



# Management Plan 2020

Directorate-General for Trade

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## INTRODUCTION

The European Commission's Directorate-General for Trade (DG Trade) develops and implements the EU's trade policy in order to help secure prosperity, solidarity and security in Europe and around the globe. Trade policy must deliver sustainable growth and jobs, investment and innovation, and seek to improve conditions for citizens, consumers, workers and self-employed, small, medium and large businesses, and the poorest in developing countries. It shall do so in line with the principles and objectives of the Union's external action and with the external objectives of EU internal policies, while being consistent with the European social model and values, and the climate and environmental objectives.

The EU is among the biggest players on the global trading scene. Trade remains a priority on the political agenda, as stressed by President Ursula von der Leyen in her Political guidelines, in which she states that *“we believe in trade because it works – it accounts for over a third of the EU’s GDP and supports over 36 million jobs. We are the largest exporter of manufactured goods and services and the largest export market for 80 countries. This shows how far and wide our reach goes and how attractive a place Europe is for business.”*

The international context in which trade policy is operating is particularly challenging, as it is affected by several trends such as the rise of geo-strategic rivalries between the US and China, the increasing resort to unilateral measures and economic nationalism, and the crisis of the multilateral trading system and in particular of the World Trade Organization (WTO). These trends, already apparent in the recent past, are further being exacerbated by the Covid-19 crisis. Trade policy has played a role in managing the immediate health crisis and notably ensuring that supply chains are maintained so as to ramp up production. But trade policy will have an even more decisive role to play in the economic recovery coming out of the crisis, particularly in terms of generating economic growth and jobs. As such, trade policy will support the objective of building the EU’s open strategic autonomy.

This management plan sets out how DG Trade will pursue an ambitious agenda in 2020. As set out in its Strategic Plan 2020-2024, DG Trade will pursue in 2020 its DG specific objectives under two of the Commission's general objectives. These specific objectives, together with their link to the general objectives are set out in the figure below.

## **A stronger Europe in the world**

### **Specific objective 1: Lead the reform of the World Trade Organization to preserve rules-based trade**

Upholding a stable and predictable trading environment, and pursuing the reform and strengthening of the World Trade Organization

## **An economy that works for people**

### **Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

Opening markets and creating opportunities for EU companies by implementing existing agreements, assertively pursuing our values and interests, enforcing our rights, and negotiating new deals when the conditions are right

### **Specific objective 3: Protecting EU companies and citizens from unfair trade and investment by making full use of existing Trade Defence Instruments, developing new tools and focusing on enforcement of existing commitments at an EU or international level**

Ensuring fair and open trade by pursuing mutually beneficial trading conditions and combatting unfair competition internally and in third countries

### **Specific objective 4: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence to international commitments on labour and the environment, gender and sustainable supply chains**

Deploying trade measures to contribute to sustainability, including the achievement of Sustainable Development Goals (SDGs) by 2030, the fight against climate change, biodiversity loss, deforestation and other relevant global environmental priorities outlined in the Commission's European Green Deal as well promoting internationally agreed labour standards and human rights

### **Specific objective 5: Improve the acceptance and understanding of EU trade policy, in particular, by ensuring that it is pursued in an open, inclusive and transparent manner**

More engagement and better communication with the European Parliament, the Council and civil society ensuring that trade policy responds to citizens' concerns

## **PART 1. Delivering on the Commission’s priorities: main outputs for the year**

To achieve its specific objectives, DG Trade will seek to deliver in a number of key areas in 2020. DG Trade will also review trade policy to ensure it effectively pursues the EU’s interests.

### **Specific objective 1: Lead the reform of the World Trade Organization to preserve rules-based trade**

**Upholding a stable and predictable trading environment, and pursuing the reform and strengthening of the World Trade Organization**

As reflected in the adjusted Commission Work Programme 2020 (Trade Policy Review, including WTO reform initiative), the Commission intends to lead international efforts and work with partners to reform the World Trade Organization (WTO), strengthening the call for rules that are fair, effective, and enforceable and that create a level playing field for all trading parties. Consequently, every effort must be made to reform the World Trade Organization (WTO) and re-establish it as an effective forum to develop new and appropriate trade rules, ensure their implementation and help to settle disputes.

**Leading the reform of the WTO** will be a top priority for DG Trade, notably on the issues of subsidies, forced transfer of technologies and dispute settlement. DG Trade will launch a broad initiative by the end of 2020 with a view to reaching a comprehensive agreement by 2022. Without prejudice to the EU's final position, DG Trade will focus on three key areas: updating the rule book on international trade to capture today's global economy; strengthening the monitoring role of the WTO; overcoming deadlock in the WTO dispute settlement system.

President Ursula von der Leyen stated in her Political guidelines, “*Multilateralism is in Europe’s DNA. It is our guiding principle in the world. My Commission will keep on championing this approach and ensure that we uphold and update the rules-based global order. We will always look for multilateral solutions and **I intend to lead the efforts on updating and reforming the World Trade Organization.***”

The focus in 2020 will be on reforming the WTO’s three functions:

- rulemaking, through multilateral negotiations on fisheries subsidies and plurilateral negotiations on e-commerce, domestic regulation in services and investment facilitation;
- dispute settlement – focusing on finding a solution to the current crisis around the blockage in the appointment of new members of the WTO's Appellate Body, which hears appeals in trade disputes taken before the WTO, whilst ensuring a temporary mechanism to preserve the two-tier system of adjudication;
- regular WTO work, notably changes to strengthen transparency and to improve WTO committee procedures to make them more effective.

The postponement of the 12<sup>th</sup> WTO Ministerial Conference, due to take place in June 2020 to 2021, because of the COVID-19 crisis has created delays and uncertainty as to how and when outcomes can be delivered and reform proposals presented.

Despite all efforts to avoid the blockage of the dispute settlement system, WTO Members failed to agree to appoint new members of its Appellate Body, making the dispute settlement system unable to function.

In 2020, DG Trade will continue its efforts to resolve this situation, supporting the informal process under the auspices of the WTO General Council. Pending a resolution of the situation, the EU has put in place contingency measures as long as the appointments remain blocked – known as the 'Multi-Party Interim Appeal Arbitration Arrangement'. The interim arrangements maintain two-tier dispute settlement through arbitration, preventing disputes from becoming blocked.

The Commission wants to look at how we can **strengthen our trade instruments**. A Commission proposal to amend the Enforcement Regulation, that is expected to be adopted by the Council and the EP in the second half of 2020, will be the EU's third line of defence to enable sanctions in cases of illegal measures and simultaneous blocking of WTO (and bilateral) dispute settlement.

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

Opening markets and creating opportunities for EU companies by implementing existing agreements, assertively pursuing our values and interests, enforcing our rights, and negotiating new deals when the conditions are right

The more free trade and investment agreements we have in place with countries outside the Union, the more opportunities are created for exporting and importing, including for SMEs. Sales to the rest of the world have become increasingly important for jobs for Europeans. More than 36 million jobs are now supported by exports outside the European Union. On average, these jobs are better paid than jobs in rest of the economy. Moreover, when EU firms in one Member State export, workers in other Member States can also benefit: many firms provide goods and services along the supply chain and benefit indirectly when a final product is sold abroad. As a result, the benefits of trade and investment are spread much more widely than is often realised.

***The multilateral and plurilateral agenda***

The postponement of the 12<sup>th</sup> WTO Ministerial Conference will have an impact on delivering results in this area. Nonetheless, DG Trade will work to advance the EU's objectives as much as possible.

DG Trade will give special impetus to WTO negotiations on **e-commerce** to harness the full potential of data, address barriers and enhance consumer and business trust. The

negotiations cover both goods and services and their aim is to agree on global rules on digital trade.

We will pursue progress in the plurilateral negotiations on **domestic regulation in services**. On 23 May 2019, in a new Joint Statement issued in Paris, a group of 60 WTO Members committed themselves to continue working on the outstanding issues with a view to incorporating the outcome of their work in their respective schedules of specific commitments by the 12th WTO Ministerial Conference. DG Trade will seek to conclude these negotiations as soon as possible.

Following the Council's adoption in October 2019 of the negotiation directives for an **Investment Facilitation** multilateral framework, and the following commitment by 90 WTO Members to work towards an outcome on investment facilitation by the 12<sup>th</sup> WTO Ministerial Conference, DG Trade will continue its efforts to achieve this objective.

Work on the **WTO negotiations on fisheries subsidies** will continue in 2020. DG Trade will work on all parts of the negotiations, in cooperation with DG MARE, stressing the importance of delivering on the mandate. This means prohibiting subsidies which actually contribute to overcapacity and overfishing, as well as eliminating any subsidies to vessels engaged in illegal, unreported and unregulated fishing.

DG Trade will continue to actively promote internationally the **WTO Government Procurement Agreement (GPA)** in 2020. This agreement provides a higher level of clarity and transparency and guarantees equal footing to suppliers, supplies and services originating in GPA Parties in procurement procedures.

With the expansion of the Information Technology Agreement (ITA) on tariffs, which provides duty-free access to IT products now finalised, the focus in 2020 will be on encouraging other WTO members to join the **ITA-2**, ensuring the effective implementation of the agreement by other parties.

DG Trade will reinforce its efforts to encourage other WTO Members to join **the Pharma arrangement**, with the COVID-19 crisis having shown the importance of affordable access to healthcare products on a predictable and lasting basis. It will also actively explore the possibilities for a broader international agreement to facilitate trade in healthcare products.

Due to the **United Kingdom's withdrawal from the EU**, the current EU WTO tariff- rate quotas included in the goods schedule of the Union (setting the level of goods that can be imported at lower tariffs) had to be apportioned between the EU27 and the UK. The Council adopted the negotiating directives for the Commission to negotiate with the relevant WTO members the adjustment of these tariff-rate quotas.

On 20 March 2018, the Council adopted the Commission's recommendation to open negotiations to set up a Multilateral Investment Court to set up a permanent body to decide investment disputes. This court would replace the Investment Court System (ICS) currently contained in the EU's bilateral agreements and the Investor-State Dispute Settlement arrangements that exist in more than 3000 current bilateral investment treaties to which our Member States are party. Discussions are taking place in the United Nations

Commission on International Trade Law (UNCITRAL) and the EU has made submissions which are now the basis for negotiations.

In 2019, the Commission played an active part in setting the agenda for the modernisation process of the **Energy Charter Treaty (ECT)**, a multilateral agreement covering several policy areas related to energy. The Commission is committed to using the modernisation process to bring the investment protection provisions in line with the standards developed under the new investment policy of the European Union since CETA. In addition, the Commission aims to better reflect sustainable energy objectives and to contribute to the objectives of the Paris Agreement. The modernisation negotiations started in December 2019. In 2020, there are three rounds of negotiations planned.

### ***Finalising concluded bilateral and regional negotiations***

On the bilateral and regional front, the EU and **Vietnam** signed the Free Trade Agreement (FTA) and the Investment Protection Agreement in June 2019. It is the most ambitious free trade deal between the EU and an emerging economy to date. The European Parliament gave its consent to both agreements in February 2020. The Council adopted the decision to conclude the Free Trade Agreement on 30 March 2020. The Vietnamese National Assembly ratified the Free Trade Agreement and Investment Protection Agreement on 8 June. The Free Trade Agreement entered into force on 1 August 2020, while the Investment Protection Agreement still needs to be ratified by EU Member States. The Investment Protection Agreement with **Singapore** also still needs to be ratified by Member States before it can enter into force, whereas the Free Trade Agreement with Singapore already entered into force on 21 November 2019.

The Economic Partnership Agreement between the EU and Japan entered into force in February 2019.

**The EU will seek to pursue negotiations in 2020 for an Investment Protection Agreement with Japan, provided that common ground on ISDS procedures can be found.**

As for the **Economic Partnership Agreements (EPA)** with the Africa, Caribbean and Pacific (ACP) partners, 2019 marked a year of expansion for the EU-Pacific EPA, as negotiations were concluded for the accession of Solomon Islands to the EU-Pacific EPA and Samoa started implementing the agreement after its accession was completed at the end of 2018. The accession process of Solomon Islands was completed in the first quarter of 2020.

Trade relations with **Mexico** are strong and currently governed by the Global Agreement (1997). On 21 April 2018, the EU and Mexico reached a political agreement on the negotiations to update the bilateral trade and investment framework and bring it in line with the most ambitious and progressive EU agreements, including comprehensive provisions on labour and environmental protection, climate change, and civil society



involvement. An independent sustainability impact assessment was published in January 2020<sup>1</sup>. The modernised Agreement will create new opportunities for sustainable growth and for the first time provisions include to prevent and combat corruption in trade and investment. The legal revision of the Agreement is close to being finalised. The Commission will subsequently translate the Agreement into all official EU languages and submit it to EU Member States and the European Parliament for approval.

In 2019, the European Union and **Mercosur states** – Argentina, Brazil, Paraguay and Uruguay – reached a political agreement on the negotiations for an ambitious, balanced and comprehensive trade agreement<sup>2</sup>. Current EU bilateral trade with Mercosur already totals €88 billion a year for goods and €34 billion for services. Under this new trade framework, EU companies will benefit from privileged access to a market of over 260 million consumers. EU exporters will gain from progressive tariff cuts that over time will bring European companies yearly savings of more than €4 billion. The agreement will create significant opportunities for sustainable growth in both regions, while promoting high labour and environmental standards and preserving the interests of EU consumers and sensitive economic sectors. The EU and Mercosur are now carrying out the legal revision of the text. The Commission will subsequently translate the Agreement into all official EU languages and submit it to EU Member States and the European Parliament for approval.

### ***On-going negotiations***

Following the adoption by the Council on 13 November 2017 of the negotiation directives<sup>3</sup>, the EU launched negotiations with Chile to modernise the scope of the existing Association Agreement (2002)<sup>4</sup>, including ambitious, comprehensive and progressive trade provisions. The EU has held seven rounds of negotiations with **Chile**, most recently in May 2020. The independent report on the sustainability impact assessment and the Commission position paper has been published in June 2020.

In May 2018, the Council authorised opening negotiations for FTAs between the EU and **Australia** and between the EU and **New Zealand**. DG Trade will seek swiftly to conclude these ongoing negotiations. As of mid June 2020, seven rounds had been held with Australia and eight with New Zealand.

The Commission had also launched negotiations for FTAs with **Indonesia**<sup>5</sup>, **Malaysia**, the **Philippines**<sup>6</sup> and **Thailand**. Only negotiations with Indonesia are being actively pursued

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<sup>1</sup> [Sustainability Impact Assessments](#)

<sup>2</sup> [EU-Mercosur Agreement](#)

<sup>3</sup> [EU-Chile - Negotiation Directives for Modernisation of the Agreement](#)

<sup>4</sup> [EU-Chile trade](#)

<sup>5</sup> [EU-Indonesia trade](#)

for the moment; the other negotiations are paused or suspended for various reasons. A sustainability impact assessment for the negotiations with Indonesia, Malaysia and the Philippines is being undertaken and final reports, together with the accompanying Commission services position papers are due by the third quarter of 2020.

In the EU's immediate neighbourhood, negotiations with **Tunisia**<sup>7</sup> and Morocco for Deep and Comprehensive FTAs (DCFTA) are expected to restart in the second half of 2020. A joint declaration was adopted in June 2019 by the EU-Morocco Association Council calling for the relaunch of DCFTA negotiations with **Morocco**. It is for Morocco to signal to the Commission when they are ready to start these negotiations. In 2020, DG Trade will continue to work with other partners in the Southern Mediterranean region to build on the existing network of FTAs.

In 2020, DG Trade will continue working towards the conclusion of negotiations on the Enhanced Partnership and Cooperation Agreement (EPCA) with **Uzbekistan**<sup>8</sup> and on the new agreement with **Azerbaijan**.

In addition, bilateral and plurilateral negotiation rounds will continue in 2020 towards a new framework agreement with Andorra, San Marino and Monaco, ensuring, along with the Customs Union established with Andorra and San Marino, their integration in the single market and their alignment with the EU's trade policy.

The EU remains committed to strengthening the economic partnership with **India**<sup>9</sup> and to a comprehensive and mutually beneficial India-EU FTA once there is sufficient mutual understanding on the scope and level of ambition. The EU has also expressed readiness to explore the possibility of launching negotiations for a stand-alone investment agreement.

Negotiations with **China**<sup>10</sup> on the stand-alone bilateral investment agreement continue to be a priority with the aim of reaching an agreement by the end of 2020. The agreement was identified as a priority for 2020 at the EU-China Summit in April 2019 and negotiations have intensified ever since.

President Ursula von der Leyen stated in her mission letter to Commissioner Phil Hogan "*I want you to prioritise our trade and investment partnership with **Africa**. The implementation of the African Continental Free Trade Agreement should be seen as a step towards our long-term objective of a continent-to-continent free-trade area between Africa and the EU.*"

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<sup>6</sup> [EU-Philippines trade](#)

<sup>7</sup> [EU-Tunisia trade](#)

<sup>8</sup> [EU-Uzbekistan trade](#)

<sup>9</sup> [EU-India trade](#)

<sup>10</sup> [EU-China trade](#)

In December 2019, the Council adopted **updated negotiating directives** for the negotiations of EPAs with African, Caribbean and Pacific (**ACP**) countries and regions. These updated negotiating directives will make it possible to deepen these agreements in the coming years to cover also services, investment, trade and sustainable development, intellectual property rights, competition policy and public procurement, among other issues, where not yet covered in the existing agreements.

The trend of expansion of Economic Partnership Agreements both geographically and thematically will continue in 2020, with on-going negotiations for the accession of Tonga in the Pacific EPA and the launch of accession negotiations with **Angola** into the SADC EPA.

Economic Partnership Agreements continue to be the corner stone of Africa-EU trade relations and contribute to the on-going African integration projects, including the African Continental Free Trade Agreement (AfCFTA). Upgrading and expanding existing partnerships is part of this priority. Negotiations to deepen the existing EPA with five **Eastern and Southern African** countries (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe), launched in 2019, will continue in 2020. A sustainability impact assessment on these negotiations will be carried out in 2020-2021. By deepening the current trade relations, the EU also seeks to support regional integration within the continent and preparations for making the African Continental Free Trade Area (AfCFTA) operational.

The Commission is also exploring an initiative on sustainable investments in Africa, including possible future negotiations for investment arrangements with African partners either within existing EPAs or separately.

Africa-EU trade and investment relations are an integral part of inter-service work aiming at sharing the EU's integration experience with Africa.

### ***The proposal of new bilateral negotiations***

Once the EU and **Switzerland** have concluded negotiations on the Institutional Framework Agreement, the EU will start preparations for the prospective negotiations to modernise the current basis for trade relations between the two sides. If the political situation allows the Council to adopt the draft negotiating directives submitted by the Commission, negotiations for modernising the Customs Union with Turkey could also start. In its conclusions adopted in June 2019 and reiterated in June 2020, the Council indicated that in the current political context it did not foresee progress in the modernisation of the Customs Union.

The Commission continues its efforts to maintain a balanced and mutually beneficial trade relationship with the **United States** and to identify opportunities to facilitate transatlantic trade between the EU and the US. In this context, the Council of the EU approved two negotiation directives on 15 April 2019 for an agreement; one on the elimination of tariffs for industrial goods and the other on mutual recognition of conformity assessment. A process of engagement to identify further elements of a positive trade agenda follows from the positive meeting between President von der Leyen and President Trump in Davos in January 2020.

An overview of all on-going bilateral negotiations can be found in annex 2.

## **Effective implementation**

The Commission attaches particular importance to proper implementation and enforcement of trade and investment agreements. It carefully monitors the behaviour of its trading partners to be able to move quickly to prevent or rectify discriminatory or disproportionate barriers to trade, such as difficulties in obtaining intellectual property rights, authorisations or licences, or where unfair or unjustified practices are identified. Likewise, through its trade instruments it monitors compliance with relevant international standards for labour rights, climate/environmental protection, and human rights. To that effect, the Commission will continue using and reinforce its implementation and enforcement tools and actions.

DG Trade will continue to focus on maximising the benefits of our trade instruments through proper implementation and enforcement of our trade and investment rights and building on the findings of the evaluation of FTAs already in place. In addition, the Commission will continue to focus on the implementation and enforcement of Trade and Sustainable Development chapters in FTAs, in line with objective 4. The Commission decided to create a dedicated high-level function of Chief Trade Enforcement Officer. The first person appointed to the post took up his duties in August 2020.

Enforcement of the rights stemming from the preferential as well as multilateral trading rules may be achieved through technical, diplomatic and political contacts, negotiation, regulatory cooperation or dispute settlement, at the WTO or bilaterally. This includes comments and follow-up to WTO Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary (SPS) notifications issued by trading partners.

The enforcement of the EU's multilateral and bilateral rights and obligations is done through dispute settlement in the WTO or through bilateral dispute settlement mechanisms. DG Trade will continue to monitor the compliance of WTO members' commitments under their membership.

In 2020, the **FTA Implementation Report** will report on the implementation of the most significant FTAs, giving in-depth ex-post analysis of the effectiveness of EU trade agreements, looking at sectors and Member States, and the impact on the economies of partner countries in selected cases.

The **2020 Report on Trade and Investment Barriers** , adopted in June 2020 presented the overall stock of obstacles affecting EU exports, as well as the main developments in 2019 concerning new and resolved barriers, providing an overview of the status of protectionism worldwide and the EU's efforts to tackle it.

The 2020 **Counterfeit and Piracy Watch List** will be published before the end of the year and report on websites and physical marketplaces outside the EU that are reported to engage in, facilitate or benefit from substantial counterfeiting and piracy.

In February 2020, the Commission published the third edition of the **biennial Generalised Scheme of Preferences (GSP)** Report. The Report shows how EU trade preferences support developing countries integrate into the global economy, creates jobs for their citizens and pursue sustainable development. GSP is especially important for the Least

Developed Countries (LDCs), which enjoyed an increase of 15.3% in their exports to the EU under preferential conditions.

In 2020, DG Trade will continue to focus on awareness-raising, regular structured exchanges on FTA related activities, on market access and on the sustainable development side, and SME internationalisation. With regard to trade promotion activities, DG Trade will encourage Member States to strengthen their actions, share best practice and prioritise countries where we have recently concluded agreements or anticipate doing so in the next 12 to 18 months. The Commission is working on a new web portal called Access2Markets. It will merge the two existing information sources– the Market Access Database and the Trade Helpdesk – and will become the single entry point for information on importing and exporting. To facilitate implementation of FTAs the new portal will have a Rules of Origin Self Assessment Tool (ROSA). ROSA will help companies to determine whether their product meets the criteria for preferential rules of origin treatment. Access2Markets is due to be launched in autumn 2020.

More specifically, in relation to individual bilateral agreements, DG Trade monitors the implementation of the various agreements that have entered into force or are provisionally applied. In 2020, the Commission will continue to focus on ensuring the smooth and effective implementation of the Free Trade Agreements with **South Korea, Canada, Japan, Singapore** and also **Vietnam**, which entered into force on 1 August 2020. This includes identifying and following-up on implementation issues, ensuring that committees meetings take place on a regular basis and that their outcomes are promptly followed-up. The Commission will continue to develop new and improved tools that provide practical information for European exporters to make full use of the potential of the agreements and to continue to reach out to stakeholders and the wider public to promote their use.

DG Trade will continue to pursue the effective implementation of the Agreements the EU has with **Mexico, Chile, Colombia/Peru/Ecuador** and **Central America**, including through the management of the respective Association or Trade Committee and specialised committees. DG Trade will continue to monitor and ensure compliance of these countries of all their trade obligations, whether of a bilateral or multilateral nature, promote the agreements, and plan joint activities and projects to support their effective implementation. The impact of certain trade agreements will also be reviewed as the Agreements with Colombia, Peru and Ecuador and with Central America will, starting in 2020, be subject to ex-post evaluations. In addition, DG Trade will continue to manage bilateral trade relations with Latin American countries, including with those where there is no bilateral trade agreement in place to develop trade and investment relations and to ensure that WTO trade commitments are respected.

DG Trade also continue to monitor the implementation of the DCFTAs with **Ukraine, Georgia and Moldova**. For each DCFTA, the overarching Association Agreements with these countries provide a dedicated configuration of the Association Committee to discuss trade issues and four specialised sub-committees. The ex-post evaluation of the trade pillar of these agreements (DCFTAs) with Georgia and Moldova will be launched in 2020.

The efforts and results of the implementation work and evaluation will be reflected in the general report on FTA implementation.

In the margins of the fifth Eastern Partnership summit in Brussels on 24 November 2017, **Armenia** and the EU signed a new Comprehensive and Enhanced Partnership Agreement (CEPA). This agreement entered provisionally into force on 1 June 2018. CEPA implementation work will continue in 2020.

With **Southern Mediterranean countries**, efforts are ongoing to improve the efficiency of Sub-Committees under the Association Agreement and ensure annual Trade Sub-Committee meetings effectively tackle all trade-related issues. DG Trade will continue to press these partners to remove trade-related barriers, while also aiming to help them taking better advantage of the existing preferential market access, in particular through trade-related assistance and capacity building.

An ongoing evaluation of the trade pillar of six EU Association Agreements with South Mediterranean countries (Tunisia, Morocco, Egypt, Jordan, Algeria and Lebanon) is expected to be finalised by the end of 2020. This exercise will help DG Trade to better understand the strengths and weaknesses of these first generation agreements and provide useful guidance on improving the effectiveness of their implementation, as well as feed into future DCFTAs with partner countries in the region.

Implementation work on the seven Economic Partnership Agreements (EPAs) with African, Caribbean and Pacific countries (**ACPs**) will continue in 2020, including EPAs with the Eastern and Southern African (ESA) sub-group, the Southern African Development Community (SADC) EPA group, Cameroon, Ghana, Cote d'Ivoire, Cariforum and Pacific EPA countries. This includes management of the relevant joint institutions, ensuring compliance with EPA commitments, as well as monitoring and evaluation, awareness raising, development cooperation and joint activities and dialogues with state and non-state actors on various aspects of the agreements, including trade and sustainable development, as well as raising awareness of the partnerships. An ex-post evaluation of the impact and implementation of the EPA with the Caribbean region will be finalised in 2020.

DG Trade will continue to implement the EU strategy on **China** adopted in June 2016<sup>11</sup> with a particular focus on the comprehensive investment agreement (CAI) (mentioned above), and on intensifying bilateral discussions on trade and investment issues covering China's agenda for economic reforms. EU concerns related to overcapacity (particularly on steel), export controls, level-playing field issues, including the subsidisation of the Chinese economy, Chinese investments in the EU, market access, and intellectual property rights will remain the key priorities in the EU-China trade and investment-related discussions.

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<sup>11</sup>[Joint Communication to the European Parliament and the Council - Elements for a New EU Strategy on China](#)

The Joint Communication of the Commission and the High Representative '*EU-China – A strategic outlook*', published in March 2019, proposed 10 concrete actions, reflecting a more assertive and multi-faceted EU approach to EU-China bilateral relations. In 2020, DG Trade will continue to be involved in implementing the various actions (e.g. working with the Council and the European Parliament towards adopting the International Procurement Instrument, modernising the EU's export control regime, implementing the EU Regulation on the screening of foreign investment, intensifying the bilateral investment negotiations, enhancing WTO reform efforts, addressing the distortions generated by foreign subsidies in the internal market, etc.).

Implementation of the strategy also entails following plurilateral and multilateral discussions at the level of G7, G20, the Organisation for Economic Co-operation and Development and the World Trade Organization, including on issues such as overcapacity as well as the International Working Group on export credits.

DG Trade will continue to work on removing trade barriers through our **Market Access Partnership** with Member States and industry, which creates additional export opportunities of more than € 8 billion each year – equivalent to the benefits of many of our free trade agreements. In the wake of the rise in protectionism detected in the latest Report on Trade and Investment Barriers and in order to contribute in bringing EU economy back on track as a result of Covid-19 outbreak, DG Trade remains committed to reinforce the Partnership, with enhanced prioritisation of actions to remove barriers, strengthened coordination with stakeholders, and wider communication and outreach. For example, DG Trade will continue to organise Market Access Days in Member States with trade experts and industry representatives to identify and overcome the barriers that our companies face in third countries.

DG Trade will continue to address multilaterally and bilaterally a significant amount of regulatory barriers faced by EU exporters. For instance, in the WTO Committee on **Technical Barriers to Trade** (TBT), DG Trade will build on success stories to date and contribute to the withdrawal or modification of trading partners' trade restrictive measures that hamper EU exports.

DG Trade's activities in this area also include its work with the **Sanitary and Phytosanitary** (SPS) Market Access Working Group on identifying and agreeing on a mid- to long-term strategy to tackle SPS measures, the constant improvement of the SPS Market Access Database, including with the access now given to third countries, and the continued financial support to international standard setting organisations (Food and Agriculture Organization (FAO)/International Plant Protection Convention (IPPC), World Health Organization (WHO)/Codex Alimentarius Commission and World Organization for Animal Health (OIE)).

Well-functioning **intellectual property** (IP) systems are a key lever to promote investment in innovation and sustainable growth. Intellectual Property Rights (IPR) infringements worldwide cost European firms billions of euros in lost revenue and put thousands of jobs at risk. IPR infringements also endanger consumers, public health and the environment and contribute to organised crime. DG Trade will continue to use a range of bilateral and

multilateral trade tools to promote solid intellectual property laws and effective enforcement worldwide. It will engage with key trading partners through IP Dialogues and IP Working Groups, as well as through the WTO TRIPS Council, the OECD and other organisations. Following the publication of the Report on the protection and enforcement of intellectual property rights in third countries in the beginning of 2020, DG Trade will publish the second edition of the biennial Counterfeit and Piracy Watch List. It will also continue its engagement in various technical assistance programmes such as the IP Key cooperation programmes for China, Southeast Asia and Latin America or the four-year cooperation programme for Africa.

In the area of **public procurement**, DG Trade will continue to promote transparency, good governance and reciprocity with third countries. In parallel with and in addition to the EU bilateral (FTAs) and plurilateral (WTO GPA) efforts, DG Trade will continue to pursue the establishment of an appropriate EU instrument to ensure openness of foreign procurement markets for EU companies, goods and services (the International Procurement Instrument). This instrument seeks to give the EU leverage to negotiate better access for EU companies to procurement markets outside the EU. As an ultimate measure, it would allow the EU to restrict access of companies, goods and services to the EU procurement market if they are from a country that is proven to apply restrictive or discriminatory treatment against EU companies. Discussions in the Council and the European Parliament will continue in 2020.

In the area of **export controls**, in 2020 the Commission will publish the export controls annual report. The Commission will actively participate in negotiations with the European Parliament and the Council on its 2016 proposal<sup>12</sup> for modernising EU export controls.

The Commission will continue to develop the EU export control network to ensure an effective implementation of controls, e.g. through the development of electronic licensing systems in Member States and the preparation of EU guidelines on industry compliance standards.

DG Trade will continue to enforce the EU's multilateral and bilateral rights and obligations through the **WTO's dispute settlement and through bilateral dispute settlement mechanisms** throughout 2020. It will do this through continued activities in the WTO and in bilateral dispute settlement, already initiated with Korea, Ukraine and the South African Customs Union (SACU).

DG Trade will continue the focus on maximising the benefits of our trade instruments through proper implementation and enforcement of the trade and investment obligations and building on the findings of the evaluation of FTAs already in place.

**Specific objective 3: Protecting EU companies and citizens from unfair trade and investment by making full use of existing Trade Defence Instruments, developing new tools and focusing on enforcement of existing commitments at an EU or international level**

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<sup>12</sup> [Proposal for a Regulation on Dual-Use Goods](#)



Ensuring fair and open trade by pursuing mutually beneficial trading conditions and combatting unfair competition internally and in third countries.

In line with WTO rules, the EU has its own system of Trade Defence Instruments (TDI) to combat unfair trade practices in international trade. The EU is an efficient user of these instruments and applies a number of conditions additional to the WTO rules to ensure their use is measured. The instruments are carefully designed to ensure a level playing field and reintroduce balance in place of distortion. The EU uses trade defence instruments to re-establish a competitive environment for the EU industry when harmed by unfair imports.

The Commission stands firm against unfair trade practices through anti-dumping and anti-subsidy measures. The Commission may also adopt safeguard measures where warranted. This is necessary to uphold the EU's commitment for a Union that protects, empowers and defends.

DG Trade will continue to maintain and improve a transparent, efficient and effective system to combat distortions and unfair trade practices. DG Trade will ensure that procedures are followed rigorously and considers all the relevant Union's interests. Open trade is a recognised engine for growth and job-creation but it requires that fair competition, without distortions, is maintained between domestic and foreign producers. We will continue to complete investigations, which are subject to the scrutiny of the European Court of Justice and the WTO's Dispute Settlement Body, within the mandatory deadlines and endeavour to do so even sooner. DG Trade also actively participates in trade defence investigations by non-EU countries against EU Member States with the aim of minimising the cost for EU exporters.

President Ursula von der Leyen stated in her mission letter to Commissioner Phil Hogan "*I would like you to lead the work on strengthening Europe's ability to protect itself from unfair trade practices. This means making better use of our Trade Defence Instruments, seeking a level playing field in procurement and implementing the new system for screening Foreign Direct Investment.*"

DG Trade will also intensify its efforts to deal with level-playing field issues such as subsidies and the role of State-Owned Enterprises across all sectors, by working closely with other trading partners, as well as in the WTO, the OECD and the G7/G20.

To make sure the EU remains one of the world's most open investment environments and thereby a source of growth and jobs while protecting its essential interests, the EU adopted the screening of foreign direct investment into the EU. It will apply from autumn 2020 and will enable Member States and the European Commission to identify and address security concerns related to specific investments from outside the EU. This becomes all the more important in the economic context flowing from the COVID-19 crisis and Member States have intensified their preparation for the entry into force of the screening mechanism.

DG Trade will also continue contributing to the work led by the Executive Vice-President for a Europe fit for the Digital Age to design a new instrument to address the distortive effects of foreign subsidies in the internal market.

The newly appointed **Chief Trade Enforcement Officer** further underlines the increasing focus of DG Trade and the Commission as a whole on implementation and enforcement of the EU's trade agreements (bilateral and multilateral), on breaches of both market access and on trade and sustainable development commitments. The Chief Trade Enforcement Officer will further increase the efficiency of DG Trade's work on enforcement by streamlining internal processes, strengthening coordination within the Commission and enhancing consistency and identifying leverage to address breaches with trading partners. At the same time, the Chief Trade Enforcement Officer is the public face of enforcement and implementation, reporting regularly to the European Parliament, the Council, Member States and stakeholders.

**Specific objective 4: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence to international commitments on labour and the environment, gender and sustainable supply chains**

Deploying trade measures to contribute to sustainability, including the achievement of Sustainable Development Goals (SDGs) by 2030, the fight against climate change, biodiversity loss, deforestation and other relevant global environmental priorities outlined in the Commission's European Green Deal as well promoting internationally agreed labour standards and human rights.

In 2020, EU trade policy will continue to contribute to the Treaty objective of **sustainable development in its economic, social and environmental dimensions** both in Europe and in our partner countries, and to boost inclusive and sustainable growth and reduce poverty in developing countries.

Where necessary, actions will duly reflect the impact of COVID-19, and possible adjustments to working methods as well as the sustainable elements or accompanying actions key for the recovery.

EU trade policy aims to ensure that economic development goes hand in hand with social justice, respect for human rights, high labour standards, and high environmental standards. The EU and its Member States are fully committed to implementing Agenda 2030 and its Sustainable Development Goals into EU policies.

DG Trade will use the trade tools to **support sustainable development**. Every new trade agreement concluded will continue to have a dedicated chapter on trade and sustainable development (TSD) to help promote respect of **labour rights** and protect the **environment and climate** in line with the international commitments. DG Trade will continue to work with the FTA partners to ensure the effective implementation and enforcement of relevant TSD provisions, thereby supporting decent work and the conservation and sustainable management of the environment. DG Trade will continue to develop actions that promote the uptake of these provisions. On the enforcement side, 2020 will see the outcome of the first ever dispute settlement procedure on TSD issues, which was launched in 2018 against South Korea under the TSD chapter of the EU-South Korea Trade Agreement, with the subsequent request for the establishment of a panel of experts.

Joint monitoring actions with other trade partners will continue. Building on the successful pre-implementation initiative for new FTAs, such as Vietnam and Japan, the Commission will continue such efforts for upcoming ones, to ensure a promising start of the TSD chapter at entry into force. The Commission will also continue to pay close attention to core labour standards and in particular to the elimination of child labour in its trading partner countries in line with the zero-tolerance approach outlined in the political guidelines of President Ursula von der Leyen and as part of an overall effort pulling together the different policy areas.

President Ursula von der Leyen stated in her Political guidelines, *“Trade is not an end in itself. It is a means to deliver prosperity at home and to export our values across the world. I will ensure that every new agreement concluded will have a dedicated sustainable-development chapter and the highest standards of climate, environmental and labour protection, with a zero-tolerance policy on child labour.”*

After a debate involving EU institutions, EU Member States and civil society organisations, on 26 February 2018 the Commission services published a *15-Point TSD Action Plan*<sup>13</sup> to make the implementation of trade and sustainable development chapters more effective and to improve their enforcement. In 2020, DG Trade will continue to push ahead with implementing the *Action Plan*. The TSD implementation efforts will continue to be guided by the priorities established for each partner and will rely on an enhanced partnership with Member States, the European Parliament, international organisations and civil society. Since November 2018, a €3 million Partnership Instrument-funded project is available for three years to support civil society involvement in the implementation and monitoring of EU trade agreements.

The Commission will also pursue a stronger link between trade policy instruments (e.g. Generalised Scheme of Preferences, sustainable development chapters in FTAs) and cooperation with the aim of promoting labour rights and environmental protection, including actions on climate. Under the *Trade For Decent Work* project dedicated funding will continue to be provided to the International Labour Organization (ILO) for capacity building on labour rights in key trading partners, including Myanmar and Vietnam.

The Commission will regularly review the implementation of the Generalised Scheme of Preferences (GSP) Regulation. This includes the GSP+ arrangement, which offers additional preferences to developing countries that commit themselves to implementing core international conventions on human rights, labour rights, environmental protection and good governance, and the Everything But Arms (EBA) arrangement, which provides duty and quota free access for all goods from Least Developed Countries (LDCs) except arms and ammunition. In this context, in February 2020 DG Trade published its third biennial Report on GSP to the European Parliament and Council, highlighting the effectiveness of the EU's scheme and providing country assessments. Through missions and high level dialogue, DG

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<sup>13</sup> [Non-Paper on improving implementation and enforcement of Trade and Sustainable Development chapters in FTAs](#)

Trade will continue its enhanced monitoring of a number of EBA countries in 2020, especially Myanmar and Bangladesh. As regards Cambodia, in February 2020 the Commission concluded the withdrawal procedure and the temporary withdrawal of preferences on selected products took effect on 12 August 2020.

In 2020, the Commission will update the list of beneficiaries and graduated partners as foreseen in the GSP Regulation. DG Trade will also start implementing some of the findings of the GSP mid-term evaluation that was finalised in 2018. A project to this end will start in 2020 including increasing engagement, awareness and analysis of GSP related issues. Building on the findings of the evaluation, DG Trade launched an ex-ante impact assessment in 2020 with a view to starting preparatory work on the future GSP Regulation, given that the current one is ending in 2023. A public consultation was also launched to support that process.

The EU will continue to promote pro-actively due-diligence practices for responsible global value chains. DG Trade will proactively contribute to the various strands of work within the EU, including the study concerning due diligence issued in February 2020 under the leadership of DG Justice and the review of the 2014 Non-Financial Disclosure Directive. The Directive requires companies with more than 500 employees to disclose information on policies, results and risks concerning environmental aspects, social and employee-related matters, respect for human rights, anti-corruption and bribery issues. When it comes to trade policy, the EU is negotiating dedicated Corporate Social Responsibility (CSR)/Responsible Business Conduct (RBC) provisions in our trade and investment agreements. Where FTAs are in force, the implementation of these provisions are amongst the EU priorities for nearly every FTA. DG Trade is also working very closely with the OECD and the ILO on due diligence guidelines and following their implementation. DG Trade's priority for 2020 continues to be the implementation of FTA provisions and these guidelines.

In addition, in cooperation with the OECD, the ILO and the United Nations Office of the High Commissioner for Human Rights (OHCHR), the Commission has developed capacity-building and outreach programmes to help developing countries address sustainability challenges, notably with on-going projects under the Partnership Instrument on responsible supply chains in Asia and Latin America.

The Commission will continue actively to promote gender equality through its trade policy, including through its active engagement on the issue in the World Trade Organization. It will continue to gather gender-disaggregated data to ensure that trade-related aspects of gender are adequately addressed in trade agreements and to consider gender impact in trade initiatives.

DG Trade will also ensure that trade and sustainable development is covered in multilateral work in key international bodies and fora, notably in the WTO – the Committee on Trade and Environment, the Committee on Trade and Development, the postponed 12<sup>th</sup> WTO Ministerial Conference actions and statements, and through Aid for Trade. DG Trade will

also provide support and inputs to the UN notably involving the ILO and UNCTAD, the OECD, the World Bank, the G20, etc.

In 2017, the EU adopted a Regulation to ensure responsible **sourcing of tin, tantalum, tungsten and gold** (sometimes referred to as ‘conflict minerals’) to ensure that EU imports do not indirectly contribute to violent conflict and associated human rights abuses along the supply chain, but rather the livelihood of local communities. The requirements on EU importers will apply as of 1 January 2021. In the course of 2020, DG Trade will focus on supporting Member States in ensuring proper implementation of the Regulation based on all the preparatory and supporting initiatives rolled out between 2017-2019.

In terms of the **European Green Deal initiatives** and trade, the Commission will deploy measures and actions to ensure that all relevant EU policies, including its trade policies, should live up to a green oath to ‘do no harm’. At the same time, the Commission will ensure that all green deal initiatives are compatible with the EU’s international obligations, including WTO rules, and that they achieve their objectives in the most effective and least burdensome way. Under the Farm to Fork Initiative and in support of the global transition to sustainable agri-food systems, the Commission will work on addressing animal welfare, the use of pesticides and the fight against antimicrobial resistance in trade relations with third countries.

DG Trade will contribute to international climate and environment actions through its FTAs and GSP instrument. In respect of internal climate measures, DG Trade will contribute to the design of the **Carbon Border Adjustment Mechanism (CBAM)** to ensure that it fully complies with WTO rules.

In the area of **deforestation**, the Commission will propose regulatory measures to avoid or minimise the placing on the EU market of products associated with deforestation or forest degradation. Any measure proposed will also aim to facilitate imports of products and the operation of value chains that are ‘forest-friendly’. Bilaterally, we will continue to prioritise the implementation of TSD sustainable forest management measures with key FTA partners such as Ukraine.

#### **Specific objective 5: Improve the acceptance and understanding of EU trade policy, in particular, by ensuring that it is pursued in an open, inclusive and transparent manner**

More engagement and better communication with the European Parliament, the Council and civil society ensuring that trade policy responds to citizen’s concerns.

To enhance legitimacy and public trust, DG Trade will continue its commitment to ensuring trade policy is transparent and inclusive.

DG Trade will ensure the highest levels of transparency and communication with the European Parliament, the Council, stakeholders and the public. It will publish up-to-date information about trade policy on its website in easy-to-understand language, publish press releases, news items and factsheets, and engage actively on Twitter where it has nearly 50,000 followers. DG Trade has continued holding regular meetings of its Civil Society Dialogue on a range of trade policy issues, and has launched a study looking at how its

current Dialogue operates and how it can support better civil society debate around trade in Member States.

As regards trade negotiations, DG Trade will provide regular briefings to the European Parliament before and after each round of talks; engage with civil society and stakeholders; publish documents at the different stages and ensure easy-to-understand information is available on its website. DG Trade will also use social media to inform the public and stakeholders of policy developments:

- **Before the launch of a negotiation**, the Commission will continue publishing its recommendations for negotiating directives for trade agreements. The publication of these draft negotiating directives allows all interested organisations and individual members of civil society, as well as the relevant parliaments in Member States, to have a better informed discussion on issues of interest and concern right from the start of preparations for a negotiation.
- **During the negotiations**, the Commission will continue publishing its initial proposal for legal texts as well as reports of negotiating rounds with the progress made, to allow all interested stakeholders to follow the development of discussions. It will provide regular briefings to the European Parliament and Council on trade negotiations, before and after each round of talks as requested. Throughout the negotiations, the Commission also engages with stakeholders through regular Civil Society Dialogue meetings that are open to any EU-based civil society organisation, such as non-governmental organisations, trade unions and business organizations from various fields, or national trade associations.

Another important element of outreach to Civil Society is the Sustainability Impact Assessment (SIA) process that is conducted in parallel to any major negotiation.

- **After finalising the negotiations**, DG Trade will continue publishing online the consolidated negotiated text supported by information material explaining the practical results of the negotiations in easy to understand language.

DG Trade is also stepping up transparency efforts during the implementation phase of the EU's FTAs with the publication of agendas and reports of committee meetings. This will be standard practice for all future FTAs. DG Trade also engages with civil society on the monitoring and operation of trade agreements. For this, mechanisms for institutionalised dialogue have been set up in the modernised agreement with Mexico and the agreement with Mercosur, and are also being proposed in negotiations with other countries such as Chile, Australia, New Zealand and Indonesia.

After enough time has passed from the moment the agreement comes into force (usually five years), the Commission prepares and publishes an ex-post evaluation of the effects of the agreement. The results of these ex-post evaluations draw in large measure on input from relevant stakeholders and wider civil society (including an open public consultation). This input is also made public.

Throughout 2020, more engagement and better communication will be an important asset in debunking myths and ensuring that our trade policy responds to citizens' concerns.

Speaking to civil society representatives in Brussels, Commissioner **Hogan** said in February 2020: *“The EU is already the world's most transparent public authority when it comes to trade policy, and we are keen to do even more. This is why I am proud to announce a new set of commitments to step up our transparency efforts. This will further strengthen our global leadership position in relation to shaping a transparent and inclusive trade policy.”*

From 2020, DG Trade will implement this new set of commitments that includes the publication of:

- the Commission's decision authorising Member States to conduct bilateral investment negotiations;
- summary records from the meetings of the Trade Defence Instruments Committee (while excluding business-sensitive information), and;
- Commission recommendations for negotiating directives, not only for preferential trade agreements, as is already the case, but also for non-preferential ones.

These additional measures will further strengthen EU global leadership position in relation to shaping a transparent and inclusive trade and investment policy. In 2020, DG Trade will start publishing detailed statistics on GSP, including on important benchmarks such as vulnerability and utilisation for the countries concerned.

## **PART 2. Modernising the administration: main outputs for the year**

The internal control framework<sup>14</sup> supports sound management and decision-making. It ensures that risks to the achievement of objectives are taken into account and reduced to acceptable levels through cost-effective controls. The COVID-19 crisis has presented particular challenges this year for the way in which we operate.

DG Trade has established an internal control system tailored to its particular characteristics and circumstances. The effective functioning of the service's internal control system will be assessed on an ongoing basis throughout the year and will be subject to a specific annual assessment covering all internal control principles.

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

Objective: DG Trade employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business.

DG Trade's specific objective is to motivate and retain highly qualified staff in order to maintain effective and efficient operation of DG Trade.

The delivery of DG Trade's mission and objectives are closely linked to the resources available and therefore strategic HR planning is imperative. This is why, in addition to our continuous monitoring and analysis, a multiannual DG Trade HR strategy was drawn up for 2018-2020, bringing together a number of forward looking elements drawing from the policy perspective.

DG Trade's HR strategy aims at maintaining a knowledgeable, motivated and healthy workforce and therefore offers opportunities to all categories of staff, in different grades and functions at different stages in their career and both in Headquarters and in EU Delegations.

Being mindful of the continued very high workload in DG Trade and the political sensitivity of DG Trade's agenda, further actions seeking to improve work-life balance, health and well-being continue to be a priority for the coming year. The strategy maps out these objectives in more detail and offers a comprehensive approach to HR support. The strategy looks at key numbers and trends for DG Trade's staff, as well as at the challenges faced in terms of workload and of the nature of DG Trade's activities. It then identifies possible avenues of response, aiming at delivering over the coming years the right people in the right place at the right time in order to achieve successful policy results.

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<sup>14</sup> [Communication C\(2017\)2373 - Revision of the Internal Control Framework](#)



This has been translated into a detailed action plan across five areas ensuring DG Trade:

1. Makes the best use of all our human resources
2. Offers a sustainable and healthy working environment
3. Delivers a modern, networked and inclusive workplace
4. Seeks to manage its talent in way which allows staff to achieve their full potential
5. Benefits from an effective, open and motivated management team by active support of managers at all levels

More specifically, DG Trade will continue to support its commitment to promote gender equality. While we have fulfilled our target of first appointments of female middle management with two appointments, we continue our efforts to ensure a balanced pool of AD staff in 2020 and to work towards our new target set for end of 2023.

Furthermore, as part of its HR strategy, DG Trade continuously analyses and plans how efficiently and effectively it manages its human resources. Each year, DG Trade holds a spring and autumn review, where, together with senior management, the human resource and mobility situation in the DG are assessed and planned for the coming months as well as longer term. This process help DG Trade's senior management to identify any reinforcement or internal redeployments needs of staff. This ensure continuous redistribution of human resources within the DG in so that DG Trade can meet its priorities while at the same time balancing insufficient staff levels and turnover of staff.

Close collaboration and continuous discussions with senior and middle managers enable forward planning and optimisation of human resources needed for implementing DG Trade's policy objectives while at the same time ensuring staff engagement through learning and development, well-being and diversity actions in line with the Commission's talent management, diversity and fit@work policy. In 2020, and in addition to organising trade policy related training events, special focus is being placed on training on management development and well-being which will be supported by appropriate internal communication actions through our Intranet and other tools. This will allow for a smooth implementation of the reorganisation of the DG took effect on 16 July.

The impact of the COVID-19 crisis on the way we work and the subsequent shift to teleworking for most staff for a long period highlighted even further the need for effective and innovative internal coordination at all levels with the DG, reflected for example, in a weekly blog shared with all staff by our Director General.

We are also following up on specific actions to the staff opinion survey 2018 in the form of dedicated working groups in the area of communication and collaboration and career development.

Finally, in 2020, DG Trade will start work for preparing a new HR Strategy 2021-2024, taking into consideration the revision of the DGs priorities and specific objectives as set out in its new Strategic Plan 2020-2024.

**Objective:** DG Trade employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business

**Main outputs in 2020:**

Output	Indicator	Target
Organisation of suitable training courses to ensure that the DG has the skilled, knowledgeable and competent staff required to meet its present and future needs within all categories of staff	Number of trade policy related training courses/lunch time sessions organised in 2020	10 trade policy related training courses/lunch time sessions
	Average number of participants in the WTO Law courses	On average 15 participants per WTO Law course
Contribute to gender equality at all levels of management	Number and percentage of first female appointments to middle management positions	1 first female appointment
Employ a competent and engaged workforce	DG Trade staff engagement index	Maintain/above baseline
Increase the pool of AD women, which could potentially be interested in a managerial position, to ensure gender diversity primarily at middle management level through organisation of pre-management training sessions	Percentage of AD female staff in DG Trade in 2016 19.09%. [source: Clikview -01/01/2016 - % of total staff]	>19.09 %
	Percentage of women in middle management 2017 figures 30% [source: DG Trade HR Dashboard – 1 December 2017 version] [to be updated in December]	≥30 %
	Number of pre-management training sessions organised	2 training sessions with an average of 10 participants
The organisation of health or well-being events for all DG Trade staff in line with the DG TRADE's Action Plan	Number of health or well-being events organised in 2020	2 events
	Average number of participants in the workshops organised during these events	An average of 10 participants in each workshop
Preparation of draft HR Strategy and Action plan for 2021-2024	Approval of draft HR Strategy and action plan by Director-General	2021
Internal communication: regular debriefings for staff on major policy initiatives to ensure staff are well informed of the latest developments in trade policy and major Commission initiatives	The number of debriefings for staff on trade policy developments	4 debriefings
Issue an accessible Daily Trade Press Review to inform staff of how trade issues are reported in	Number of working days on which the Daily Trade Press Review is issued	All working days except during the summer break

the media and what DG trade staff in HQ and delegations are working on with a view to reinforcing the team spirit and motivation with the DG and with staff in delegations		
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## B. Sound financial management

Objective: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions.

DG Trade's specific objective in financial management is to plan, perform, monitor and report on the spending of financial resources with a view to ensure a sound, legal and regular financial management throughout the DG's activities.

Although DG Trade manages a relatively small budget, it does acquire services for economic and impact assessment studies, for organising conferences and negotiation rounds, for IT support, and for legal and other services. These services are generally provided by specialised consultants or service providers through public procurement. In addition, DG Trade also executes part of its operational budget by concluding Pillar Assessed Contribution and Grant Agreements with international organisations.

The budget is mainly implemented through direct management, while part of the contributions to international organisations are implemented through contribution agreements, i.e. indirect management. DG Trade is expected to continue to operate a decentralised financial circuit with counter-weight. All transactions are therefore subject to an independent, ex-ante financial verification. No ex-post function is set up. In addition, a combination of preventive, detective and corrective controls are embedded into the programming and planning, verification, execution and monitoring, management and reporting and communication processes so as to ensure effective mitigation of the financial and management risks.

These include:

- An annual programming exercise and two mid-term reviews of budget implementation and human resource management;
- An up-to-date Finance Manual, complemented by hands-on guidance, local training and references to central guidance;
- An annual assessment of the functioning of the Internal Control Framework in DG Trade.
- Financial circuits designed to ensure compliance with the Financial Regulation;
- Regular accounting controls;
- Formal reporting requirements and hand-over procedures for Authorising Officers by Sub Delegation;

- Detailed management reporting on key human and financial resource related indicators (Resources report and spring and autumn reviews);
- Weekly bulletins on payment delays sent to Administrative Coordination Assistants and Heads of Unit;
- An Administrative Coordination Assistant's network.

**Objective:** The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions

**Main outputs in 2020:**

Output	Indicator	Target
Effective controls: Legal and regular transactions	Risk at payment	remains < 2 % of relevant expenditure
	Estimated risk at closure	remains < 2 % of relevant expenditure
Efficient controls	Budget execution and time-to-pay	remains 100% of payment appropriations and remains above 95% of payments (in number) on time
Economical controls	Overall estimated cost of controls	remains below 10% of funds managed
Effectiveness of controls carried out	Number of exceptions and non-compliance events	Keep stable / reduce
	Number of decisions overriding of controls	Zero
	Source: DG Trade internal Registry	
Effectiveness of controls carried out	No of legal cases following complaints in procurement procedures Source: DG Trade	Zero
Functioning of the internal control system	Conclusion reached on the assessment of the internal control system	The internal control system is present and functioning well
Quality of the internal training sessions on financial procedures	Overall evaluation in the surveys of the internal training sessions on financial procedures	Above 8

### C. Fraud risk management

A combination of preventive, detective and corrective controls are embedded into the programming and planning, verification, execution and monitoring, management and reporting and communication processes so as to ensure effective mitigation of the financial and management risks. These include a DG Trade-specific ethics framework including an anti-fraud strategy, in line with the new Commission Anti-Fraud Strategy, and on which DG Trade intends to increase the level of staff awareness.

DG Trade will raise awareness about fraud, integrity and internal procedures through information events, internal communication and trainings. Furthermore, DG Trade will monitor the implementation of the actions planned for 2020 in the anti-fraud strategy.

**Objective:** The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CAFS)<sup>15</sup> aimed at the prevention, detection and correction<sup>16</sup> of fraud

**Main outputs in 2020:**

Output	Indicator	Target
Raising awareness about fraud and internal procedures	Events to inform about the financial rules and potential areas of fraud	At least once per year
	In TDI context: Organise regular training courses, in particular for newcomers, exchange of experience and best practices	At least once per year
Integrity and compliance	Internal communication and training on ethics, with and special emphasis on conflict of interest, relations with lobbyist, duty of discretion and whistleblowing	At least once per year
Implementation of the anti-fraud strategy as planned for 2020	% of implementation of actions planned for 2020 in the anti-fraud strategy	100%

## D. Digital transformation and information management

Objective: DG Trade is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission.

Concerning data protection, DG Trade systematically ensures that all the IT tools and IT systems developed in house incorporate existing data protection principles, such as privacy by design and privacy by default, including security obligations.

To raise awareness on data protection, the DG Trade Data Protection Coordinator (DPC) will give hands-on specific trainings to all new delegated controllers. Additionally, the DPC will provide tailored data protection sessions upon request, individually, or as a part of unit meetings. Data protection will also be part of the newcomer presentations, at least twice a year. The intranet will be updated on data protection raising awareness on the corporate records and privacy statements that should be used by all staff.

<sup>15</sup> Communication from the Commission 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 176 of 29 April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'.

<sup>16</sup> Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

**Digital Transformation:** Information is a major asset for DG Trade. There is a need to move away from managing documents in a registry-like fashion to managing the whole lifecycle of the information. For that purpose, we need to support collaboration with efficient tools. DG Trade intends to extend the use of current and future corporate tools for information and knowledge management, taking into account its specific security needs. DG Trade is therefore developing a more strategic approach to encourage knowledge sharing and collaborative working, in line with the corporate framework, such as developing a share-by-default approach combined with a need-to-know confidentiality scheme. The objective will be, among others, to identify the information assets of corporate interest that could be shared with other services, notably for transparency obligations.

DG Trade has contributed four fiches to the Digital Transformation initiative, part of the European Commission Digital Strategy (ECDS) see below, together with the reference domain:

1	Access2Markets FTA implementation	Communication and knowledge management
2	Case Management TRON Sherlock Sherpa GSP monitoring	Electronic workflows and communication between the Commission and businesses
3	eLicensing platform	Paperless and cross-border cooperation
4	FDI screening	Electronic transmission and management of classified information

The fiches and the associated projects aim to contribute to modernising the Commission and DG TRADE. To achieve this goal, these activities will abide by the EC Digital Strategy principles that include Digital by Default, ensuring security and privacy, guaranteeing Openness, Transparency and Interoperability, while being user centric and data driven

**Document Management:** Concerning document management, systematic filing of documents in ARES is a prerequisite for the effective and efficient sharing and reuse of the information managed by HAN (Hermes-Ares-Nomcom). It is also important for ensuring a transparent approach to policy making. DG Trade will pursue its strategy of awareness raising and promoting the active use of ARES by all staff and management, together with a systematic monitoring of the use made by all DG Trade departments. A particular focus will be on increasing the registration of financial documentation within ARES based on an analysis of the established document management practices for financial files.

The integration of TRADE IT systems with HAN is another essential area to achieve efficient sharing and reuse of information. After BASIS (corporate briefing tool) and EMT (recording and reporting meetings with external stakeholders), other applications such as PPMT follow the same scheme.

These initiatives should generate efficiency gains, make processes faster and facilitate a more comprehensive use of the HAN tools.

**Objective:** DG Trade is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission

**Main outputs in 2020:**

Output	Indicator	Target
Sharing information and knowledge with third parties	Publish an information system aggregating information supporting imports and exports to the EU with special attention to SMEs	2020
Managing information and knowledge within DG Trade	Operate a Data Warehouse integrating the statistical data supporting negotiations and trade defence cases	2020
Managing information and knowledge within DG Trade	Operate a Service Desk supporting DG Trade's information systems	2020
Managing information and knowledge within DG Trade	Operate a One-stop Shop for collaboration spaces	2020
Using innovative, trusted digital solutions	Degree of implementation of the digital strategy principles by the most important IT solutions	50%
	Percentage of DG Trade's key data assets for which corporate principles for data governance have been implemented	40%
Handling email registration in Ares	Number of emails registered with Areslook	Maintaining the proportion of one-third of the total documents registered in ARES
Better use of electronic workflows, with the reduction of errors caused by the double circulation and the reduction of paper storage	Number of registered documents with a fully approved e-signatory (no paper circulation in parallel).	=/> 90% of registered documents approved in full electronic mode (without paper signatories circulation)
Awareness raising activities on data protection	Percentage of staff attending awareness raising activities on data protection compliance	60% Senior and middle management 30% staff

## E. Sound environmental management

DG Trade takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work.

DG Trade will promote the EMAS corporate campaigns at local level and set local environmental actions to support the Commission to reach its environmental targets in line with the EMAS Global Action Plan 2020<sup>17</sup>. DG Trade will actively participate and promote campaigns focusing on 1) efficient use of resources, namely consumption of energy, water, and paper, 2) raise awareness in the field of smart mobility and 3) focus on waste management. DG Trade commits to review its day-to-day activities in order to identify critical areas and, if detected, to adjust the practice to mitigate or eliminate possible negative impact on the environment.

**Objective:** DG Trade takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work

**Main results and outputs in 2020:**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>
Establish a single point of contact within the DG for EMAS related questions	Creation of Functional Mailbox by DIGIT	1Q
Promoting of all corporate EMAS actions and campaigns	Number of campaigns	100%
Raise awareness about waste generation and resources consumption per building and communicate observed trends to staff, based on verified data from Commission's Environmental Statement (2018 data – per building)	Number of staff informed	100%
Raising staff awareness about EU Mobility week (September) and VeloMai corporate events (May)	Number of staff informed	100%
Introduce a DG-specific office supplies' catalogue, including only 100% 'green items'	Rate of green supplies ordered by the DG	100%
A report on DG Trade's EMAS activities	Ares registration	4Q

<sup>17</sup> Approved by the EMAS Steering Committee on 31/01/2020



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

**MP2019:** DG Trade is continuously fine-tuning its internal arrangements in order to improve the efficiency and economy of its operations. The following two initiatives show how these principles are implemented in DG Trade:

### **Example 1 - HR management**

DG Trade, in its efforts to respond to the external economic and geopolitical challenges, with limited human resources coupled with increased workload, has as part of its restructuring entering into force in July 2020 introduced new flexible ways of working by creating cross DG project teams. A recent example is the project team set up in response to the Covid-19 situation where DG Trade, among other services, was forced to react rapidly with cross DG competences. Additional project teams are in the pipeline to be set up in a further attempt to absorb the effects of this highly sensitive political environment in which DG Trade is operating. At the same time, the set up of project teams will also assist in maintaining a high level of staff engagement as it responds to concerns expressed by staff in the latest staff survey.

### **Example 2 – streamlining financial management**

DG Trade continues to follow-up closely the development of the eProcurement project and pursues the deployment of the ensuing applications as the main driver of efficiency gains in financial management. In 2019, DG Trade fully deployed AGM (IT system devoted to meeting preparation and organisation and notably to handle expert reimbursements) for all its expert and committee groups.

## ANNEX 1: Performance tables

General objective: A stronger Europe in the world		
Specific objective: Lead the reform of the World Trade Organization to preserve rules-based trade		
Main outputs in 2020:		
New policy initiatives		
Output	Indicator	Target
Trade policy review, including WTO reform initiative <i>PLAN/2020/7987</i>	College adoption	Q4 2020
Proposal for a Regulation amending Regulation (EU) No 654/2014 concerning the exercise of the Union's rights for the application and enforcement of international trade rules	College adoption	12 December 2019
	Adoption by the EP and Council	Q3 2020
Other important outputs		
Output	Indicator	Target
Commission Decision a panel for the selection of candidates to be appointed as members of investment courts under EU Agreements <i>PLAN/2019/5362</i>	Commission Decision	Q3 2020
Proposal for a Council Decision on Union position on International Centre for Settlement of Investment Disputes (ICSID) reform <i>PLAN/2020/7534</i>	Commission proposal for a Council Decision	Q3 2020
Proposal for a Council Decision on the Appointment of the Members of the Investment Court System's Tribunal under CETA <i>PLAN/2019/5359</i>	Commission proposal for a Council Decision	Q2 2021
Commission Delegated Regulation amending Council Regulation (EU) 2018/196 establishing additional customs duties on imports of certain products originating in the United States of America <i>PLAN /2019/5959</i>	College adoption	Adopted on 21/02/2020
WTO reform across the three pillars: rulemaking, dispute settlement and regular work	Advancing ongoing negotiations in Geneva	Throughout 2020
Proposals on e-commerce and domestic regulation	Negotiating rounds	Throughout 2020
Investment facilitation	Negotiation rounds	Throughout 2020
Proposal for a Council Decision on the accession of Bosnia and	Commission proposal for a	Q3 2020

Herzegovina to the WTO <i>2012/TRADE/028</i>	Council Decision	
Proposal for a Council Decision on the accession of Serbia to the WTO <i>2012/TRADE/029</i>	Commission proposal for a Council Decision	Q4 2020

**General objective: An economy that works for people**



*Specific objective: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements*

**Main outputs in 2020:**

**New policy initiatives**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>
Opening of negotiations for the modernisation of the EU/Switzerland trade related agreements, and notably the Free Trade Agreement <i>PLAN/2018/4628</i>	Recommendation for a Council decision	Q4 2021 (if the conditions are met)
Signature and conclusion of the FTA and the IPA with Vietnam	Signature of the agreements	30 June 2019
	EP consent to the agreements	12 February 2020
	Council adoption of the decision to conclude FTA	30 March 2020
	IPA ratification in Member States	2024
Progress in the FTA negotiations with Australia and New Zealand	Adoption of negotiating directives by the Council	May 2018
	Launch of FTA negotiations	June 2018
	Negotiating rounds: NZ Negotiating rounds: Australia	2020 2020
Progress in the negotiations of the Modernisation of the trade part of the EU-Chile Association Agreement	Negotiating rounds	2020
Council decision on signature, and conclusion of the modernised EU-Mexico Agreement <i>EEAS PLAN/2019/5296</i> <i>EEAS PLAN/2019/5298</i>	Commission proposal for Council Decisions	Q4 2020
Decision on signature and conclusion of the EU-MERCOSUR Agreement	Commission proposal for Council Decisions	Q4 2020

**Evaluations and fitness checks**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>
 Evaluation of the CARIFORUM Economic Partnership Agreement <i>PLAN/2017/2308</i>	Interim report Final report Staff Working Document	Q2 2020 Q3 2020 Q4 2020
 Evaluation of the trade pillar of six EU Association Agreements with Euromed countries (Algeria, Egypt, Jordan, Lebanon, Morocco and Tunisia) <i>PLAN/2017/1317</i>	Interim report Final report Staff Working Document	Q2 2020 Q3 2020 Q4 2020
Ex post evaluation of the EU-Colombia/Ecuador/Peru Trade	Interim report	Q4 2020

Agreement <i>PLAN/2018/2807</i>	Final report Staff Working Document	Q2 2021 Q3 2021
Ex post evaluation of the EU-Georgia and the EU-Moldova DCFTA Agreements <i>PLAN/2019/6099</i>	Interim report Final report Staff Working Document	Q2 2021 Q3 2021 Q4 2021
Evaluation of the Trade Part of the EU-Central America Association Agreement <i>PLAN/2018/4639</i>	Interim report Final report Staff Working Document	Q4 2021 Q2 2022 Q3 2022

### Public consultations

Output	Indicator	Target
IA for modernisation of trade Agreement/s with Switzerland <i>PLAN/2018/4628</i>	Launch of the study	2020 – if the conditions are met
SIA for Agreement with Turkey	Launch of the study	2020 – if the conditions are met
Sustainability Impact Assessment (SIA) for FTAs with Indonesia, Malaysia and the Philippines	Inception Report Interim Report Final Report Commission Position Paper	Q2 2018 Q4 2018 Q1 2019 Q3-4 2020
SIA for Agreement with Mercosur	Inception Report Interim Report Final Report Commission Position Paper	Q1 2018 Q1 2020 Q3 2020 Q4 2020
SIA for Agreement with Mexico	Inception Report Interim Report Final Report Commission Position Paper	Q4 2017 Q2 2018 Q3 2019 Q1 2020
SIA on Modernisation of EU-Chile Association Agreement	Inception Report Interim Report Final Report Commission Position Paper	Q3 2018 Q4 2018 Q3 2019 Q2 2020
SIA for the FTA negotiations with Australia and New Zealand	Inception Report Interim report Final report Commission Position Paper	Q2 2019 Q2 2019 Q4 2019 Q3 2020
SIA for deepening of EU-ESA EPA combined with ex post evaluation	Inception Report Interim report Final report Commission Position Paper	Q3 2020 Q4 2020 Q2 2021 Q3 2021

### Other important outputs

Output	Indicator	Target
EU-China Investment Agreement	Working towards a conclusion of an ambitious agreement	Q4 2020 –if the conditions are met
Council Decisions related to the implementation of the EU-Japan Agreement for an Economic Partnership, (I.e.on the amendment of the Annex on Motor Vehicles and Parts	Commission proposal for Council Decisions	Q4 2020

Council Decision on adopting the rules of procedure of the Trade Committee under the EU-Singapore FTA	Commission proposal for a Council Decision	Q3 2020
Council Decision regarding the establishment of a list of arbitrators, under the EU-Singapore FTA <i>PLAN/2020/7531</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on establishing the rules of procedure for the Panel of Experts on trade and sustainable development under the EU-Singapore FTA	Commission proposal for a Council Decision	Q3 2020
Council Decision on establishing the list of experts on trade and sustainable development under the EU-Singapore FTA	Commission proposal for a Council Decision	Q3 2020
Council Decision on adopting the rules of procedure of the Trade Committee under the EU-Vietnam FTA	Commission proposal for a Council Decision	Q4 2020
Council Decision regarding the establishment of a list of arbitrators, under the EU-Vietnam FTA <i>PLAN/2020/8274</i>	Commission proposal for a Council Decision	Q4 2020
Council Decisions on signature and conclusion of the Protocol of Accession of Croatia to the Association Agreement with Central America <i>EEAS PLAN/2019/5713</i> <i>EEAS PLAN/2019/5714</i>	Commission proposal for a Council Decision	Adopted on 13 February 2020
Council decision regarding the amendment of Section A to Appendix 1 of Annex XII ( ‘ Government Procurement ’ ) to the EU-Colombia-Ecuador-Peru Trade Agreement <i>PLAN/2020/7973</i>	Commission proposal for a Council Decision	Q3 2020
Council decision regarding the modification of Trade Committee Decisions of EU-Colombia-Ecuador-Peru Trade Agreement to update the arbitrators and TSD experts lists <i>PLAN/2020/7976</i>	Commission proposal for a Council Decision	Q3 2020
Energy Charter Treaty modernisation: update of the substantive investment protection rules <i>PLAN/2018/4770</i>	Adoption of negotiating directives by the Council  Negotiations rounds	July 2019  2020
Enhancement of the EU Turkey bilateral trade relations and the modernisation of the Custom Union <i>2015/TRADE/+035</i>	Launch of negotiations	When conditions are right
Council Decision on amending the	Commission proposal for a	Q3 2020

Customs Annex of the EU-Ukraine AA/DCFTA <i>PLAN/2018/3014</i>	Council Decision	
Council Decision on establishing the list of experts on trade and sustainable development under the EU-Ukraine AA/DCFTA <i>PLAN/2018/3015</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on amending the Services' Annex of the EU-Ukraine AA/DCFTA <i>PLAN/2018/3017</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on Phase 1 on public procurement of the EU-Ukraine AA <i>PLAN/2020/6764</i>	Commission proposal for a Council Decision	Q3 2020
Amendments to the DCFTA with Ukraine, concerning poultry-meat imports into the EU <i>PLAN/2018/4632, COM(2019)268</i>	Launch and completion of negotiations	The negotiations have been completed and the agreement entered into force on 1st February 2020
Council Decision on amending the Services' Annex of the EU-Moldova AA/DCFTA <i>PLAN/2018/4624</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision as regards the amendment of Annexes XVI and XXVIII-B of the EU-Moldova Association Agreement. <i>PLAN/2020/8055</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision as regards the establishment list of arbitrators for the EU-Moldova DCFTA <i>PLAN/2020/8056</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision as regards the recognition of partial implementation by Moldova of the roadmap in Annex XXIX-B to Chapter 8 on public procurement <i>PLAN/2020/8057</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on amending the Services' Annex of the EU-Georgia <i>PLAN/2018/4621</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on updating the Annex on telecommunication services of the EU-Georgia Association Agreement <i>PLAN/2019/4974</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on updating the Annex on postal & courier services of the EU-Georgia Association Agreement <i>PLAN/2019/4975</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on updating the Annex on customs of the EU-Georgia Association Agreement	Commission proposal for a Council Decision	Q3 2020

<i>PLAN/2019/5027</i>		
Council Decision regarding the adoption of Georgia's roadmap for implementation of the public procurement chapter and the completion of phase 1 of Annex XVI-B to Chapter 8 on public procurement <i>PLAN/2020/8060</i>	Commission proposal for a Council Decision	Q4 2020
Council Decision on modification of protocol 4 to the EU-Faroe Islands-Denmark FTA <i>PLAN/2018/4629</i>	Commission proposal for a Council Decision	Q3 2020
Trade part of Association Agreement with Azerbaijan	Completion of negotiations	2020
Trade part of AA with the Micro States	Completion of negotiations	2020
Trade Title of the Comprehensive Agreement with Kyrgyz Republic	Initialling of the Agreement	2020
Trade Title of the Comprehensive Agreement with Uzbekistan	Completion of negotiations	2020
Adoption of the list of arbitrators and chairpersons as foreseen by the Chapter on Dispute Settlement, Title III (Trade and Business) of the EU-Kazakhstan Enhanced Partnership and Cooperation Agreement <i>PLAN/2018/4712</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on Rules of Procedure, Code of Conduct and Mediation Mechanism for the implementation of the EU-Armenia CEPA Agreement <i>PLAN/2018/3385</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on the adoption of a decision amending the list of arbitrators for the EU-Armenia CEPA <i>PLAN/2020/8061</i>	Commission proposal for a Council Decision	Q3 2020
Technical and financial assistance package on the phasing out of the use of Cognac complementing the Comprehensive and Enhanced Partnership Agreement with Armenia, concerning implementation of commitments on Geographical Indications <i>PLAN/2018/4627</i>	Conclusion of the technical and financial assistance package	Q3 2020
FTA Implementation Report <i>PLAN/2020/6687</i>	College adoption	Q4 2020
Trade and Investment Barriers Report <i>PLAN/2019/5929</i>	College adoption	Adopted on 15 June 2020
Counterfeit and Piracy Watch List <i>PLAN/2020/8182</i>	Commission Staff Working Document	Q4 2020
Council Decision on the new set of OECD guidelines regarding the	Commission proposal for a Council Decision	Q3 2020



minimum Commercial Interest Reference Rates (CIRR) <i>PLAN/2019/5765</i>		
Council Decision on the revised guidelines regarding local cost support in the OECD Arrangement <i>PLAN/2019/5766</i>	Commission proposal for a Council Decision	Q3 2020
Annual Review of Member States' Annual Activity Reports on Export Credits for year 2017 <i>PLAN/2019/5097</i>	College adoption	Q3 2020
Annual Report on negotiations in the field of Export Credits in 2017 <i>PLAN/2019/5427</i>	College adoption	Q3 2020
Annual Review of Member States' Annual Activity Reports on Export Credits for year 2018 <i>PLAN/2019/5970</i>	College adoption	Q3 2020
2020 Annual Report on Implementation of Regulation (EC) No 428/2009 <i>PLAN/2020/8078</i>	College adoption	Q3 2020
Commission Delegated Regulation updating the EU list of dual-use items concerning the control parameters, the technical definitions and descriptions and the removal or addition of dual-use items <i>PLAN/2020/8089</i>	College adoption	Q3 2020
Commission Recommendation on internal compliance programmes for research activities involving dual-use items <i>Plan/2020/8150</i>	College adoption	Q4 2020
Report to the EP and Council establishing transitional arrangements for bilateral investment agreements between Member States and Third Countries <i>PLAN/2018/2427</i>	College adoption	Adopted on 6 April 2020
Council Decision regarding Mutual Recognition Agreement between the EU and Canada on the recognition of professional qualifications of Architects <i>PLAN/2020/8169</i>	Commission proposals for a Council Decision	Q4 2020
Council Decision on rules of origin under the EU-Central Africa EPA <i>PLAN/2017/2222</i>	Commission proposals for a Council Decision	Q3 2020
Council Decision concerning the list of arbitrators under the EU-Pacific EPA <i>PLAN/2017/2243</i>	Commission proposals for a Council Decision	Q3 2020
Council Decisions concerning the list of Arbitrators and rules of procedure under the EU-Pacific States EPA	Commission proposals for a Council Decision	Q3 2020

<i>PLAN/2017/2244-2245</i>		
Council Decision concerning the Rules of Procedure for Dispute Settlement and Code of Conduct for Arbitrators and Mediators under the EU-Pacific States EPA <i>PLAN/2017/2246</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision concerning the accession of Tonga to the EU-Pacific States EPA <i>PLAN/2018/4710</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision on the Rules of Procedure of the EU-Ghana EPA <i>PLAN/2017/2250</i>	Commission proposals for a Council Decision	Adopted on 26 March 2020
Council Decision concerning the list of arbitrators under the EU-Côte d'Ivoire EPA <i>PLAN/ 2018/4722</i>	Commission proposals for a Council Decision	Q3 2020
Council Decision on Rules of Procedure for dispute settlement and code of conduct for arbitrators under the EU-Côte d'Ivoire EPA <i>PLAN/2018/4724</i>	Commission proposals for a Council Decision	Q3 2020
Council Decision on the accession of Croatia - Cariforum EU EPA <i>PLAN/2017/2305</i>	Commission proposal for a Council Decision	Q3 2020
Council Decision concerning the amendments to the EU-Pacific EPA with regard the accession of Samoa and other Pacific States <i>PLAN/2020/6785</i>	Commission proposal for a Council Decision	Adopted on 1 July 2020
Commission Decision on Joint Declaration between the European Union and the Pacific States on trade and sustainable development <i>PLAN/2020/6944</i>	Commission Decision	Q4 2020
Proposal for a Regulation of the European Parliament and of the Council on the implementation of the Protocol on mutual acceptance of the results of the conformity assessment to the Comprehensive Economic and Trade and Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part. <i>PLAN/2019/5070 GROW</i>	College adoption	Q3 2020

**General objective: An economy that works for people**

*Specific objective: Protecting EU companies and citizens from unfair trade and investment by making full use of existing Trade Defence Instruments, developing new tools and focusing on enforcement of existing commitments at an EU or international level*

**Main outputs in 2020:****Other important outputs**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>
Tackling and preventing overcapacity and its trade distortions	Implementation of the G20 commitments in the Global Forum for Steel Excess Capacity.  Enhance actionable information and policy response regarding overcapacity in traditional and high-tech sectors.	2020
TDI investigations conducted in an effective and efficient manner	Completion of investigations within statutory deadlines deadlines or, whenever possible, a month earlier.  Timeliness of conclusion of investigations	10% of investigations concluded before the statutory deadline
Annual Report on EU Trade defence activities in 2019 <i>PLAN/2020/6762</i>	College adoption	Adopted on 30 April 2020
Commission Communication: Guidance to the Member States concerning foreign direct investment and free movement of capital from third countries and the protection of Europe's strategic assets ahead of the application of the FDI Screening Regulation	College adoption	Adopted on 25 March 2020
Full application of Regulation 452/2019 establishing a framework for the screening of foreign direct investments into the Union	Cooperation between the Commission and Member States on FDI likely to affect security and public in the Union	As from 11 October 2020
Commission decision providing Restrictions of certain rights of data subjects under the FDI Regulation Screening Regulation <i>PLAN/2020/7978</i>	College adoption	Q3 2020
Update to the list of projects or programmes of Union interest annexed to the FDI Screening Regulation <i>PLAN/2019/5333</i>	Commission Delegated Regulation amending the Annex of Regulation (EU) 452/2019 establishing a framework for the screening of foreign direct investments into the Union	Q3 2020

**General objective: A stronger Europe in the world  
An economy that works for people**

**Specific objective: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence to international commitments on labour and the environment, gender and sustainable supply chains**

**Main outputs in 2020:**

**New policy initiatives**

Output	Indicator	Target
Proposal for a regulation towards the future Generalised Scheme of Preferences legal framework granting trade advantages to developing countries <i>PLAN/2019/4979</i>	Preparatory work	2020

**Public consultations**

Output	Indicator	Target
Impact assessment for the review of GSP Regulation	Inception Report for the support study	Q1 2020
	Interim Report	Q3 2020
	Final Report	Q1 2021
Trade Policy Review	Publication in DG Trade website of the contributions to the public consultation	Q3 2020

**Other important outputs**

Output	Indicator	Target
Commission Implementing act on a list of global responsible smelters and refiners	College adoption	Q4 2020
List of experts under Trade and Sustainable Development Chapter of the EU-Japan Economic Partnership Agreement <i>PLAN/2019/5971</i>	Commission proposal for a Council Decision	Q3 2020
Delegated Act(s) amending GSP Regulation annexes (beneficiary countries and possibly graduation thresholds) <i>PLAN/2020/7820</i>	College adoption	Q4 2020
Commission Report on the Generalised Scheme of Preferences covering the period 2018-2019 <i>PLAN/2019/5905</i>	College adoption	Adopted on 10 February 2020
Commission Regulation amending Commission Regulation 1418/2007 on non-hazardous waste exports to non-OECD countries <i>2015/Trade/037</i>	College adoption	Q4 2020

**General objective: General objective: A stronger Europe in the world  
An economy that works for people**

*Specific objective: Improve the acceptance and understanding of EU trade policy, in particular, by ensuring that it is pursued in an open, inclusive and transparent manner*

**Main outputs in 2020:**

**External communication actions**

<b>Output/ Result</b>	<b>Indicator</b>	<b>Target</b>
Engagement with civil society and stakeholders	Civil Society Dialogue meetings to update on ongoing individual negotiations, discuss draft reports of SIAs or to discuss the overall trade agenda	20 meetings - 12 only if we take into account the Covid-19 impact
	Meetings of Domestic Advisory Groups (DAGs) as well as Civil Society Forums	30 meetings (20 DAG and 10 Civil Society Fora) – 15 only if we take into account the Covid-19 impact.
Social Media (Twitter)	Engagement rate Engagements Total impressions Total video views	0.5% / per year 800/ per month 10 million / per year 1.5 million / per year
Engagement by stakeholders and the public	Public consultations (including on Trade Policy Review)	4

## ANNEX 2: Overview of on-going bilateral negotiations

Time line Negotiations	Impact assessment completed	Scoping	Recommendations to negotiate adopted by Commission	Recommendations to negotiate adopted by Council	Negotiations launched	Technical conclusion/ Political agreement	Legal scrubbing completed	Initialling	Translation done	Proposal to sign and conclude adopted by COM	Proposals adopted by Council	Consent by EP
<b>Finalisation</b>												
<b>Vietnam FTA</b>	-	√	April 2007	May 2012	June 2012	December 2015	February 2017	March 2017	November 2018	October 2018	June 2019	February 2020
<b>Vietnam IPA</b>	-	√	April 2007	May 2012	June 2012	December 2015	February 2017	March 2017	November 2018	October 2018	June 2019	February 2020 <sup>18</sup>
<b>West Africa</b>	-		April 2002	June 2002	October 2003	February 2014	June 2014	June 2014	September 2014	September 2014	December 2014	[ <sup>19</sup> ]
<b>East African Community (EAC)</b>	-		April 2002	June 2002	February 2004	October 2014	September 2015	Oct 2014	February 2016	February 2016	June 2016	[ <sup>20</sup> ]
<b>Modernisation of the trade part of the EU-Mexico Global Agreement</b>	September 2014	√	December 2015	May 2016	June 2016	April 2020	ongoing	<i>The two Parties are currently finalising the legal revision of the modernised agreement's text. After translation into all EU languages, it will be transmitted to EU member states and the European Parliament for signature and conclusion.</i>				
<b>Mercosur</b>	-	√	1999	-	Re-launch May 2010	June 2020	ongoing	<i>Both sides are engaged in the legal revision of the agreement. Once finalised, the texts and offers will need to undergo translation into all EU languages, before the Commission can start the necessary internal procedures for the transmission of the agreement to the Council and European Parliament.</i>				

<sup>18</sup> The Investment Protection Agreement still needs to be ratified by EU Member States

<sup>19</sup> Pending completion of signature process

<sup>20</sup> Pending completion of signature process

Time line Negotiations	Impact assessment completed	Scoping	Recommendations to negotiate adopted by Commission	Recommendations to negotiate adopted by Council	Negotiations launched	Technical conclusion/ Political agreement	Legal scrubbing completed	Initialling	Translation done	Proposal to sign and conclude adopted by COM	Proposals adopted by Council	Consent by EP
<b>On-going</b>						<i>Expected outputs in 2020</i>						
<b>Modernisation of the trade part of the EU-Chile Association Agreement</b>	February 2017	√	24 May 2017	November 2017	November 2017	<i>Seven negotiating rounds took place since the launch in November 2017, and negotiations will continue in 2020.</i>						
<b>Thailand FTA</b>	-	√	April 2007	February 2013	March 2013	<i>No negotiating rounds scheduled since suspension of the talks in 2014 due to the political situation in Thailand.</i>						
<b>Malaysia FTA</b>	-	√	April 2007	October 2010	November 2010	<i>Contacts continue to examine the basis for a possible resumption of negotiations.</i>						
<b>Indonesia FTA</b>	-	√	April 2007	October 2010	July 2016	<i>Negotiations with Indonesia are being actively pursued</i>						
<b>Philippines FTA</b>	-	√	April 2007	October 2010	December 2015	<i>Two negotiating rounds took place in 2017, but no new round currently scheduled.</i>						
<b>India FTA</b>	-	√	April 2007	April 2007	June 2007	<i>Contacts continue to examine the basis for a possible resumption of negotiations. The EU has also expressed readiness to explore the possibility of launching negotiations for a stand-alone investment agreement.</i>						
<b>Morocco DCFTA</b>	-	√	October 2011	December 2011	March 2013	<i>DCFTA negotiations are expected to restart in the second half of 2020</i>						
<b>Tunisia DCFTA</b>	NA	√	October 2011	December 2011	October 2015	<i>The negotiators met in Tunis in October 2015 for a first round of negotiations. Discussions remained preliminary but were also open and constructive based on the already existing good cooperation on many of the areas to be covered by the future DCFTA. A first full round of negotiations took place in Tunis in April 2016. After a pause, the negotiations continued in 2018 with the second round in May and third round in December. Negotiations are expected to restart in the second half of 2020.</i>						
<b>GCC</b>	-	NA	-	December 1989	October 1990	<i>Negotiations were suspended in 2008.</i>						
<b>Libya</b>	NA	NA	February 2008	July 2008	November 2008	<i>Negotiations were suspended in February 2011. Resumption will depend on the security situation in the country.</i>						
<b>Russia New Agreement</b>	-	-	-	2008	-	<i>The negotiations for a New Agreement have been suspended by the European Council on 6 March 2014.</i>						
<b>Azerbaijan PCA</b>	-	March 2016	July 2016	November 2016	February 2017	<i>Advance of the negotiations with potential conclusion in 2020</i>						

<b>Micro States (Andorra, Monaco, San Marino)</b>	NA	2013	April 2014	December 2014	March 2016	<i>Potential conclusion of negotiations in 2020</i>
<b>Kyrgyzstan</b>	NA		2 June 2017	9 October 2017	March 2018	<i>Potential conclusion of negotiations in 2020</i>
<b>Japan BIA</b>	July 2012	✓	July 2012	November 2012	March 2013	<i>While the substantive provisions have been agreed, the procedural ones (ICS) are still not accepted by Japan. The last discussions on the IPA took place on 20-22 March 2019 in Tokyo. For the time being, no further discussions are foreseen.</i>
<b>China investment agreement</b>	May 2013	✓	May 2013	October 2013	November 2013	<i>The stand-alone bilateral investment agreement continue to be a priority with the aim of reaching an agreement by the end of 2020.</i>
<b>Myanmar investment agreement</b>	Nov 2013	✓	February 2014	March 2014	March 2014	<i>The EU made good progress in negotiations but no conclusion expected soon given the Rohingya refugee crisis in Myanmar.</i>
<b>Australia FTA</b>	September 2017		13 September 2017	June 2018	June 2018	<i>Seven negotiating rounds took place since the launch in June 2018, and negotiations will continue in 2020.</i>
<b>New Zealand FTA</b>	September 2017		13 September 2017	June 2018	June 2018	<i>Eight negotiating rounds took place since the launch in June 2018, and negotiations will continue in 2020.</i>
<b>Enhanced PCA with Uzbekistan</b>	-	-	May 2018	16 July 2018	February 2019	<i>In 2020, DG Trade will continue working towards the conclusion of negotiations on the Enhanced Partnership and Cooperation Agreement (EPCA) with Uzbekistan.</i>
<b>In the pipeline</b>						
<b>Jordan DCFTA Egypt DCFTA</b>	NA	✓	Oct 2011	Dec 2011		<i>Negotiation guidelines have been adopted by the European Council which provides the Commission with the legal basis for starting negotiations with the Southern Mediterranean countries when the conditions are deemed appropriate</i>
<b>Convention establishing a multilateral investment court</b>	September 2017	✓	13 September 2017	20 March 2018		<i>Discussions are taking place in the United Nations Commission on International Trade Law (UNCITRAL) and the EU has made submissions, which are now the basis for negotiations.</i>