



# Management Plan 2017

[DG ENERGY]



## Contents

INTRODUCTION .....	3
PART 1. MAIN OUTPUTS FOR THE YEAR .....	5
PART 2. MAIN ORGANISATIONAL MANAGEMENT OUTPUTS FOR THE YEAR....	24
A. Human resource management .....	25
B. Financial Management: Internal control and Risk management.....	28
C. Better Regulation .....	31
D. Information management aspects .....	32
E. External communication activities .....	34
F. Examples of initiatives to improve economy and efficiency of financial and non-financial activities of the DG .....	36

## INTRODUCTION

President Jean-Claude Juncker has listed the Energy Union as one of the ten priorities of his mandate. The goal is to give EU consumers - households and businesses - secure, sustainable, competitive and affordable energy. This framework strategy is composed of five mutually reinforcing dimensions.

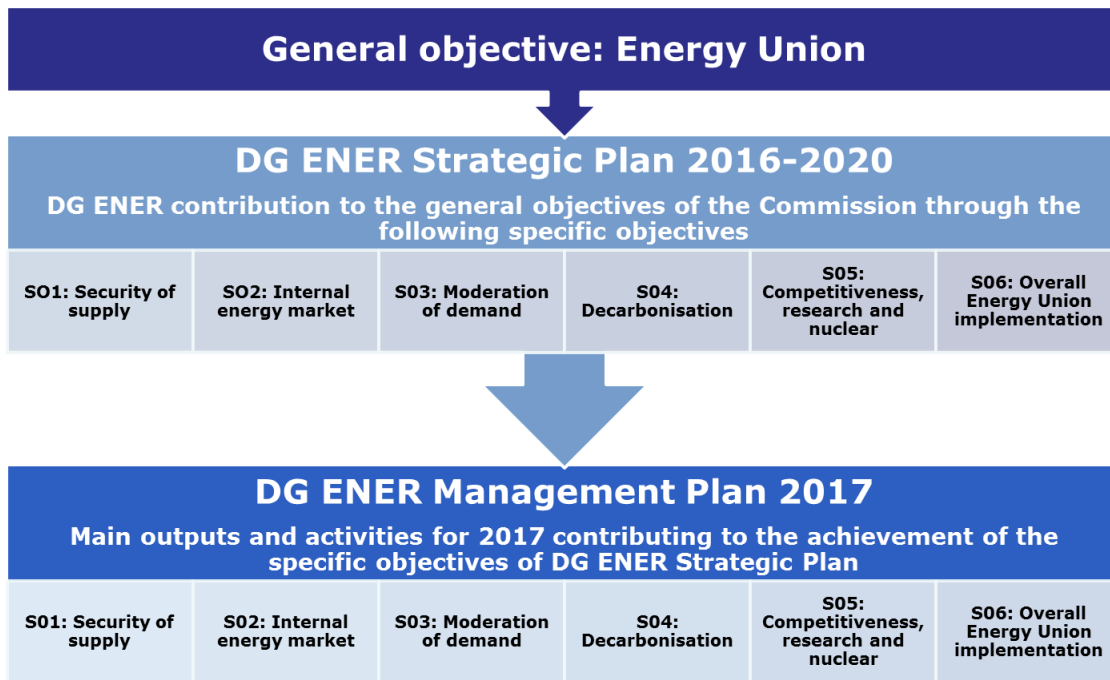
The Strategic Plan for DG ENERGY for the period from 2016 to 2020 sets as **general objective for DG ENERGY the promotion of a resilient Energy Union with a forward looking climate change policy at its core.**

**In line with the Energy Union strategy, and to fully reflect its five dimensions, the following specific objectives have been defined in DG ENERGY 2016-2020 Strategic Plan:**

- 1) **Specific Objective 1:** Contributing to security of supply, based on solidarity and trust.
- 2) **Specific Objective 2:** Further work towards a well-functioning and fully integrated internal energy market.
- 3) **Specific Objective 3:** Promoting the moderation of energy demand.
- 4) **Specific Objective 4:** Promoting the decarbonisation of the EU energy mix and the increase of energy production from low Carbon Energy Sources, in particular renewables.
- 5) **Specific Objective 5:** Tapping the job and growth potential of the energy sector and further developing energy technologies (Horizon 2020), including ITER and the safe and secure use of nuclear energy
- 6) **Specific Objective 6:** Ensuring the implementation and follow-up on the overall Energy Union strategy.

DG ENERGY 2017 Management plan sets out the main outputs and activities planned by DG ENERGY in 2017 and illustrates how these outputs contribute to the achievement of the above mentioned specific objectives.

High-level priorities, general and specific objectives and short terms actions have been logically linked in order to ensure that the various actions contribute to the achievement of the objectives and that the achievement of the objectives contributes to the achievement of the high level priorities.



In 2017, DG ENERGY will continue to work on the swift realisation of the priorities defined under the umbrella of the Energy Union, as those are crucial to provide the necessary stability and predictability to economic operators while promoting further market integration and to ensure the common achievement of the 2030 Climate and Energy Policy Framework.

2017 will be in particular crucial to ensure swift negotiation of the proposals that the Commission has already put forward while ensuring further implementation of the Energy Union.

The sections below detail how the various interventions of DG ENERGY contribute to the achievement of the six specific objectives and how these specific objectives contribute to the overall general objective. The links between the general objective, specific objectives and result indicators are further detailed in the DG ENERGY 2016-2020 Strategic plan.

**Energy for Europe – serving society, supporting the economy, protecting the environment**

**Our core values – excellence, transparency, integrity**

## **PART 1. MAIN OUTPUTS FOR THE YEAR**

### ***Specific objective 1. Contributing to supply security, based on solidarity and trust***

The security of the Union's energy system represents one of the most prominent dimensions of the Energy Union. Diversifying external supplies and related infrastructure, improving coordination of national energy policies and speaking with one voice in external energy policy are core objectives of the Energy Union. Several initiatives are foreseen for 2017 to contribute to the achievement of the specific objective 1 of DG ENERGY 2016-2020 Strategic Plan.

As a matter of priority, the EU needs to diversify its supply of gas and make itself more resilient to supply disruptions. In this vein, the Commission will continue to work on the swift negotiation of the legislative proposal for revision of Regulation on security of gas supply published in February 2016. The revision of the Decision on Intergovernmental Agreements (IGAs) revision will be formally endorsed in the first quarter of 2017 which is a major achievement towards more security of supply in Europe.

Building on the important success of the last few months, the Commission will also continue to work on reinforcing the international dimension of the Energy Union, notably in view of the development of alternative suppliers and routes of energy supply. Efforts will focus on the further development of the Southern Gas Corridor and its possible extension to Central Asia, as well as further engagement with actual and potential suppliers of LNG, such as the US and Canada. The Commission will also continue to support the reform process in the Energy Community in order to encourage investments in the region, and make further efforts to improve the implementation of legal commitments of the Contracting Parties and effectiveness of the institutional framework. In 2017, DG ENERGY will also prepare a negotiation mandate enabling changes to the Energy Community Treaty so as to strengthen its effectiveness and to take the Energy Community forward.

Cyber security is a topic of increasing concern to businesses, governments and policy makers alike. Cyber-attacks in the energy sector are increasing around the World, representing new causes of instability for EU market integration, as well as threats to national and international security. In 2017, the Commission will therefore assess additional measures to enhance cybersecurity for the energy sector.

As of today, oil still accounts for more than 30% of the EU's energy mix and most of EU supplies are imported. Early 2017, DG ENERGY will therefore carry out the mid-term evaluation of the existing Directive on oil stocks requiring member States to maintain emergency stocks of crude oil and/or petroleum products.

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Contributing to supply security, based on solidarity and trust</b>		Related to spending programmes: CEF-Energy
<b>Main outputs in 2017:</b>		
<b>Important items from work programmes/financing decisions/operational programmes</b>		
Description	Indicator	Target
<i>Implementation of the 2017 CEF-Energy budget allocation for grants</i>	<i>CEF-Energy budget allocation for grants executed (level 1)</i>	<i>End of 2017: 33% of the 2017 CEF-Energy budget allocation for grants executed (level 1)</i>
<b>Other important outputs</b>		
Output	Indicator	Target
<i>Mid-term evaluation of the Directive on oil stocks (2009/119/EC) PLAN/2016/259</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Council Decision on European Union initiative on Security of supply in the Energy Community 2012/ENER/028</i>	<i>Adoption</i>	<i>Q3 2017</i>
<i>Council Decision on establishing the EU position within the Energy Community Ministerial Council (Pristina) PLAN/2016/434</i>	<i>Adoption</i>	<i>Q3 2017</i>

**Specific objective 2. Further work towards a well-functioning and fully integrated internal energy market, including with interconnections**

A competitive, integrated European energy market is critical to ensuring the final goals set by the Energy Union in terms of affordability, decarbonisation and security of supply. The swift transition towards a decarbonized and integrated internal market thus represents a priority for the Energy Union. Several initiatives are foreseen for 2017 to contribute to the achievement of the specific objective 2 of DG ENERGY 2016-2020 Strategic Plan.

Completing the Internal Energy Market, including the full implementation of the third package by all Member States, will represent the most cost-effective way to ensure secure and affordable supplies to EU citizens. The final aim is to ensure a functioning market with fair market access and a high level of consumer protection as well as adequate levels of interconnection and system adequacy. In order to

further integrate the internal energy market in the coming years, DG ENERGY will continue, also in 2017, the work on both the "software" and "hardware" aspects of the internal energy market.

On the "software" side, in 2017 the Commission will focus on the follow-up on the legislative proposals of the "Clean Energy for all Europeans" Package with the aim of redesigning the electricity market, linking wholesale and retail markets, introducing a new framework for electricity risk preparedness, and ensuring that appropriate market governance arrangements are in place. In this vein, the Commission will further work on the improvement of the gas internal market legislation and further adopt electricity and gas Regulations establishing network codes/guidelines (Acts under regulatory procedure with scrutiny), based on the electricity and gas Regulations and revision of existing regulations. Furthermore, the Commission will accompany the implementation of the already adopted network codes and guidelines. As regards the retail markets the aim is to further increase retail competition and improve consumer engagement.

On the "hardware" side, and in order to support major infrastructure projects, in 2017 the Commission will continue providing funding by using the available financial envelope under the Connecting Europe Facility (CEF) and adopt a third list of Projects of Common Interest. The Commission will also continue to promote energy and climate related investments under the European Structural and Investment Fund.

Still in 2017, based on the output of the mid-term evaluation of the Guidelines for trans-European energy infrastructure (TEN-E) Regulation, the Commission will work on its further improvement in order to continue promoting the development of adequate connections between EU countries, strengthening existing cross-border interconnections, and better integrating renewable energy. In parallel, the Commission will also evaluate the progress made by the Connecting Europe Facility in supporting trans-European networks and infrastructure in the sectors of energy, transport and telecommunications.

In parallel, the Commission intends to adopt a Communication on the necessary measures to reach the 15% electricity interconnection target for 2030. Achieving a 15% interconnection target in electricity will be particularly important to ensure security of supply within the EU, to further integrate energy markets and to facilitate the cost-efficient deployment of renewable energy across the EU.

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Further work towards a well-functioning and fully integrated internal energy market, including with interconnections</b>		Related to spending programme: EEPR, CEF-Energy
<b>Main outputs in 2017:</b>		
<b>Important items from work programmes/financing decisions/operational programmes</b>		
<b>Description</b>	<b>Indicator</b>	<b>Target</b>
<i>Implementation of 44 infrastructure projects, selected under the European Energy Programme for Recovery (EEPR)</i>	<i>Payments to be executed in 2017</i>	<i>2017/ 2018<sup>1</sup> 75,479,300€ of payments to be executed in 2017</i>
<i>Implementation of the 2017 CEF-Energy budget allocation for grants</i>	<i>CEF-Energy budget allocation for grants executed (level 1)</i>	<i>By end of 2017: 33% of the 2017 CEF-Energy budget allocation for grants executed (level 1)</i>
<b>Other important outputs</b>		
<b>Output</b>	<b>Indicator</b>	<b>Target</b>
<i>Selection and award of grants for Projects of Common Interest - ENER under CEF 2014-2020 (2d call for proposals 2016) 2016/ENER/067</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Multiannual work programme for granting financial aid in the field of trans-European energy infrastructure under the Connecting Europe Facility for the period 2014-2020 PLAN/2016/471</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Selection and award of grants for Projects of Common Interest - ENER under CEF 2014-2020 (1st call for proposals 2017) PLAN/2016/463</i>	<i>Adoption</i>	<i>Q4 2017</i>

<sup>1</sup> The majority of the remaining allocated grants will be disbursed between 2017 and 2018 with only two projects potentially running until 2018/2019.



<i>Evaluation of the implementation of Projects of Common Interest (Evaluation of TEN-E Regulation) PLAN/2016/257</i>	<i>Completion</i>	<i>Q3 2017</i>
<i>Third Union list of Projects of Common Interest(PCI) – leading to Commission Delegated act and update on European energy infrastructure PLAN/2016/464</i>	<i>Adoption</i>	<i>Q4 2017</i>
<i>Evaluation of CEF Regulation 1316/2013 (DG MOVE in the lead) 2017/MOVE/003</i>	<i>Submission to European Parliament and Council</i>	<i>Q3 2017<sup>2</sup></i>
<i>Communication on the necessary measures to reach the 15% electricity interconnection target for 2030 2016/ENER/006</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Electricity and gas Commission Regulations establishing network codes/guidelines: new acts, revision of existing regulations, implementation<sup>3</sup></i>	<i>Adoption of electricity balancing regulation</i>	<i>Q1/Q2 2017</i>

### **Specific objective 3. Promoting the moderation of energy demand**

Improved energy efficiency is a core component of the 2016 "Clean Energy for all Europeans" Package as it is of fundamental importance for the transition towards a more competitive, secure and sustainable energy system and thus for the general objective of the Energy Union. Several initiatives are foreseen for 2017 to

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2 Submission of the report to EP and Council advanced by three months to feed into the preparations for the next MFF.

3 Those cover the following: i) Amendment of Commission Regulation (EU) 984/2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems (rules on "Incremental Capacity") [Adoption Q1 2017; 2014/ENER/022]; ii) New Commission Regulation establishing a Network Code on harmonised transmission tariff structures for Gas [Adoption Q1 2017; 2014/ENER/023]; iii) Guideline on electricity balancing [Adoption Q3 2017; 2013/ENER/050]; iv) Guideline on System Operation (Operational Security, Operational Planning & Scheduling, Load Frequency Control & Reserves) [Adoption Q3 2017; 2014/ENER/016]; v) Network code on electricity emergency and restoration [Adoption Q3 2017; 2016/ENER/008]; vi) Establishment of the annual priority lists for 2017 for the development of network codes and guidelines [Adoption Q1 2017; PLAN/2016/280].

contribute to the achievement of the specific objective 3 of DG ENERGY 2016-2020 Strategic Plan.

In this area, the Commission will follow up proposals made in the last few months concerning the revision of the Energy Efficiency Directive including the new 30% target and of the Energy Performance of Buildings. In parallel, the Commission will continue to work on the promotion of energy efficiency at all stages of the energy chain from generation to final consumption and it will continue its activities to unlock private financing for energy efficiency. 2017 will be mainly dedicated at updating EU legislation on products.

In 2017, the Commission will continue implementing the Ecodesign and Energy Labelling Directives, and intends to adopt several measures and implementing acts in line with what was agreed at the 2016 the orientation debate and further included in the Ecodesign Working Plan 2016 – 2019, released as a part of the 'Clean energy for all Europeans' Package. Planned measures will follow what was agreed in the Working Plan. Those measures will generate savings for European households of up to 465 EUR per year on their energy bills. In parallel, the Commission will work on new proposals on the labelling of tyres with respect to fuel efficiency.

From an international perspective, the Commission will evaluate the Energy Star programme for office equipment in view of a possible renewal of the Agreement between the Government of the United States of America and the European Union<sup>4</sup> on the coordination of energy-efficiency labelling programmes in early 2018

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Promoting the moderation of energy demand</b>		Related to spending programme: H2020
<b>Main outputs in 2017:</b>		
<b>Important items from work programmes/financing decisions/operational programmes</b>		
Description	Indicator	Target
<i>Horizon 2020 Societal Challenge 3: 1. Energy Efficiency calls 2017- the subcall funding Market Uptake Coordination and Support Actions (CSA)- of the total budget of 51 M€ in 2017</i>	<i>Cumulative expected investment made by European stakeholders in sustainable energy triggered by the projects co-funded under the Energy Efficiency part of H2020- Societal Challenge 3 (measurement unit billion EUR) in 2017.</i>	<i>31/12/2017: 0.51 (CSAs projects in 2017) + 0.90 (ELENA projects in 2017) = 1.41 billion EUR</i>
	<i>Additional annual expected energy savings triggered by the projects</i>	<i>31/12/2017: 148 000</i>

<sup>4</sup> Council Decision of 13 November 2012. EU Energy Star programme agreement (174/2013/EU)

<p>2. ELENA- Project Development Assistance – of the total budget of 35 M€ in the period 2015-2016 (including the transport contribution)</p>	<p>co-funded under the Energy Efficiency part of H2020-Societal Challenge 3 (measurement unit toe) in 2017.</p>	<p>toe/year (CSAs projects in 2017) + 38 700 toe/year (ELENA projects in 2017) = 186 700 toe/year</p>
<p>Source of data: H2020, Societal Challenge 3- Energy Efficiency, DG ENERGY C3</p>	<p>Additional annual expected reductions of greenhouse gas emissions triggered by the projects co-funded under the Energy Efficiency part of H2020-Societal Challenge 3 (measurement unit CO<sub>2</sub>e) in 2017</p>	<p>31/12/2017: 400 000 tCO<sub>2</sub>/year (CSAs projects in 2017) + 170 000 tCO<sub>2</sub>/year (ELENA projects in 2017) = 570 000 tCO<sub>2</sub>/year</p>

#### Other important outputs

Output	Indicator	Target
<p>2016 Report on Member States' progress towards their indicative energy efficiency targets for 2020 [Annual report] 2016/ENER/039</p>	<p>Adoption</p>	<p>Q1 2017</p>
<p>Possible revision of cost-optimal building requirement guidelines 2014/ENER/040</p>	<p>Adoption</p>	<p>Q1 2017</p>
<p>Evaluation of effectiveness of the EU Energy Star programme and assessment of alternative policy options 2016/ENER/009</p>	<p>Adoption</p>	<p>Q2 2017</p>
<p>Commission Report on the EU Energy Star programme agreement (174/2013/EU) 2016/ENER/038</p>	<p>Adoption</p>	<p>Q2 2017</p>
<p>Eco-design (PRAC) and energy labelling (Delegated Acts) measures, based on the eco-design Work</p>	<p>Adoption</p>	<p>Q3/Q4 2017</p>

<i>Programme and revision of existing regulations<sup>5</sup></i>		
<i>Evaluation of the EU tyres labelling scheme PLAN/2016/260</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Report on Regulation (EC) No 1222/2009 concerning the labelling of tyres with respect to fuel efficiency and other essential parameters 2016/ENER/011</i>	<i>Adoption</i>	<i>Q2 2017</i>
<i>Legislative proposal reviewing Regulation (EC) No 1222/2009 on the labelling of tyres 2016/ENER/040</i>	<i>Adoption</i>	<i>Q4 2017</i>

<sup>5</sup> This covers the following initiatives: Regulatory measures on eco-design requirements for refrigerated commercial display cabinets; 2011/ENER/044; Adoption: Q4 2017; Regulatory measure on energy labelling related to refrigerated commercial display cabinets; 2015/ENER/001; Adoption: Q4 2017; Regulatory measure on energy labelling of displays and televisions (Review of Comm Del Reg [EU] No 1062/2010; 2013/ENER/066; Adoption: Q4 2017; Regulatory measures on eco-design requirements for displays and TVs (Review of Commission Regulation [EC] No 642/2009); 2014/ENER/011; Adoption: Q4 2017; Regulatory measure on eco-design requirements for External Power Supplies (Review of Comm Reg [EC] No 278/2009); 2015/ENER/054; Adoption: Q4 2017; Regulatory measures on eco-design requirements for other electric motors; 2015/ENER/055; Adoption: Q4 2017; Regulatory measure on eco-design requirements for compressors ; 2015/ENER/057; Adoption: Q4 2017; Regulatory measure on energy labelling requirements for windows; 2015/ENER/059; Adoption: Q4 2017; Regulatory measure on eco-design requirements for industrial fans; 2016/ENER/035; Adoption: Q4 2017; Regulatory measure on energy labelling requirements for lighting products; PLAN/2016/438; Adoption: Q4 2017; Regulatory measure related to energy labelling of water products; PLAN/2016/439; Adoption: Q4 2017; Regulatory measure on the review of eco-design requirements for lighting products (1194/2012); PLAN/2016/440; Adoption: Q4 2017; Regulatory measure on the review of eco-design requirements for household cold appliances (643/2009); PLAN/2016/441; Adoption: Q4 2017; Regulatory measure on the review of energy labelling for household cold appliances - (EU) No 1060/2010; PLAN/2016/445; Adoption: Q4 2017; Regulatory measure on the review of eco-design requirements for household washing machines and washer driers (1015/2010); PLAN/2016/442; Adoption: Q4 2017; Regulatory measure on the review of energy labelling for household washing machines and washer-driers - (EU) No 1061/2010); PLAN/2016/446; Adoption: Q4 2017; Regulatory measure on the review of ecodesign requirements for household dishwashers (EU) No 1016/2010; PLAN/2016/443; Adoption: Q4 2017; Regulatory measure on the review of energy labelling requirements for household dishwashers (1059/2010); PLAN/2016/455; Adoption: Q4 2017; Regulatory measure on the review of ecodesign requirements for standby and off mode electric power consumption of electric and electronic household office equipment - (EC) No 1275/2008; PLAN/2016/444; Adoption: Q4 2017.

**Specific objective 4. Promoting the decarbonisation of the EU energy mix and the increase of energy production from low carbon energy sources, in particular renewables**

Renewable energy is at the heart of the Energy Union as it plays an increasingly important role in tackling climate change while enhancing energy security and strengthening EU industrial and technological leadership. The EU aims to get 20% of its final energy consumption from renewable sources by 2020 and least 27% by 2030. Several initiatives are foreseen for 2017 to contribute to the achievement of the specific objective 4 of DG ENERGY 2016-2020 Strategic Plan.

Following the European Council conclusions on the 2030 climate and energy Framework, the Commission has recently proposed a new Renewable Energy Package. Most of Commission's efforts in 2017 will be dedicated to the negotiations with Council and Parliament of the important proposals made in order to ensure the establishment of an appropriate framework conducive to the achievement of the agreed EU level renewable target of least 27% of final energy consumption.

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Promoting the decarbonisation of the EU energy mix and the increase of energy production from low carbon energy sources, in particular renewables</b>		Related to spending programmes: CEF-Energy
<b>Main outputs in 2017:</b>		
<b>Important items from work programmes/financing decisions/operational programmes</b>		
Description	Indicator	Target
<i>Implementation of the 2017 CEF-Energy budget allocation for grants</i>	<i>Level of execution of the 2017 CEF-Energy budget allocation for grants executed (level 1)</i>	<i>33% by end of 2017</i>
<b>Other important outputs</b>		
Output	Indicator	Target
<i>Progress report to the European Parliament and the Council on the implementation of the Renewable Energy Directive 2009/28/EC 2016/ENER/064</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Commission Decision on the "Better Biomass (NTA8080)" scheme for demonstrating</i>	<i>Adoption</i>	<i>Q1 2017</i>

<i>compliance with the sustainability criteria under Directives 1998/70/EC and 2009/28/EC of the European Parliament and of the Council 2016/ENER/066</i>		
<i>Commission Decision on the "RBSA6 " scheme for demonstrating compliance with the sustainability criteria under Directives 1998/70/EC and 2009/28/EC of the European Parliament and of the Council 2015/ENER/023</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Commission Decision on the "Bonsucro" scheme for demonstrating compliance with the sustainability criteria under Directives 1998/70/EC and 2009/28/EC of the European Parliament and of the Council 2015/ENER/024</i>	<i>Adoption</i>	<i>Q1 2017</i>

***Specific objective 5. Tapping the job and growth potential of the energy sector and further developing energy technologies (Horizon 2020), including ITER and the safe and secure use of nuclear energy.***

Research, innovation (R&I) and competitiveness are paramount to accelerate the EU energy transition and to reap benefits in terms of jobs and growth that the Energy Union can bring. Several initiatives are foreseen for 2017 to contribute to the achievement of the specific objective 5 of DG ENERGY 2016-2020 Strategic Plan.

**5.1 Competitiveness**

Energy is important for the competitiveness of Member State economies as it affects production costs of industries and services and the purchasing power of

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<sup>6</sup> RED Bioenergy Sustainability Assurance Standard

households. The competitiveness of business and the affordability of energy for consumers are central principles of the Energy Union.

In 2017, the Commission will continue to monitor the competitiveness of the EU energy system, *inter alia*, assuring adequate follow up to the 2016 energy prices and costs report. New indicators developed in the context of the Governance of the Energy Union, as well as the annual assessment via the State of the Energy Union itself will also ensure a regular screening on EU competitiveness.

DG ENERGY also monitors state aid in the energy sector, collaborating with policy units and DG COMP to ensure that state aid and competitiveness concerns are addressed in a manner coherent with the achievement of other energy policy objectives.

More and better targeted investments along the five dimensions of the Energy Union will translate into growth, jobs and help European industries to take advantage of business opportunities in other regions of the World. In 2017, DG ENERGY will continue to make full use of available EU financial funds and instruments to further promote the clean energy transition.

The European Fund for Strategic Investments (EFSI), that aims at mobilizing EUR 315 billion in investment in the real economy over the years 2015-2017. It will continue beyond 2017 and its financing capacity will be doubled. The Commission will also explore i) options for blending CEF grants and EFSI; ii) the potential combination of the European structural and investment funds (ESIFs) and EFSI, as well as; iii) reinforced forms of technical assistance.

With a budget of €454 billion for 2014-20, the European structural and investment funds (ESIFs) are the European Union's main investment policy tool and the biggest sources on energy and climate funding under the 2014-2020 multiannual financial framework. In 2017 DG ENER will continue to promote ESIF commitment under Thematic Objective 4 ("Supporting the shift towards a low-carbon economy in all sectors" - TO4) so that Member States are on track for achieving the 20% objective of spending for ENERGY Union/low-carbon economy purposes.

In 2017, DG ENER will also work on promoting the expansion of the European Energy Efficiency Fund (EEEF) by i) increasing its portfolio of investments; ii) attracting new investors and; iii) providing more technical assistance through the newly setup up EEEF Technical Assistance Facility.

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Tapping the job and growth potential of the energy sector and further developing energy technologies (Horizon 2020), including ITER and the safe and secure use of nuclear energy.</b>		Related to spending programme(s) : EFSI, EEPR, ESIF, CEF-Energy
<b>Main outputs in 2017:</b>		
<b>Important items from work programmes/financing decisions/operational programmes</b>		
Description	Indicator	Target
<i>Further expansion of the European Energy Efficiency Fund (EEEF)</i>	<i>Amount of investments made by eligible final recipients due to the financing provided through the instrument</i>	<i>By end 2017: Increase the portfolio of investment to EUR 265 million</i>
	<i>New investor's contribution:</i>	<i>By end of 2017: Raise new investor's contribution to the fund's A and B shares<sup>7</sup></i>
<i>Percentage of the EU funds invested in Energy Union/low-carbon economy within the ESIF funds</i>	<i>Contribute to an increase of ESIF commitment under Thematic Objective 4 ("Supporting the shift towards a low-carbon economy in all sectors" - TO4) so that Member States are on track for achieving the objective of spending 20%</i>	<i>By end of 2017: Member States are on track for achieving the objective of spending 20%</i>
<i>Creating an environment more conducive to private investment for CEF-energy projects €77,291,975<sup>8</sup> budget allocation for financial instruments</i>	<i>Commitments executed (level 1)</i>	<i>By end of 2017: € 77,291,975 commitments executed (level 1)</i>

## 5.2 Research and innovation

Research and innovation is crucial to ensure a successful energy transition in Europe while at the same time safeguarding and improving competitiveness. Through more and better investments in research and innovation the EU will be able to confirm its leadership in the development and deployment of low-carbon

<sup>7</sup> The EEEF aims to provide commercial returns to its investors. The returns of its shares follow a waterfall principle and allow investments into three different categories: 1) C-Shares bear the highest risk ("First Loss") and serve as a risk buffer for the more senior share categories. 2) B-Shares rank senior to C-Shares and are remunerated on a 6m Euribor + Spread basis. 3) A-Shares rank senior to B-Shares and are also remunerated on a 6m Euribor + Spread basis, however at a lower level than B-Shares to allow for risk/return adjustments.

<sup>8</sup> This amount may be transferred to an instrument for energy efficiency and/or EFSI.



energy technologies. Bringing new technologies faster is also important in the face of the current challenges to Europe's energy security.

In 2017 the Commission will have to build further on the Communication "Accelerating the energy system transformation through an Integrated Strategic Energy Technology (SET) Plan", adopted in September 2015, contributing at the development of the new strategy "Accelerating Clean Energy Innovation" (ACEI). This strategy will further identify and promote research, development and innovation priorities needed to facilitate the European Union's transition to a sustainable, competitive, energy-efficient and low-carbon economy. The Commission will work closely with Member States and a large number of stakeholders to further develop action plans for the implementation of the SET Plan priorities in an integrated approach. Smart Cities will play a role important in implementing the actions by promoting the strategic partnerships between industry and European cities to stimulate the transition and accelerate the deployment of low carbon urban systems and infrastructures.

Furthermore DG ENERGY will continue to work with JRC and DG REGIO to ensure the development and uptake of efficient and low carbon technologies at local and regional level. Work will also be furthered on Carbon Capture and Storage (CCS) and Carbon Capture and Use (CCU) research, development demonstration and deployment.

The speed and scale of the digital transformation is impacting multiple industries, including the energy sector. This is why, still in 2017, DG ENERGY will contribute to explore the interplay between digitalisation and the Energy Union.

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Tapping the job and growth potential of the energy sector and further developing energy technologies (Horizon 2020), including ITER and the safe and secure use of nuclear energy.</b>		Related to spending programme(s): YES Horizon 2020
<b>Main outputs in 2017:</b>		
<b>Important items from work programmes/financing decisions/operational programmes</b>		
Description	Indicator	Target
<i>Calls launched</i>	<i>Launch of call for proposals</i>	
	<i>Under Horizon 2020 for the Work Programme 2017:</i>	<i>By end of 2017: 50% of the energy calls are launched in 2017.</i>
	<i>For the Work Programme 2018:</i>	<i>By end of 2017: 50% of the energy calls are</i>

		<i>launched in 2017.</i>
<i>Proposals evaluated</i>	<i>Evaluation of submitted proposals related to energy calls which are foreseen in the Horizon 2020 Work Programme 2016-2017, using the budget of 2017</i>	<i>By end of 2017: Evaluation of 100% of submitted proposals.</i>

### **5.3 Nuclear energy (Promoting the safe and secure use of nuclear energy and ensuring the peaceful use of civil nuclear materials for their intended purposes).**

The Commission has significant responsibilities under the Euratom Treaty on nuclear safety and security, notably in the area of safeguards.

In 2017, DG ENERGY will continue to ensure the effective transposition of the reinforced EU nuclear safety framework. In this area, the Commission will also continue to promote the uptake of the most advanced standards for nuclear safety, notably by supporting the effective implementation of the Vienna Declaration principles.. The Commission will promote measures to improve nuclear safety in EU neighbouring countries, in particular by facilitating and supporting the implementation of risk and safety assessments (stress tests) of new nuclear power plants. The Commission will also continue to support the implementation of the Joint Comprehensive Plan of Action signed with Iran on nuclear safety co-operation.

Under this specific objective, in 2017 the Commission will pursue work on the follow-up of the Nuclear Illustrative Programme (PINC), including in particular actions to promote an enhanced collaboration of European nuclear safety regulators in the field of licencing requirements. The Commission will also adopt a proposal for updating the notification requirements of nuclear investments projects under Article 41 of the Euratom Treaty.

Furthermore, the Commission will carry out a mid-term evaluation of the decommissioning assistance programme. It will also conduct a comprehensive analysis of the situation of transport of radioactive material in the EU, which will serve as a basis for an assessment of options for improving nuclear safety, transparency and harmonisation of procedures in this field.

In the area of radioactive waste and spent fuel management, the Commission will continue its analysis of the Member States' national programmes. The Commission will provide a forum for discussion in 2017 on options for radioactive waste and spent fuel disposal, including shared solutions.

In parallel, the Commission will pursue in 2017 its monitoring activity ensuring that civil nuclear materials are not diverted from their intended uses. In this field, the Commission will propose in 2017 a revised approach to the implementation of Euratom safeguards. In 2017, close cooperation with the International Atomic Energy Agency (IAEA) on safeguards will also be continued.

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Tapping the job and growth potential of the energy sector and further developing energy technologies (Horizon 2020), including ITER and the safe and secure use of nuclear energy.</b>		Related to spending programme(s): ITER
<b>Main outputs in 2017:</b>		
<b>Important items from work programmes/financing decisions/operational programmes</b>		
Description	Indicator	Target
<i>Implementation of the European Union Nuclear Decommissioning Assistance programme Bulgaria (Kozloduy), Lithuania (Ignalina) and Slovakia (Bohunice)</i>	<i>Establishment of a progress report PLAN/2016/433</i>	<i>Q1 2017</i>
	<i>Mid-term evaluation report of the Nuclear Decommissioning Assistance Programme<sup>9</sup> PLAN/2016/249</i>	<i>Q4 2017</i>
	<i>Adoption of Financing Decision for 2017 PLAN/2016/432</i>	<i>Q2 2017</i>
	<i>Update of the rules of application for the Nuclear Decommissioning Assistance programme<sup>10</sup> - PLAN/2016/447</i>	<i>Q4 2017</i>
<b>Other important outputs</b>		
Output	Indicator	Target
<i>Communication for a nuclear illustrative programme (PINC) in pursuance of Article 40 of the Euratom Treaty (final) 2016/ENER/017</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Second Commission Report on the implementation of the Council Directive 2006/117/EURATOM (Shipment of spent fuel and radioactive waste) 2016/ENER/014</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Commission Report on the implementation of the Council Directive 2011/70</i>	<i>Adoption</i>	<i>Q1 2017</i>

<sup>9</sup> As required by Art. 9 of Council Regulations 1368/2013/Euratom and 1369/2013/EU

<sup>10</sup> Update of the Commission Implementing Decision C(2014)5449 based on the results of the Mid-term evaluation report of the Nuclear Decommissioning Assistance Programme

<i>EURATOM (Management of spent fuel and radioactive waste) 2016/ENER/013</i>		
<i>Commission Decision on conclusion of amended 2 protocols to Safeguards agreements in connexion with Tlatelolco (FR) 2015/ENER/023</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Commission Decision on conclusion of amended 2 protocols to Safeguards agreements in connexion with Tlatelolco (UK) 2015/ENER/023</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Proposal for a Council Regulation (Euratom) updating information requirements of Article 41 of the Euratom Treaty 2015/ENER/019</i>	<i>Adoption</i>	<i>Q2 2017</i>
<i>Commission Communication and Staff Working Document on the principles and modalities of the implementation of Euratom safeguards tasks under article 77 of Euratom treaty (Revision IETS) PLAN/2016/431.</i>	<i>Adoption and timeliness of the review the Euratom Safeguards approach from 2007<sup>11</sup>.</i>	<i>Q3 2017</i>
<i>Production of draft particular safeguards provisions (PSP) and facility attachments (FA), ready to be approved/commented by the IAEA/the concerned nuclear operator/the concerned MS authority.</i>	<i>3 master PSPs and FAs approved and 34 derived PSPs and FAs approved by Q2 2017<sup>12</sup></i>	<i>Q2 2017</i>

<sup>11</sup> Method for calculating the indicator: Verification of the availability of the foreseen documents at the deadline.

- Adopted by the deadline: green
- Adopted between deadline and deadline + 1 month: orange
- Adopted after the deadline + 1 month: red

<sup>12</sup> Method for calculating indicator: Establishment of a list of the PSPs and FAs that should be ready for approval/comments during each quarter.

- if 95% or more were completed by the deadline: green
- if 85-95% were completed by the deadline: orange
- if less than 85% were completed by the deadline: red

<i>Verifications of monitoring facilities for radioactivity in the environment and in discharges from nuclear facilities. Source of data: Article 35 Euratom Treaty</i>	<i>Five verification missions carried out (MSs to be determined on the basis of predefined criteria and a 3 year rolling plan for 2016-18 + one ad hoc verification mission if needed)</i>	<i>Q4 2017</i>
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#### **5.4 Developing nuclear fusion energy technologies (ITER)**

Commission will continue in 2017 to develop and promote the ITER project aiming at demonstrating, the feasibility of fusion as a low-carbon, viable and secure source of energy.

As project delays and cost overruns have materialized during the last years, the Commission will seek a mandate from the Council of the EU for the Commission to approve the new Baseline on behalf of Euratom. The new Baseline covering the scope, schedule and cost of the project would foresee achieving First Plasma in December 2025.

The Commission is also working to enhance its strategy to improve the governance of the ITER project and in particular the supervision of the Joint Undertaking Fusion for Energy (F4E). The Commission will carry out a mid-term review on the use of the Euratom contribution by the Joint Undertaking for Energy (F4E).

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Tapping the job and growth potential of the energy sector and further developing energy technologies (Horizon 2020), including ITER and the safe and secure use of nuclear energy.</b>		Related to spending programme(s): ITER
<b>Main outputs in 2017:</b>		
<b>Important items from work programmes/financing decisions/operational programmes</b>		
Description	Indicator	Target
<i>Improving the supervision of F4E</i>	<i>New Administrative Agreement with F4E</i>	<i>Q2-Q3 2017</i>
<b>Other important outputs</b>		
Output	Indicator	Target
<i>Approval of the new baseline for ITER PLAN/2016/492</i>	<i>Adoption</i>	<i>Q2 2017</i>
<i>F4E mid-term review: "Progress report on the implementation of the Euratom contribution to the Joint Undertaking</i>	<i>Report from the Commission to the European Parliament and to the Council</i>	<i>Q4 2017</i>

***Specific objective 6. Implementation and follow-up on the overall Energy Union strategy***

In 2017, DG ENERGY is expected to play a central role in the implementation of the Energy Union. Several initiatives are foreseen for 2017 to contribute to the achievement of the specific objective 6 of DG ENERGY 2016-2020 Strategic Plan.

Following the adoption of the Regulation on the Governance of the Energy Union as part of the "Clean Energy for All Europeans" package, efforts will have to focus on accompanying the development of the National Integrated Energy and Climate Plans. The swift development of those plans is crucial to provide the necessary stability and predictability to economic operators and to confirm the EU's leading role in the fight to climate change, promoting further market integration and the common achievement of EU-level targets.

In anticipation of the entry into force of the Governance Regulation, DG ENERGY will continue to work informally with Member States in the preparation of the draft Integrated National Energy and Climate Plans, notably via the coordination of dedicated Technical Working Groups and technical assistance. At the same time, DG ENERGY will prepare policy observations to Member States on the implementation of the Energy Union, to be adopted as part of the State of the Energy Union.

By 2017, most of the initiatives included in the Roadmap of the Energy Union will have been unveiled. DG ENERGY will therefore need to strengthen its policy and negotiating capabilities to ensure that all proposed initiatives are timely adopted and in a coherent way. By the end of 2017, progress made on the five dimensions of EU overall energy framework will be assessed again in the context of the third State of the Energy Union to which DG ENERGY will be a main contributor.

Within DG ENERGY, during 2017 a focus will be put on ensuring policy coherence<sup>13</sup> of the interlinked elements in the inter-institutional negotiation of the proposals under the "Clean Energy for All Europeans" package. DG ENERGY will also reinforce planning, monitoring and reporting arrangements in order to ensure that the intended purposes are timely achieved, with regard to both the policy dimensions and the operating dimensions. Moreover, efforts will continue to support the deployment of financial instruments as enablers of the adopted package.

Economic expertise and energy market-related statistics and analysis will continue to play a key role. DG ENERGY's Energy Markets Observatory ensures the collection

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<sup>13</sup> This section also covers the former ABB activity 'Policy Strategy and Coordination' that aims to develop and define DG Energy policies, including support to their coherent preparation and implementation. These activities contribute to specific objective 7 of the Strategic Plan on the "Implementation and follow-up on the overall Energy Union strategy". More particularly, these support political steer the different policy areas of the DG and prepares particularly mid- and longer term policy developments.

of multiple sources of best available energy market data to support European energy policy and internal energy market policy development.

Legal support and advice, revision of legal texts and management of infringements as well supporting the implementation of better regulation practices within the DG, such as the use of evaluations and impact assessments, will remain crucial work streams.

<b>Relevant general objective: A resilient Energy Union with a forward looking climate change policy</b>		
<b>Specific objective: Implementation and follow-up on the overall Energy Union strategy</b>		Related to spending programme(s): NO
<b>Main outputs in 2017:</b>		
<b>Other important outputs</b>		
Output	Indicator	Target
<i>2<sup>nd</sup> State of the Energy Union (SG in the lead) 2016/SG+/008</i>	<i>Adoption</i>	<i>Q1 2017</i>
<i>Updated Analysis on the Key Energy Union indicators (Staff Working Document) Covered by 2016/SG+/008</i>	<i>Adoption</i>	<i>Q1 2017</i>

## PART 2. MAIN ORGANISATIONAL MANAGEMENT OUTPUTS FOR THE YEAR

This section covers the work of the back office, horizontal services within the DG: human resources management, budget and financial management, informatics and logistics, and information management. The aim of these services is to provide high quality administrative support, advice, assistance, control and monitoring of resource use.

This section also covers internal audit advice. This activity is designed to assure soundness of internal controls and financial and operational management, as well as accounting and reporting systems.

<b>Objective (definition): Ensuring horizontal organisational management</b>		
<b>Main outputs in 2017:</b>		
Output	Indicator	Target
<i>Delivery rate (adoption by the College) of DG ENERGY major initiatives included in the Energy Union Roadmap (source: Updated Roadmap for the Energy Union – November 2015<sup>14</sup>).</i>	31/12/2016 100% (15 out of 15, analysis undertaken by DG ENERGY A1)	> 90 % (2016)
<i>% of Parliamentary written questions on energy replied to within the deadline set by the General Secretariat (DG ENERGY A2)</i>	25/10/2016 53,6% (97 out 181 closed cases replied to within the deadline set by SG)	>90 %
<i>% of access to documents requests replied to within the official deadline (Source: GESTDEM application).</i>	31/12/2015 >85% (2016, analysis undertaken by DG ENERGY A1)	100 %
<i>Timing of the impact assessments % of IAs/evaluations completed by 31/12 according to timetable set (DG ENERGY A4)</i>	In 2016  100%	100%
<i>Quality of the impact assessments  % of resubmissions of overall IAs submitted</i>	In 2016:  62 % (5 out of 8)	50% (Commission average)

<sup>14</sup>[http://ec.europa.eu/priorities/energy-union/state-energy-union/docs/annex1-communication-state-energy-union\\_en.pdf](http://ec.europa.eu/priorities/energy-union/state-energy-union/docs/annex1-communication-state-energy-union_en.pdf)



<i>to RSB</i>		
<i>Quality of the impact assessments</i>	<i>First measurement in 2016</i>	<i>100%</i>
<i>% of IAs supported by an evaluation</i>	<i>100 % of those to which the new rules applied</i>	

#### ***A. Human resource management***

In 2016, DG ENERGY carried out a complete overhaul of the existing energy acquis with the adoption of legislative proposals in all main areas of the EU energy policy.

In 2017, DG ENERGY will continue to carefully manage its workforce in a context of limited human resources so as to deliver successfully on President Juncker political priorities. DG ENERGY will have thus to align its resources as well as its technical expertise in the key areas to the development of a resilient Energy Union. This alignment is crucial for the forthcoming inter-institutional negotiation on the one hand and to ensure a proper enforcement and implementation of the large number of legislative proposals adopted in 2016 on the other hand.

Another key component of the Energy Union will be its Governance. The implementation of this proposal will require the establishment of a new and intense process between the Commission and Member States with a view of defining, reporting and monitoring progress towards the 2030 energy and climate targets as well as providing a new institutional framework fit for the implementation of the Energy Union Strategy.

DG ENERGY has also analysed the results of the 2016 Staff Survey and has identified the areas where action is needed: learning and development, internal communication and the working environment in Luxemburg.

All those activities will notably require the reinforcement of the dedicated teams within DG ENERGY. To that end, DG ENERGY 2017 staff allocation, recruitment and talent management will be based on an HR management strategy launched in 2016 as stipulated in last year management plan and strategic plan. This HR strategy will tackle the following HR topics:

- Address the organisational fitness of the DG mainly in terms of organisation chart benchmarks and the share of its administrative support taking however into consideration the specificity of the nuclear domain.
- Promote female representation at management level to meet DG ENERGY targets. In particular, DG ENERGY will request Deputy Heads of Unit functions with the objective to select the next generation of middle managers, with specific actions to attract and encourage potential female candidates.
- Replace outgoing staff (retirements and mobility) by selecting profiles with a solid general knowledge of energy as well as specialised energy profiles in different sectors and markets such as infrastructure, financing, renewables,

energy efficiency and nuclear specialists, notably via dedicated competitions, while at the same time promoting career progression within the DG. For the nuclear domain, an open competition for administrators in the field of nuclear energy for both nuclear safeguards inspectors and policy officers has been launched at the end of 2016.

- Stimulate a dynamic both ways internal communication, i.e. by promoting top-down and bottom-up interactions and events.
- Create the working conditions to benefit from the support of an engaged, flexible and versatile staff by promoting the fit@work programme, organising charity and volunteering events, extend the physical activity offer and organising regular debriefing sessions and events. A better workload distribution will also help improving the staff satisfaction. Finally, specific attention will be given to raising the awareness of managers on issues connected with staff-well-being and engagement, e.g. respectful workplace and prevention of psychosocial risks in the workplace.

To that end, DG ENERGY will continue the established good practice: female members will be included in all recruitment panels. The current status of female representation in middle management functions and the targets will be provided to the senior management at least every year quarter and when a middle management post becomes vacant. Specific actions will be organised to encourage female colleagues to apply for management positions, empower and help understand how to best use their talents, and enhance confidence, visibility and recognition for women in the male dominated fields, in particular nuclear.

Further to that, the HR Modernisation project will be implemented according to the Communication on Synergies and Efficiencies of April 2016. It will make changes to the way that HR services are delivered. HR services will be delivered by an Account Management Centre (AMC) inside DG HR. Each DG will have an HR Business Correspondent, responsible for defining HR strategy and taking HR decisions, in consultation with the management of the DG, as well as ensuring that the DG gets the HR service it needs, in cooperation with the AMC.

DG ENER will move to the new way of working in 2017. DG ENER will be supported by AMC2 which will serve the following group of DGs: AGRI, EAC, ENER, MARE, MOVE, RTD and SANTE.

**Presentation of main outputs for organisational management:**

**Objective (definition):** The DG deploys effectively 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.

**Main outputs in 2017:**

Output	Indicator	Target
Meet DG HR organisation fitness benchmarks: reorganisation	Entities size; level of share of administrative support.	DG HR benchmarks (except Directorate E)
Effective use of HR allocation: staff allocated according to political priorities	Breakdown of political priorities/staff – Manplan.  Non-recuperable overtime per entity	Balanced non-recuperable overtime in the DG
Address the issue of staff outflow (mainly LUX retirement)	Organisation of open competition in nuclear domain.	Launch the competition by mid-2017
Meet gender-balanced management targets: gender neutral vacancy notices, female members at panels, relevant statistics provided to DG and senior management	Percentage of panels including female members.	100%
	Statistics on female representation provided to DG	Quarterly and when management positions become vacant.
Actions to enhance confidence, visibility and recognition for women and encourage potential female candidates on management functions	Events organised (Brussels + Luxembourg)	At least 1 + 1 in 2017
	Number of female representation as Deputy Head of Unit	At least three
Awareness raising sessions on well-being at work.	Lunchtime conferences	At least 2 in 2017
Targeted information to managers on issues connected with staff-well-being and	Number of thematic information campaigns sent to managers on staff well-being and engagement issues	3 in 2017

<i>engagement, prevention of psychosocial risks in the workplace.</i>	<i>e.g. Learning &amp; Development Plan per Unit</i>	<i>By 31 December 2017</i>
	<i>Reinforced communication with Senior Management</i>	<i>6 events with Senior Management (e.g. lunchtime conferences)</i>
	<i>Improvements in the working environment in Luxemburg</i>	<i>Awareness raising training for Managers on the importance and benefits of creating a respectful working environment</i>
<i>Lunchtime conference on Ethics.</i>	<i>Number of events</i>	<i>At least 1 in 2017</i>
<i>Staff events (e.g. to discuss DG ENERGY challenges, DG Away Day, etc.)</i>	<i>Timely organisation of the events</i>	<i>At least 2 in 2017</i>

### ***B. Financial Management: Internal control and Risk management***

The overall objective for 2017 will be to plan, implement, monitor and report on the spending of financial resources in compliance with the sound financial management principle and that the control procedures put in place provide the necessary guarantees concerning the legality and regularity of the underlying transactions, including prevention, detection, correction and follow-up of fraud and irregularities.

As far as internal control is concerned, the current Internal Control framework is in the process of revision at the Commission level. The new framework should enter into force in 2017. DG ENERGY internal control related activities and processes will then adapt to this new logic.

In line with the control objectives outlined in the Strategic Plan 2016-2020, DG ENERGY intends to deliver in 2017 the below described outputs.

**Presentation of main outputs for organisational management:**

**Objective 1 (definition): Effective and reliable internal control system giving the necessary guarantees concerning the legality and the regularity of the underlying transactions.**

**Main outputs in 2017:**

Output	Indicator	Target
<i>Estimate of the proportion of expenditure authorised during the year for which the AOD is not in position to provide assurance on its legality and regularity after full operation of ex-ante and ex-post controls.</i>	<i>Estimated Residual Error Rate for grants (H2020, FP7 and EEPR programmes)</i>	<i>Below 2%<sup>15</sup></i>
<i>Amount at risk: value associated with the part of the expenditure deemed not to be in conformity with the applicable regulatory and contractual requirements after application of controls intended to mitigate compliance risks.</i>	<i>Estimated overall amount at risk for the year for the entire budget under the DGs responsibility</i>	<i>No target</i>
<i>Recoveries and financial corrections stemming from the ex-post controls that will be authorised by the AOD.</i>	<i>Estimated future corrections</i>	<i>Overall corrections implemented address the overall amount at risk</i>
<i>Effectiveness of controls carried out.</i>	<i>Number of exceptions and non-compliance events</i>	<i>Reduce compared to baseline year (2016 – 14 non-compliance and 2 exception events)</i>

**Objective 2 (definition): Effective and reliable internal control system in line with sound financial management.**

**Main outputs in 2017:**

Output	Indicator	Target
<i>Positive overall conclusion on the relationship between cost of controls and their</i>	<i>Conclusion reached on cost effectiveness of controls</i>	<i>Positive overall conclusion</i>

<sup>15</sup> Overall, based on the prior years' results and the complexity of the FP7 rules, the residual error rate may be expected to remain around 3% over the course of the programme.

<i>effectiveness.</i>		
<i>Timely execution of payments.<sup>16</sup></i>	1. <i>Net average time to pay</i>  2. <i>Percentage of payments on time</i>	<i>Below the legal deadlines</i>  <i>In the range of 95% - 100%</i>
<i>Budget execution (commitments)</i>	<i>% of budget execution (commitments) with respect to budget appropriations</i>	<i>In the range of 95% - 100%</i>
<i>Budget execution (payments)</i>	<i>% of budget execution (payments) with respect to budget appropriations</i>	<i>In the range of 95% - 100%</i>

**Objective 3 (definition): 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:**

Output	Indicator	Target
<i>Implementation of the anti-fraud strategy as planned for 2017</i>	<i>% of implementation of actions planned for 2017 in the anti-fraud strategy</i>	<i>100%</i>
<i>Adoption of a revised anti-fraud strategy for 2018-2019</i>	<i>Date of adoption of the revised anti-fraud strategy</i>	<i>Before 31.12.2017</i>
<i>Reporting to Management</i>	<i>Number of reports on the implementation of the anti-fraud strategy</i>	<i>At least twice a year, in the bi-annual report to the Commissioner.</i>

DG ENERGY revised its antifraud strategy for the last time in October 2015. The Strategy will be updated in the second half of 2017. The actions for 2017 focus on complementing the awareness raising activities that were started in 2016.

<sup>16</sup> The indicators related to time-to-inform and time-to-grant for DG ENERGY are not key as the amount of new grants is immaterial.

### C. Better Regulation

DG-ENERGY fostering a Better Regulation culture from the policy design phase to implementation. A thorough REFIT evaluation of the performance of the energy acquis' planning and reporting obligations for MS was carried out in 2016<sup>17</sup>.

The main planned outputs linked to the Better Regulation objective in the Strategic Plan are listed in Part 1 under the relevant specific objective. They are presented in the tables under the headings "All new initiatives and REFIT initiatives from the Commission Work Programme" and "other important items".

In terms strengthening DG ENERGY's horizontal preparedness for ensuring robust and sound, better regulation, the analytical tools of the DG will continue to be improved. This includes the development and improved accessibility of energy market data and statistics (e.g. the dashboards of energy market data now available to all colleagues in the DG). It also includes ongoing improvements to the economic modelling capability of the DG, including collaboration with the JRC, to ensure the modelling analysis which is a critical part of current and future impact assessments and evaluations.

#### Improvement and augmentation of the analytical and evidence base for better policy development and regulation.

##### Main outputs in 2017:

Output	Indicator	Target
<i>Improved access to current market data</i>	<i>Greater use of facts and figures in briefings and speeches to improve accuracy</i>  <i>Delivery of related studies on market price development (inc. OTC) and cost of security of supply disruptions</i>	<i>Increased use of dashboards by staff</i>  <i>Launch of studies in accordance with calendar</i>
<i>Closer collaboration with JRC &amp; Eurostat</i>	<i>Revision of or compliance with the MoUs of Eurostat and JRC</i>	<i>Confirmation of satisfactory delivery of MoU work</i>

<sup>17</sup> Most notably, to prepare the ground of the legislative initiative on the streamlining of planning and reporting obligations in 2016, DG ENERGY has undertaken a comprehensive evaluation of existing planning and reporting obligations in the EU energy acquis in the form of a Fitness Check has allowed identifying overlaps and unexploited synergies. This initiative has created the conditions, under the Governance initiative, for the reduction of unnecessary administrative burden in line with the better regulation agenda and for the alignment of planning and reporting requirements with the Energy Union Framework Strategy.

<i>Enhanced economic modelling capability and further use of modelling analysis in evaluations &amp; preparation of better regulation</i>	<i>Use of modelling analysis in reports reviews, evaluations and impact assessments</i>	<i>Increased reference to modelling results in relevant documents</i>
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#### ***D. Information management aspects***

##### **Presentation of main outputs for organisational management:**

Information Management (IM) was marked as one of the organisational priorities in the Commission in 2016. The work in this area was launched in 2016 with a Commission Communication on the topic and a policy at DG level. In 2017, DG ENERGY will start to implement the policy.

Data and information should be complete, reliable, relevant and easy to retrieve (Strategic Plan Indicator 1). In order to maintain the target of less than 5% documents unfiled, a regular monitoring will be carried out by the SRD throughout the year. An exhaustive quality control on the electronic files to check their completeness, accessibility, preservation and security requirements will be carried out when files are closed.

Data, information and knowledge should be shared as widely as possible within the Commission (Strategic Plan Indicator 3) unless there are legal requirements or clear justifications for access to be restricted, in which case these restrictions should be enforced rigorously and uniformly.

The basis for improvement on sharing documents will be settled at the moment of files creation. Whenever a new file is created in DG ENERGY, the Chef de File will be prompted to possibly identify a relevant Service to which the file can be open. At the end of the year, at least 5% of the files created in 2017 should be accessible to other Services.

Awareness actions launched in 2016 will be continued: the section on information management included in the resource management reports addressed to Senior Management will be maintained and provided twice a year. Also, the E-Domec correspondents' network in DG ENERGY, revamped at the end of 2016, will be actively animated via workshops and meetings. A collaborative space for communication with the E-Domec correspondents will be launched during the second quarter of 2017 and animated throughout the year.

The new approach of the Commission towards sharing data and information must go hand in hand with a clear improvement of security measures for managing sensitive information. The awareness campaign on sensitivity carried out in 2016



was focused on the creation of documents (markings). To go further, the actions for 2017 will focus on reassessing the markings at the closure of files.

A new centralised intermediate archive will be created in the DG premises. Registered files in ARES will be assessed centrally at the closure of files and any file containing paper will be transferred to the central intermediate according to their preservation requirements. The space will allow the storage of sensitive information.

These actions will be complemented by the launch of an awareness and guidance campaign for a better use of electronic workflows (e-signatory) that should reduce future paper storage.

DG ENERGY is currently developing an electronic reporting system under the new Governance Regulation of the Energy Union, which will ensure that all progress reporting related to the new integrated national energy and climate plans will be done through a single, streamlined tool. While in 2016 the underlying platform has been developed, 2017 will see a test phase of the new system (internal and external by MS) in order to ensure its functionality and provide stakeholders the opportunity to test the system and give feedback.

<b>Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable.</b>		
<b>Main outputs in 2017:</b>		
<b>Output</b>	<b>Indicator</b>	<b>Target</b>
<i>Documents are retrievable in ARES and properly filed - staff has easier access to information</i>	<i>Percentage of registered documents that are not filed</i>	<i>To be maintained below 5%</i>
	<i>Percentage of HAN<sup>18</sup> files shared with other Services</i>	<i>At least 5% of files created in DG ENERGY after 01/01/2016 opened to relevant services by the end of the year</i>
	<i>Percentage of HAN files to be readable / accessible by all units</i>	<i>To be maintained above 95%</i>
<i>Section on information management included in the resource management reports to senior management awareness</i>	<i>Two reports including an IM section</i>	
<i>E-signatory - better use of electronic workflows, to reduce errors caused by the double circulation</i>	<i>Launch an awareness and guidance campaign to increase the number of registered documents with a fully approved e-signatory (no paper circulation in parallel).</i>	<i>Q2 2017</i>

<sup>18</sup> Hermes/Ares/Nomcom

<i>and to reduce paper storage in eligible cases.</i>		
<i>A centralised intermediate archive ensures physical security of information and a systematic control of files content at the end of their activity.</i>	<i>Creation of a DG centralised intermediate archives</i>  <i>Implement a systematic procedure for closing files including :</i>  <i>- Quality control of electronic files to be closed including preservation requirements and accessibility</i>  <i>- Physical transfer of paper files to the DG intermediate archives.</i>	Q4 2017
<i>Consolidation of the E-Domec correspondents network – awareness and communication</i>	<i>At least two specific workshops to be carried out in 2017</i>  <i>Launch of an E-Domec correspondents collaborative space for communication</i>	Q4 2017  Q2 2017

### ***E. External communication activities***

The objective of DG ENERGY's communication actions in 2017 will be to efficiently and effectively contribute to making the Energy Union a reality within the context of the whole set of Commission's priorities. Online fact-based communication will be given priority, in complement to a number of high-profile stakeholder consultation events (e.g. Citizen's Energy Forum, EU Sustainable Energy Week, Energy Infrastructure Forum) to be organized throughout the year in order to bring forward the DG's policy action.

In 2017, the emphasis will be on the consumer-related aspects of EU energy policies, so as to show the concrete benefits that they bring about - thus contributing to improving citizens' perception of the EU work. The main communication topic will be the creation of a resilient Energy Union with a forward looking climate change policy, in order to ensure affordable, secure and sustainable energy for household and business alike, strengthening Europe's competitiveness and stimulating investments in order to create jobs. Priority will be given to joint communication actions with other DGs within the Jobs, Growth and Investment, and the Energy Union project teams. The following specific communication activities are going to be prepared in this respect:

- The EU Sustainable Energy Week (Sustainable energy for Jobs and Growth), mainly contributing to Specific objectives 3, 4 and 5.
- The Citizens' Energy Forum (London Forum), mainly contributing to Specific objective 2;
- The Electricity Regulatory Forum (Florence Forum), mainly contributing to Specific objective 2;

- The European Gas Regulatory Forum (Madrid Forum), mainly contributing to Specific objective 2;

DG ENERGY communication activities are going to focus on: increased data visualization, growing social media presence, stronger web content production with 'energy stories', shorter audio-visual products, and a more coordinated approach among all the Commission's services.

The objective of DG ENERGY's communication actions in 2017 are in line with the EC Corporate Communication Campaign approach focused on cost effectiveness, efficient, relevant and coherent brand and approach. Commission's web analytics tool Piwic is going to be used for using specific objectives of the management plan

**Objective: 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.**

**Main outputs in 2017:**

Output	Indicator	Target
<i>Direct reach of the DG communication actions via websites</i>	<i>Number of unique visitors to the websites,</i>	<i>(increase of approx. 2-3.0% compared to 2016)</i>  <i>There is 3.918.569 visits in 2016 compared to 3.865.275 increase of 1.38%.</i>

**For external communication overall spending:**

**Annual communication spending** (based on estimated commitments):

Baseline (2016): 1.500.000 Euro	Target (2017): 1.500.000 Euro
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**Indicator: Percentage of EU citizens having a positive image of the EU**

**Source of data:** Standard Eurobarometer

Baseline: November 2014	Target: 2020
<i>Total "Positive": 39%</i> <i>Neutral: 37 %</i> <i>Total "Negative": 22%</i>	<i>Positive image of the EU ≥ 50%</i>

## ***F. Examples of initiatives to improve economy and efficiency of financial and non-financial activities of the DG***

In order to reduce the administrative burden related to the reporting requirements under the new governance system of the Energy Union, DG ENERGY is currently developing an electronic reporting system, which will ensure that all progress reporting related to the new integrated national energy and climate plans will be done through a single, streamlined tool (see section D for more information on this electronic platform).

The new regulation on Governance adopted on the 30 November 2016 already brings together the existing scattered planning and reporting obligations from the main pieces of EU legislation across energy, climate and other Energy Union related policy areas and thereby achieve a major simplification of obligations. It reduces, aligns and updates such requirements, and removes existing duplications. In total, the proposal integrates, streamlines or repeals more than 50 existing individual planning, reporting and monitoring obligations of the energy and climate acquis (integrating 31 and deleting 23). The streamlined political Governance process between the Commission and Member States, with close involvement of other EU Institutions, will align frequency and timing of obligations, significantly enhance transparency and cooperation and thereby bring additional benefits in terms of reducing administrative burden.