator: Outcome of the quality assurance review of Public Interest Entities (qualitative description of types of deficiencies and Mitigation/remedies/follow-up).

This indicator will rely on information available to all competent authorities, i.e. results of inspections carried out by national oversights authorities, which should be reported to the Commission according to Art. 27 Monitoring market quality and competition of Regulation 537/20014.

Source of data: IFIAR- International Forum of Independent Audit Regulators; Reports by national audit authorities and European Competition Network (ECN).

Baseline	Interim Milestones	Target	Latest known results
2014	2016	2020	2017
Inspection reports indicated persistent shortcomings in audit quality and that deficiencies in audit performance occur too often.	Reports on developments in the markets for the provision of statutory audit services to public-interest entities to be drawn up by 17 June 2016 in accordance with Article 27 of Regulation 537/20014 on statutory audit.	Reduction in identified deficiencies.	Three recurring issues were identified at EU level: (i) deficiencies in the internal quality control systems ; (ii) failure to document some aspects of the audit engagement; and (iii) lack of sufficient audit evidence of having carried out a full audit assessment. No major risks have been identified. In any case, as data was collected under the powers given by the previous legal framework to NCAs, it is too early to fully assess major risks. In terms of remedies and follow-up measures taken, the analysis shows that recommendations are the most common approach, followed by reprimands and follow-up measures where firms should confirm that they have taken the required steps. Only in a small number of serious cases were sanctions imposed.

Planned evaluations:

Specific objective 2.3: Financial and non-financial reporting by companies, as well as audit, is of a high quality.

Main outputs in 2017:

All new initiatives and REFIT initiatives from the Commission Work Programme

Output	Lead Service	Indicator	Target date	Latest known

				results
CWP 2017				
Evaluation of the national discretions in the audit package 2017/FISMA/010 As a follow-up to the call for evidence it is appropriate to initiate a process of evaluation of the national discretions that member states enjoy in the Audit Regulation.	FISMA.DDG.B.4	Adoption by the Commission	Q4 2017	The evaluation of the 'national options' in the Audit Regulation is postponed, as agreed with SG.
CWP 2016				
Corporate Tax Transparency 2015/FISMA+/107 This initiative contributes to the achievement of Specific Objective 2.3 by enhancing transparency on taxes paid by companies on a country-by-country basis. More intense scrutiny by investors and the public at large would contribute to informing the public, thereby contributing to maintain public trust in the tax systems and to informed public debates, as well as promote the reduction of tax avoidance by companies.	FISMA.DDG.B.3	Start trilogues	Q2 2017	Trilogues could not start in 2017 as the Council does not have a negotiation mandate.
Important items from work programmes/financing decisions/operational programmes				
Output	**Lead Service**	**Indicator**	**Target date**	**Latest know result**
Prolongation of the Union programme to support specific activities carried out by the European Financial Reporting Advisory Group (EFRAG) for the period 2017-2020 2015/FISMA/105 Amending regulation to the Financing Regulation (EU) No 258/2014 establishing a Union Programme to support specific activities in the field of financial reporting and auditing for the period of 2014-2020. EFRAG plays a key role in providing input to the development of the IFRS by the IASB and provides the European Commission with endorsement	FISMA.DDG.B.3	Adoption by the Commission	Q1 2017	Adopted in May 2017

advice on new or amended financial reporting standards.				
Other important outputs				
Non-binding guidelines on methodology for reporting non-financial information by certain undertakings and groups 2015/FISMA/230 The non-binding guidelines on non-financial information will facilitate the disclosure of relevant and useful environmental and social information by EU companies concerned, and in particular by smaller and less experienced companies. Thus, this will facilitate the practical application of the Directive on disclosure of non-financial information as of financial year 2017.	FISMA.DDG.B.3	Adoption by the Commission	Q2 2017	Adopted in June 2017
Report on the monitoring of the EU market for statutory audits of PIEs pursuant to Article 27 of the 2014 Audit Regulation **PLAN/2016/498** The 2014 audit regulation requires that the Commission issue a periodic report on risks arising from deficiencies in audits and measures to mitigate such risks, market concentration levels and the performance of audit committees. The first Commission report will establish a benchmark to assess the evolution of the market in PIE audits and identify the key developments that will require particular monitoring.	FISMA.B.4	Adoption by the Commission	Q2 2017	Adopted on 7 September 2017.

Specific objective 2.4: Consumers have access to safe and reliable insurance, pension and UCITS products and services, both nationally and across borders.			
Insurance **Result indicator:** The gross written premiums over the GDP. **Source of data:** EIOPA combined with national statistics.			
Baseline	**Interim Milestones**	**Target**	**Latest known results**

End 2013	2018	2019	
According to the OECD, insurance penetration in the EU (15 countries) in 2013 was 8.2%	A first increase.	General increase.	A first increase expected in 2018
Planned evaluations:			

Pension

Result indicator: The number of consumers investing in personal retirement products across the EU.
Source of data: EIOPA Pensions Database; OECD.

Baseline	Interim Milestones	Target	Latest known results
End 2015	2018	2019	
Current situation.	Interim results after implementation of the CMU Action Plan.	General increase in the number of EU citizens taking up personal pension products. Beyond 2019: should a private pensions initiative be developed, the number of persons investing in a pan-European pension product.	Interim results available after full implementation of the CMU Action Plan.

Planned evaluations: CMU Action Plan, EIOPA annual reports.

UCITS

Result indicator: Share of "true" cross-border UCITS funds (i.e. funds sold in at least 5 Member States) with respect to total number of UCITS funds sold in the EU.
Source of data: Morningstar

Baseline	Target	Latest known results
2015	2018 While the UCITS framework has been an overwhelming success story, market fragmentation (as evidenced by the large number of individual funds) is an apparent issue, triggering higher costs and less choice for investors. The EC will seek to tackle those factors that hold back cross-border competition, thereby increasing the number of UCITS distributed on a "true" cross-border basis (i.e. measured as UCITS being sold in at least 5 different MS).	June 2017
17.72%	Stable increase in the share of true cross-border UCITS funds.	23%

Planned evaluations:

Specific objective: 2.4 Consumers have access to safe and reliable insurance, pension and UCITS products.

Main outputs in 2017:

All new initiatives and REFIT initiatives from the Commission Work Programme

Description	Lead service	Indicator	Target date	Latest known results
CWP 2017				

Action Plan on Retail Financial Services 2016/FISMA/013 The main objective of the "Action Plan for building a deeper single market for retail financial services" is to further open up the EU single market in financial services and to prepare for its future digitalisation. This initiative follows up on the outcome of the Green Paper consultation which ended in March 2016. Through the Action Plan on retail financial services, the Commission will propose a number of measures tackling the obstacles for consumers to access and for firms (incumbents and fin-techs) to supply financial services across the EU, including through digital channels.	FISMA.DDG.D.3	Adoption by the Commission	Q1 2017	Adopted in March 2017
Initiative on an EU personal pension framework 2017/FISMA/001 The September 2016 Communication on the “CMU - Accelerating Reform" refers to a "possible legislative proposal on personal pensions, which will be presented in 2017". The Commission is currently analysing the results of a public consultation which closed on 31 October 2016. At the end of Q1 2017 it will receive the result of a study to map the tax, legal and social requirements for personal pensions across the EU, assess the market potential and the feasibility of a potential EU initiative.	FISMA.DDG.D.4	Adoption by the Commission	Q2 2017	Adopted in June 2017
Important items from work programmes/financing decisions/operational programmes				
Proposal for a regulation establishing a Union programme to support specific activities enhancing the involvement of consumers and other financial services end-users in Union policy making in the field of financial services 2016/FISMA/005 The Union programme will contribute to ensure that the interests of	FISMA.DDG.D.3	Adoption by co-legislators	Q2 2017	Adopted in May 2017

consumers, retail investors and other end-users in financial services are adequately represented in Union policy making in the financial sector for the period 2017-2020 through the funding awarded to two non-profit organisations whose activities have already been co-funded by the EU in the context of a previous pilot project and preparatory action				
Other important outputs				
PRIIPS – RTS on layout and methodology for the Key Information Document ~~2015/FISMA/051~~ PLAN/2017/886 The RTS will provide more detailed rules relating to the structure and contents of the PRIIPs Key Information Document. Currently the PRIIPs Regulation only contains main headings. This new version of the RTS has been prepared by the ESAs following a rejection by the Commission on 8 November 2016 of the earlier version. On the latter date, the Commission proposed to delay the application of the PRIIPs Regulation to 1 January 2018.	FISMA.DDG.C.4	Adoption by the Commission	Q1 2017	Adopted in March, published in April 2017

Specific objective 2.5: The financial regulatory framework is evaluated, appropriately implemented and enforced across the EU.				
Result indicator: Transposition deficit: Percentage of national implementing measures notified within the regulatory deadline. **Source of data:** NIF Database.				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
2015	2017	2018	2020	2017
Only ~30% of the total number of national implementing measures are notified within the regulatory deadline.	50%	70%	Reach between 80 and 100% (all implementing measures are notified).	21%
Planned evaluations: None planned.				

Result indicator: Average time needed to deal with complaints.
Source of data: CHAP Database.

Baseline	Interim Milestones			Target	Latest known results
2015	2017	2018	2019	2020	2017
The average time needed to reach a decision on a complaint (either closure or sending of a letter of formal notice) is currently 5.4 months.	Maintain average <12 months			The target is to maintain an average time of <12 months to reach a decision (as per Secretariat-General Benchmark).	4.6 months

Planned evaluations: None planned.

Result indicator: Share of infringements for non-communication of transposition of Directives dealt with within the benchmark.
Source of data: NIF Database.

Baseline	Interim Milestones		Target	Latest known results
2015	2017	2018	2019	2016
Non-Communication cases are considered to be beyond benchmark when more than 12 months elapses since a letter of formal notice is sent and the case is not yet closed or sent to CJEU. Currently 12% of cases are considered to be dealt with within benchmark.	30%	40%	The target is to reach 50% of cases dealt with within the benchmark.	4%

Planned evaluations: None planned.

Result indicator: Number of infringements for non-conformity closed within benchmarks.
Source of data: NIF Database.

Baseline	Interim Milestones		Target	Latest known results
2015	2017	2018	2020	2017
No specific benchmark is set for the non-conformity assessment. However, a three-year benchmark is set for all Article 258 TFEU infringements. There are currently 14 cases still open >3 years since their registration.	10	5	No cases open three years after their registration by 2020.	No cases open three years after their registration

Planned evaluations:

Main outputs in 2017:

All new initiatives and REFIT initiatives from the Commission Work Programme

Description	Lead service	Indicator	Target date	Latest known results

CWP 2017				
Follow-up to the Call for evidence Communication PLAN/2017/704 The Commission will monitor progress in the implementation of the follow-up actions listed in Call for Evidence Communication (COM(2016)855/3) and will publish its findings and possible next steps before the end of 2017.	FISMA.DDG.B.2	Publication by the Commission	Q4 2017	Published on 1 December 2017
Evaluation of the appropriate prudential treatment for investment firms 2017/FISMA/002 The Commission is mandated to review the CRR in order to determine a more appropriate and proportionate prudential treatment for Investment firms that are not systemic and propose legislative changes as required.	FISMA.DDG.D.2	Adoption by the Commission	Q4 2017	Adopted on 20 December 2017
CWP 2016				
Evaluation of the Directive 2002/87/EC on the supplementary supervision of financial entities in financial conglomerates 2016/FISMA/073 The purpose of this REFIT evaluation is to assess the performance of the financial conglomerates directive ("FICOD") in terms of effectiveness, efficiency, coherence, relevance and EU added value compared to its stated objectives. IT will help inform improvements and next steps in relation to FICOD 1. It may also form the basis of a future impact assessment should it be determined that FICOD should be reviewed. The output of this evaluation will be a Commission staff working document outlining the results of the evaluation in terms of the relevance, effectiveness, efficiency,	FISMA.DDG.D.2	Publication of a Staff Working Document	Q1	Published on 13 July 2017

coherence and EU added value of FICOD 1.				
Motor Insurance Directive **Evaluation of the functioning of Directive 2009/103/EC on Motor Insurance** 2016/FISMA/113 EU motor insurance legislation has been evolving since 1972 by continually strengthening the protection of injured parties in motor vehicle accidents with a cross-border element. Anecdotal evidence, mainly coming from complaints, enquiries and parliamentary enquiries suggests that there might be disparities in terms of its implementation at Member States level. It is therefore necessary to carry out an evaluation on the status of the Directive's application and implementation and propose necessary measures.	FISMA.DDG.D.4	Adoption of an evaluation report by the Commission	Q4 2017	Planned adoption Q2 2018
Revision of material and geographic scope of the Motor Insurance Directive with the aim to focus only on traffic related accidents 2016/FISMA/030 Following the 'Vnuk' ruling (C-162/13) that extended the scope of the Motor Insurance Directive (MID) to cover any motor vehicle under almost any circumstances, this planned revision aims at protecting consumers (policyholders) of MTPL insurances across the EU from the exposure to possibly having to contribute to compensations of accidents that are not traffic related.	FISMA.DDG.D.4	Adoption by the Commission	Q2 2017	To be merged with 2016/FISMA/ 113
Other important outputs				
Review of the European Supervisory Authorities	FISMA.DDG.01	Adoption by the Commission	2017	Adopted on 20 September 2017

2016/FISMA/009 The Commission plans to carry out a review of the ESAs, as communicated in the Commission's Work Program for 2017 and as set out in the CMU Action Plan. Timing and content to be decided (also part of the broader White Paper on the Future of Europe).				
Report on the application of Regulation EU n°260/2012 PLAN/2017/629 The Commission plans to issue a report on the application by Member States of Regulation EU n°260/2012, also known as the SEPA Regulation, which entered into force on 1 August 2014 for Member States of the Eurozone and 1 November 2016 for Member States outside the Eurozone.	FISMA.DDG.D.3	Adoption by the Commission	Q2 2017	Adopted on 23 November 2017

Specific objective 2.6: Financial institutions can absorb losses and liquidity shocks, financial market infrastructures are stable and function effectively, and structural and cyclical macro-prudential risks are proactively addressed.

Insurance companies

Result indicator: The proportion of the insurance sector, in terms of assets, which comply with the solvency capital requirements.
Source of data: Solvency II reporting / EIOPA.

Baseline	**Interim Milestones**	**Target**	**Latest known results**
Early 2016	2017	2019	
First set of data based on Solvency II available.	End of the transitional period to comply with the solvency capital requirement (Art. 308b(14)) of Directive 2009/138/EC).	Near 100% compliance.	No data available yet

Planned evaluations: The 2018 review of the standard formula will allow an interim assessment of the effect of the 2015 amendment.

Banks

Result indicator: Average CET1 capital levels in EU banks.

Explanation: The amount of CET1 capital held by banks should be above the minimum regulatory capital, but this cannot be guaranteed in the crisis situations where the levels of CET 1 may go below the minimum requirements. The effectiveness of supervisors also means that banks should hold extra CET1 capital to cover additional risks (Pillar 2 buffer) in order to cover banks risks not covered by the minimum regulatory requirements. However, a fast increase in the capital ratios, unless new equity is raised in the markets, in short term may reduce lending to the economy in the short-term and thus is not desirable.

Source of data: Semi-annual EBA Basel III monitoring reports.

Baseline	Interim Milestones			Target	Latest known results
	2016	2017	2018	2019	June 2017
End 2011: 6.9% End 2012: 8.4	>8.125%	>8.75 %	>9.375%	>10%	13.8%

Planned evaluations:

Result indicator: Average leverage ratio in EU banks.
Complemented by the capital ratios, the leverage ratio provides a better picture of bank resilience to crisis events. The target will have to be reviewed at the end of 2016 on the basis of the analysis made by the European Commission.
Source of data: Semi-annual the EBA Basel III monitoring reports.

Baseline	Interim Milestone			Target 2019	Latest known results
	2016	2017	2018		
End 2011: 2.9% End 2012: 2.9%	>3%	>3%	>3%	>3%	5 % (June 2017)

Planned evaluations:

Result indicator: Average TLAC in G-SIBs.
The Financial Stability Board (FSB) on 9 November 2016 issued the final Total Loss-Absorbing Capacity (TLAC) standard for global systemically important banks (G-SIBs). The TLAC standard has been designed so that failing G-SIBs will have sufficient loss-absorbing and recapitalisation capacity available in resolution for authorities to implement an orderly resolution that minimises impacts on financial stability, maintains the continuity of critical functions, and avoids exposing public funds to loss.

Source of data: Semi-annual EBA Basel III monitoring reports.

Baseline	Interim Milestone	Target	Latest known results
End 2014	2019	2020[21]	2017
Unknown	> 16%	>18%	TLAC calibration requires GSIBs to hold a minimum of 16% RWA and 6% leverage ratio exposure measure by 2019 and a 18% RWA and 6.75% leverage ratio exposure measure by 2022. These levels should be subordinated, except for 2.5% by 2019 and 3.5% by 2022. As of the end of 2017, 3 out of 12 EU GSIBs still need to work towards compliance with the TLAC 2019 target, the rest being already compliant.

Planned evaluations:

[21] This will be progress towards a 2022 FSB target.

Result indicator: Probability of simultaneous default by two or more large and complex banking groups. **Source of data:** ESRB Risk Dashboard: Daily, EU (changing composition), Simultaneous default of two or more large banks, Probability - RDF.D.D0.Z0Z.4F.EC.DFTLB.PR				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
Range 2010-2014	2015	2016	2019	
7%	<5% in normal times <20% in stress times			0.58% [end 2017]
Planned evaluations:				

Financial market infrastructures **Result indicator:** Percentage of settlement fails (weighted average by settlement volume). **Source of data:** European Securities Markets Authority (ESMA) will report on the number of settlement fails (legal requirement in CSDR).		
Baseline	**Target**	**Latest known results**
2012	2020	
1.09%. Source of this baseline is the European CDS Association. After the technical standards enter into force and the reporting elements are applicable (estimated: in 2018) there will be a legal obligation to report on this indicator.	Downward trend in settlement fails.	No data available yet.
Planned evaluations:		

Macro-prudential measures **Result indicator:** Number of notifications of macro-prudential measures, both in and outside EU Law, with material effects, implemented by Competent Authorities (micro-prudential authorities of the MS)/Designated Authorities (macroprudential authorities of the MS). **Source of data:** ESRB - A Review of Macroprudential Policy in the EU in 2017		
Baseline	**Target**	**Latest known results**
2015 September	2019	2017
179 measures notified to the ESRB.	All mandatory measures notified to the ESRB and implemented effectively; all measures requiring mandatory recognition notified and implemented effectively. A positive trend versus the baseline of measures implemented, as warranted by the evolution of macro-prudential risks.	Excluding reciprocity measures and purely administrative measures (such as resetting of CCyB rates at 0%), the number of substantive macroprudential measures slightly increased in 2017 compared to 2016 (from 26 in 2016 to 30 in 2017). The most frequently used instruments were the SRB, the LTV cap and the CCyB.
Planned evaluations: None planned.		

Specific objective: 2.6 Financial institutions can absorb losses and liquidity shocks, financial market infrastructures are stable and function effectively, and structural and cyclical macro-prudential risks are proactively addressed				
Main outputs in 2017:				
All new initiatives and REFIT initiatives from the Commission Work Programme				
Description	Lead service	Indicator	Target date	Latest known results

CWP 2017				
Legislative proposal amending EMIR (EMIR Refit proposal) 2016/FISMA/004 The Commission is mandated to review regulation 648/2012, to produce appropriate legislative proposals. EMIR aims to improve the stability, transparency and efficiency of derivatives markets. The EMIR review assessed what measures are needed to contribute to achieve those goals.	FISMA.DDG.C.2	Adoption by the Commission	Q1 2017	Adopted in May 2017
Legislative proposal amending EMIR (EMIR CCP Supervision proposal) The Commission is mandated to review regulation 648/2012, to produce appropriate legislative proposals. EMIR aims to improve the stability, transparency and efficiency of derivatives markets. The EMIR review assessed what measures are needed to contribute to achieve those goals.	FISMA.DDG.C.2	Adoption by the Commission	Q2 2017	Adopted in June 2017.
Legislative proposal amending CRR to incorporate modifications to the BASEL framework 2016/FISMA/014 The Basel Committee has adopted certain changes to the Basel framework in the areas of liquidity (net stable funding ratio), leverage (leverage ratio), capital requirements for market risk (fundamental review of the trading book), counterparty credit risk (new standardised approach), large exposures,) capital requirements for equity investments in funds, and disclosure. In addition, the Financial Stability Board has published standards on total	FISMA.DDG.D.1	Start of trilogues	Q4 2017	Negotiations ongoing. Part of the proposal was spun off in a separate act (on transitional arrangements for mitigating the impact of the introduction of IFRS 9 and for the large exposures treatment of certain public sector exposures). It was adopted on 12 December 2017 and published in the OJ on 27 December 2017.

loss-absorbing capacity (TLAC) for global systemically important banks. In its Communication "Towards the completion of the Banking Union" the Commission has committed to implement these international standards. Furthermore, the Commission's Call for Evidence has highlighted the need to increase the existing proportionality of the prudential requirements for smaller institutions and the need to further clarify certain aspects of the rules (e.g. on the interaction between the various capital requirements). Lastly, the CRR mandates various reviews which may lead to targeted changes to the CRR.				
CWP 2015				
Legislation on the recovery and resolution of central counterparties 2015/FISMA/029 This follows the adoption of a comprehensive EU recovery and resolution framework for banks and investment firms. It sets out provisions comparable to those in the framework applicable to banks and investment firms to facilitate orderly recovery and resolution, adapting them to the specific features of CCPs' business models and the risks they incur, including by determining how losses would be shared in scenarios where CCPs' existing pre-funded resources required under EMIR are exhausted, in line with international standards.	FISMA.DDG.E.4/ C.2	Start of trilogues	Q3 2017	Negotiations ongoing
Review of the Single Supervisory Mechanism 2015/FISMA/079 The SSM regulation lists a	FISMA.DDG.D.1	Adoption by the Commission	Q2 2017	Adopted on 11 October 2017

number of issues to assess the effectiveness of the SSM supervision and its implications for the smooth function of the single market. An effective and common supervisory function will contribute to a financial system that is safe and resilient and where financial institutions can absorb losses and liquidity risks.				
Other important outputs				
Money Market Funds 2013/MARKT/045 The proposed regulation introduces rules that will make the MMFs more resilient to future financial crisis and at the same time secure their financing role for the economy. The absence of EU rules relating to Money Market Funds is a critical gap that could negatively affect financial stability.	FISMA.DDG.C.4	Final (formal) adoption by co-legislators	Q1 2017	Adopted and published in June 2017
Binding Technical Standards and reports In order to complete the single rule book in banking, to promote risk-weighted assets comparability as announced in the November 2015 "Completing the Banking Union" Communication and to fulfil mandates in CRR/CRD, DG FISMA will have to prepare adoption for 25 Binding Technical Standards and 2 reports.	FISMA.DDG.D.1	Adoption by the Commission	Q4 2017	8 technical standards adopted over 2017
Corrected Delegated Regulation on Liquidity Coverage Ratio 2015/FISMA/037 The existing Commission Delegated Regulation (EU) No 2015/61 on the Liquidity Coverage Ratio, adopted in accordance with Article 460(2) CRR on 10 October 2014 and into	FISMA.DDG.D.1	Adoption by the Commission	Q1/2 2017	Postponed to Q1 2018

force since 1 October 2015, needs to be updated.				
Banking Structural Reform MARKT/2014/80002 Banks, insurance companies and pension funds have greater incentive to invest in and lend to the real economy in a sustainable way, including investing in long-term European projects.	FISMA.DDG.D2	Start of trilogues	Q2 2017	Proposal for withdrawal in CWP 2018
Revision of the ESRB establishing regulation 2016/FISMA/072 The scope of the review is limited to the review of two regulations which established the ESRB and its role.	FISMA.DDG.E.3	Adoption by the Commission	Q4 2017	Adopted on 20 September 2017
Delegated Act pursuant to Article 65(5) of Regulation (EU) No 806/2014 of SRMR ~~2015/FISMA/157~~ PLAN/2017/804 The Single Resolution Mechanism gives to the Single Resolution Board planning and crisis management powers and a Single Resolution Fund in order to ensure the continuity of critical functions in the banking sector, preserve financial stability and protect public funds. This delegated act will ensure that the Single Resolution Board has the budgetary independence to operate its functions without relying on public resources.	FISMA.DDG.E.RTF	Adoption by the Commission	Q1 2017	Adopted on 14 September 2017
Commission Proposal for a Council Decision for the signature of the EU-US Agreement on (re)insurance PLAN/2016/421 This Proposal for a Council Decision would allow the EU to sign a bilateral agreement with	FISMA.DDG.D.4.	Adoption by the Commission	Q1 2017	Adopted in April 2017

the US on reinsurance collateral, group supervision and exchange of confidential information, in accordance with the mandate the Commission received from the Council in 2015 on the subject matter.				

General objective 3: A Deeper and Fairer Economic and Monetary Union.		
Impact indicator: Composite Indicator of Systemic Stress (CISS) **Explanation:** CISS measures the state of instability in the euro area financial system. It comprises 15 mostly market-based financial stress measures split into five categories: financial intermediaries sector, money markets, equity markets, bond markets and foreign exchange markets. It is unit-free and constrained to lie within the interval (0, 1). **Source of the data**: European Central Bank		
Baseline	**Target**	**Latest known results**
(Average range 2010-2014)	2020	2017
0.25 in normal times 0.8 in a crisis mode	Stable trend	**0.0308**
Planned evaluations: None planned.		

Specific objective 3.1: The market exit of a non-major financial institution has a limited economic impact in the euro area.				Related to spending programme(s) No
Result indicator: Correlation between sovereign and banking CDS. Synthetic CDS series will be used for the euro area. 3-month correlation after a systemic event **Source of data:** Data available from Bloomberg: Markit Itraxx senior financial 5-year CDS; Markit Itraxx 5-year SovX for Western Europe. Data on exit events to be provided by SRB, ESAs. **Comment: Due to data availability (series discontinued) we have to adjust the construction of the result indicator as well as the targets.**				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
End 2014	2015	2016	2020	2017
~~0.8~~ 0.76 (3-month correlation following strong market volatility in autumn 2014)	~~0.7~~ <= 0.9	~~0.6~~ <= 0.9	~~0.6~~ <= 0.9 The correlation between bank risk and sovereign risk should ~~decline~~ not exceed 0.9, i.e. bank risks should decouple from sovereign risks.	0.88, following the resolution of Banco Popular in Spain on 7 June 2017
Planned evaluations: None planned.				
Result indicator: The Single Resolution Fund is built and becomes operational according to plan. **Source of data:** SRB. If available, data will also be sourced from MS not participating in the Banking Union.				
Baseline	**Interim Milestones**		**Target**	**Latest known results**
End 2014	2016	2017	2018	2017

Tentatively EUR 6.8bn per annum	EUR 6.8bn	EUR 13.6bn	EUR 20.4bn	Operational as of 1 January 2016. The build-up of the SRF according to the agreed business plan.. The total current amount of contributions raised reached 17,379.1 million EUR.
Planned evaluations: None planned.				

Specific objective: 3.1 The market exit of a non-major financial institution has a limited economic impact in the euro area				
Main outputs in 2017:				
All new initiatives and REFIT initiatives from the Commission Work Programme				
Description	Lead service	Indicator	Target date	Latest known results
CWP 2016				
European Deposit Insurance Scheme 2016/FISMA/007 Follow-up of the Banking Union aspects of the Five Presidents' Report and the President's 2016 State of the Union speech - Legislative proposal regarding the introduction of a European Deposit Insurance Scheme. This is a CWP 2016 key initiative. The proposal would increase resilience against future financial crises by making national schemes less vulnerable to large localised shocks, it would also contribute to severing the link between banks and their home sovereign.	FISMA.DDG.E.4	Start of trilogues	Q4 2017	Negotiations ongoing

Specific objective 3.2: Risk in the banking sector is reduced.		
Result indicator: Banks' contribution to overall systemic risk. **Source of data:** ECB Statistical Data Warehouse (RDE.D.D0.Z0Z.DE.EC.SRCB_COVAR.5P. More details: http://sdw.ecb.europa.eu/reports.do?node=1000003357 (financial intermediaries: CISS.D.U2.Z0Z.4F.EC.SS_FI.CON)		
Baseline	**Target**	**Latest known results**
2015	2020	2017
The average was approximately 5%	Not in excess of 5%	0.0299
Planned evaluations: None planned.		
Result indicator: Average TLAC in G-SIBs. The Financial Stability Board (FSB) on 9 November 2016 issued the final Total Loss-Absorbing Capacity (TLAC) standard for global systemically important banks (G-SIBs). The TLAC standard has been designed so that failing		

G-SIBs will have sufficient loss-absorbing and recapitalisation capacity available in resolution for authorities to implement an orderly resolution that minimises impacts on financial stability, maintains the continuity of critical functions, and avoids exposing public funds to loss. **Source of data:** Semi-annual EBA Basel III monitoring reports.

Baseline	Interim Milestone	Target	Latest known results
End 2014	2019	2020[22]	2017
Unknown	> 16%	>18%	TLAC calibration requires GSIBs to hold a minimum of 16% RWA and 6% leverage ratio exposure measure by 2019 and a 18% RWA and 6.75% leverage ratio exposure measure by 2022. These levels should be subordinated, except for 2.5% by 2019 and 3.5% by 2022. As of the end of 2017, 3 out of 12 EU GSIBs still need to work towards compliance with the TLAC 2019 target, the rest being already compliant.
Planned evaluations:			

Result indicator: Average CET1 capital levels in EU banks. **Source of data:** Semi-annual EBA Basel III monitoring reports.

Baseline	Interim Milestones			Target	Latest known results
	2016	2017	2018	2019	June 2017
End 2011: 6.9% End 2012: 8.4	>8.125%	>8.75 %	>9.375%	>10%	13.8%
Planned evaluations:					

Result indicator: Average leverage ratio in EU banks. Complemented by the capital ratios, the leverage ratio provides a better picture of bank resilience to crisis events. The target will have to be reviewed at the end of 2016 on the basis of the analysis made by the European Commission. **Source of data:** Semi-annual the EBA Basel III monitoring reports.

Baseline	Interim Milestone			Target	Latest known results
	2016	2017	2018	2019	June 2017
End 2011: 2.9% End 2012: 2.9%	>3%	>3%	>3%	>3%	5%
Planned evaluations:					

Specific objective 3.2: Risk in the banking sector is reduced.				
Main outputs in 2017:				
All new initiatives and REFIT initiatives from the Commission Work Programme				
Description	**Lead service**	**Indicator**	**Target date**	**Latest known results**
CWP 2017				
Proposal for a Directive amending the Bank Recovery	FISMA.DDG.E.4	Council General	Q4 2017	Negotiations ongoing in the Council

[22] This will be progress towards a 2022 FSB target.

and Resolution Directive (BRRD) and the SRM Regulation as regards the loss absorbency and recapitalisation capacity of banks 2016/FISMA/006 In view of the fact that both MREL and TLAC aim at achieving the same policy objective which is to ensure that banks hold a sufficient amount of bail-in-able liabilities that would allow for smooth and quick absorption of losses and bank recapitalisation, this initiative aims at combining the review of MREL (in accordance with the mandate given to the Commission under Article 45(18) of the BRRD) with the implementation of the international TLAC standard.		Approach		
Proposal for a Directive amending the Bank Recovery and Resolution Directive (BRRD) as regards the ranking of unsecured debt instruments in insolvency hierarchy 2016/FISMA/006 The proposal to harmonize bank creditors' insolvency ranking was published as part of the Banking package which also included the review of TLAC/MREL as well as the CRD/CRR revision.	FISMA.DDG.E.4	Adoption by co-legislators	Q4 2017	Delivered. Published in the Official Journal on 22 December 2017.
Other important outputs				
Review of the application of Articles 13, 18 and 45 of BRRD as regards EBA's powers to conduct binding mediation to take account of future developments in financial services law. PLAN/2017/1180 The BRRD requires the Commission to review and assess the implementation of these specific provisions in the BRRD.	FISMA.DDG.E.4	Adoption by the Commission of the report	July 2017	Adopted on 27 November 2017
Development of secondary markets for non-performing	FISMA.DDG.E.1	Adoption by the	Q3 2017	The proposal will be a legislative initiative,

loans PLAN/2017/1121 Non-performing loans (NPLs) in Europe's banks weigh increasingly heavily on financial stability and economic growth particularly in some Member States. While most of the measures available to redress this situation are within the competence of Member States, the issue has a strong European component, as the problems in some Member States are propagated abroad.		Commission of the report		to be adopted in Q1 2018

Specific objective 3.3: Appropriate country surveillance to ensure macro-financial stability				
Main outputs in 2017:				
All new initiatives and REFIT initiatives from the Commission Work Programme				
Description	**Lead service**	**Indicator**	**Target date**	**Latest known results**
CWP 2017				
Programme Implementation for Greece Contribution about financial sector to Memorandum of Understanding and to Review Report.	FISMA.DDG.E.2	Adoption by the Commission of the MOU and Review Report	Quarterly	Delivered
Post-Programme Surveillance for Romania, Portugal, Ireland, Spain, Cyprus Contribution about financial sector to Review Report.	FISMA.DDG.E.2	Adoption by the Commission of the Review Report	Twice per year	2nd PPS report for Romania published on 23 May 2017.
EU Semester (including Macroeconomic Imbalances Procedure) Formulation of policy guidelines. Contribution about financial sector to Country Report.	FISMA.DDG.E.2	Adoption by Commission and Council of Country-Specific Recommendations Adoption by the Commission of country reports	Q2 2017 Q1 2017	Country reports published on 22 February 2017 European Commission recommendations for Country specific Council recommendations

				published on 22 May 2017
Assessment of country surveillance in the financial sector in the context of the external assistance programmes and EU Semester The objective is to document the actions taken and draw lessons from best practices and improve country surveillance in order to preserve financial stability.	FISMA.DDG.E.2	Publication of report	Q2 2017	Postponed to July 2017
Other important outputs				
Description	Lead service	Indicator	Target date	Latest known results
Vienna Initiative Leading a workgroup on the relevance of CMU for some Central and East European countries.	FISMA.DDG.E.2	Adoption of the Report by the Vienna initiative	Q3 2017	First meeting of Working Group: 4 April 2017. Second meeting of Working Group: 30 June 2017.

Specific objective: 3.5 Closely and continuously monitor developments in the EU financial system, including financial stability				
Main outputs in 2017:				
All new initiatives and REFIT initiatives from the Commission Work Programme				
Description	**Lead service**	**Indicator**	**Target date**	**Latest known results**
Regular monitoring of financial markets Developments in financial markets are a key and leading indicator of possible risks to financial stability and to the broader economic activity. Compilation of in-house information and analysis is required for the Commission to embark on policy initiatives to address newly emerging risks to financial stability in a timely manner.	FISMA.DDG.E.1	Drafting and dissemination of - daily Financial Market Monitor, - weekly Financial Market Pulse - Bond Market Monthly - Semi-annual overview of main macrofinancial risks to the EU	All year	Delivered

EFSIR and joint EC-ECB conference on European Financial Integration The next edition of the annual European Financial Stability and Integration Review will be launched at the joint conference on European Financial Integration with the ECB. Planned date is 19 May 2017.	FISMA.DDG.B.2 FISMA.DDG.E.1	Publication of EFSIR	May 2017	The report was published in May 2017.