



Management Plan 2018

ECFIN



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INTRODUCTION

The mission of the **Directorate-General for Economic and Financial Affairs** (DG ECFIN) is to contribute to raising the economic welfare of citizens in the European Union (EU) and beyond by fostering competitive, employment-rich economies. To this end, the DG contributes to the development of policies that are geared towards smart, sustainable and inclusive economic growth while preserving macroeconomic and financial stability, inter alia, by: i) implementing necessary structural reforms; ii) achieving and maintaining sound public finances and an appropriate policy mix; iii) preventing and correcting macroeconomic imbalances; and iv) promoting investment in productive and human capital. The processes aimed at a deeper and fairer Economic and Monetary Union (EMU) and at completing the EMU architecture are central in this endeavour.

DG ECFIN focuses its efforts on the achievement of two of the Commission's general objectives:

1. A new boost for jobs, growth and investment
5. A deeper and fairer EMU

In order to do so, it has established a strategy¹ consisting of the pursuit of five specific objectives:

1. Promoting growth and employment enhancing policies in the euro area and the EU
2. Promoting macro-economic and fiscal stability in the euro area and the EU
3. Promoting investment in the EU
4. Promoting prosperity beyond the EU
5. Improving the efficient functioning of the Economic and Monetary Union

These objectives are based upon the three key pillars of the economic strategy of the Commission: boosting investment, pursuing structural reforms and ensuring fiscal responsibility. Simultaneous action in all three areas is critical to restore confidence, reduce the uncertainty that is impeding investment and to maximise the strong mutually reinforcing effects of action on all three pillars. There is also a very strong interlinkage between these three pillars and the objective of a deeper and fairer EMU, whose achievement is an important priority for DG ECFIN.

Prosperity and stability in the EU are highly dependent upon developments in the international environment, especially stability and prosperity in our neighbourhood. Against this backdrop, DG ECFIN plays an active role in international economic issues, which complements the armoury of instruments at the disposal of other DGs.

In the second half of 2017, the economic news has been as good as could be hoped for the Union. The recovery is continuing to broaden, although not yet complete. The political climate has also improved from the low of 2016, although nationalistic tendencies are clearly still present and political risks to further EU integration have not disappeared. The President's State of the Union address in September 2017 made it clear that at EU level, an ambitious agenda is being set based on a rethink of how EU policies can best serve the preoccupations of citizens and tie Member States together.

¹ DG ECFIN's Strategic Plan for 2016-2020 is available here:
http://ec.europa.eu/dgs/economy_finance/organisation/strategic_plan_en.pdf

This amounts to charting a tight course for a durable reinforcement of EMU. Most of the conceivable challenges for the next 2-3 years can be placed in the intersection of three cross-cutting priorities. First among these is a **deeper and more resilient EMU**. The pressing need of shoring up the resilience of EMU requires working further on a genuine financial union and action towards a more integrated economic and fiscal union. Secondly, in recognizing that most of the steps needed to deepen EMU are likely to come to fruition only after the current Commission mandate, work needs to continue in parallel to develop policies that **strengthen growth potential and productivity** and secure a stable recovery. The third priority is seizing the opportunity of an **EU budget for the future** with the aim of adding value to common policies and supporting the deepening of EMU. Concerted action in each of these three overarching priorities gives the best chances of **renewed economic and social convergence**.

DG ECFIN's priorities for 2018 are set within the following policy framework:

First, the key initiatives set out in President Juncker's State of the Union address and the accompanying Letter of Intent of 13 September 2017², and in the 2018 Commission Work Programme (CWP)³ are reflected in the Management Plan (MP)⁴. These present the EMU deepening agenda until 2025 and the overall framework within which the new Multiannual Financial Framework – which will include new budgetary instruments for a stable euro area within the Union framework comprising a fiscal stabilisation instrument, a backstop for banking union, a convergence instrument and structural reform instrument – will be set out.

Second, a number of short- and medium-term priorities have been developed in-house, which are in line with the overall orientation by the President and the Commissioner. Particularly pertinent are forging a new approach to growth- and fairness-enhancing structural reforms (2.0); balancing fiscal stabilisation and sustainability and completing Greece's stability support programme.

Finally, alongside new initiatives, much of the work for 2018 will involve DG ECFIN's core business and annual cycle of work.

Work in DG ECFIN is complemented through its interaction with the **Economic and Financial Committee (EFC)**, the **Economic Policy Committee (EPC)** and the **Eurogroup Working Group (EWG)**. The EFC is a committee of the EU set up to promote policy coordination among Member States (MS), primarily on economic, fiscal and financial matters. The EPC is an advisory body to the Council and the Commission that focuses on structural policies for improving growth potential and employment in the EU, the prevention and correction of macroeconomic imbalances, as well as the quality and sustainability of public finances. The EWG coordinates Member States on euro area specific issues and is steered, uniquely, by a Brussels-based permanent President. These three parent committees together with their respective sub-committees and Presidents are assisted by a Secretariat, which also provides support for the Eurogroup and its President. The Secretariat is based in DG ECFIN and is the means through which legislative proposals start their journey through their approval process and through which ECFIN interacts with the Member States.

² https://ec.europa.eu/commission/state-union-2017_en

³ https://ec.europa.eu/info/publications/2018-commission-work-programme-key-documents_en

⁴ Policy priorities mentioned in the State of the Union address and the Commission Work Programme (CWP) are marked with an asterisk (*) in the tables

General objectives, specific objectives and main activities for DG ECFIN

General Objectives	Specific Objectives	Activities
A new boost for jobs, growth and investment	Promoting growth and employment- enhancing policies in the euro area and the EU	<ul style="list-style-type: none"> - Analysis and development of growth and employment enhancing policies - Management of tools and processes to support the implementation of growth and employment enhancing policies
A new boost for jobs, growth and investment	Promoting macro-economic and fiscal stability in the euro area and the EU	<ul style="list-style-type: none"> - Undertaking fiscal surveillance of Member States' economies - Contributing to the prevention/correction of macroeconomic imbalances
A new boost for jobs, growth and investment	Promoting investment in the EU	<ul style="list-style-type: none"> - Mobilising the Investment Plan effectively towards increasing private sector participation - In the framework of the next MFF, possibly establishing a single InvestEU Fund and a single InvestEU Assistance Regulation - Enhancing the efficient use of EU resources via financial instruments with a special focus on Small and Medium Enterprises and infrastructure - Ensuring sound and efficient management and follow-up of financial operations
A new boost for jobs, growth and investment	Promoting prosperity beyond the EU	<ul style="list-style-type: none"> - Promoting EU positions and interests, cooperation in the external field and coordinating EU positions in the G7, G20, IMF, EIB/EIF, EIB External Lending Mandate (ELM) and governing bodies of the EBRD and other IFIs - Supporting macro-financial stability and promoting growth-enhancing reforms outside the EU, including regular economic dialogues with key partners and by providing macro-financial assistance - Supporting the enlargement process, the implementation of the EU Neighbourhood Policy and EU priorities in other third countries by conducting economic analysis and providing policy assessments and advice
A deeper and fairer EMU	Improving the efficient functioning of the EMU	<ul style="list-style-type: none"> - Completing EMU by implementing the December 2017 proposals by the European Commission - Ensuring euro area reforms within the framework of the European Semester improve economic resilience - Providing financial assistance to Member States - Strengthening the platform for future enlargement of the euro area - Protecting the euro against counterfeiting and managing the euro cash policy and legislation

PART 1. MAIN OUTPUTS FOR THE YEAR

General Objective 1: A new boost for jobs, growth and investment

This general objective of the Commission covers most of ECFIN's work. It includes much of the European Semester, which has expanded to encompass the principal means of surveillance of Member States' economies, and the analytical work that underpins the surveillance. It also includes the DG's work on investment both through the surveillance procedure and through specific initiatives such as the Investment Plan for Europe (IPE). The promotion of prosperity beyond the EU falls under this objective and is of increasing importance, particularly with respect to our geographical neighbourhood.

In 2018 the key challenges under this objective are to lift productivity and growth through structural and institutional reforms – including the promotion of investment – to promote economic rebalancing, real convergence and increased resilience and to advance on sustainability and ensure compliance with the SGP, while supporting the recovery. The DG will also focus its interactions with the rest of the world in ensuring that economic policies contribute to the attainment of the Commission's aims.

Specific Objective 1: Promoting growth and employment-enhancing policies in the euro area and the EU

Specific objective 1 covers ECFIN's analytical work, particularly that of a cross-cutting nature, which provides the intellectual underpinning for policy development – including the economic service function which extends beyond ECFIN – and ECFIN's policy recommendations. This is particularly the case for those related to the overall macroeconomic policy mix, growth, productivity and structural and institutional reforms. It plans to open new streams of thinking in relevant policy areas – including where synergies can be found across work streams or policy areas. It also covers auxiliary activities that support the preparation and adoption of policies supporting growth and employment.

In 2018, concerns on the European policy agenda include the inclusiveness and distribution of growth and the challenge of migration/refugees. Both these will feature in ECFIN's economic analysis as a means of contributing to the work linked to the European Semester. In terms of structural reforms, particular attention will be paid to second generation structural reforms focused on education and labour market participation and on the presence of adequate institutions. The final proposals under the new Multi-annual Financial Framework (MFF) should be put together, with opportunities to anchor it in delivering growth – and economic convergence – more effectively. With a view to supporting Member States in implementing the reforms identified in the context of the European Semester, the Commission intends to propose a new reform delivery tool under the post-2020 Multiannual Financial Framework. For the period 2018-2020, such a system could be tested in a pilot phase by offering to Member States to use part of the performance reserve in the current European Structural and Investment Funds to support reforms instead of specific projects.

Activity 1: Analysis and development of growth and employment enhancing policies

This activity encompasses the development of policies and the analysis underpinning them. The work undertaken under this activity then feeds into the DG's procedures, including surveillance procedures linked to the European Semester.

The European Semester ensures that Member States discuss their economic and budgetary plans with their EU partners at specific times in the first part of the year, so that national action could be accordingly taken in the second part of the year, notably with the adoption of the budgets for the subsequent year. In February, the Commission publishes a **country report** for each Member State analysing its economic situation and progress with implementing the Member State's reform agenda. For those Member States selected in the Alert Mechanism Report, the country report includes the findings of the so-called "**in-depth review**" of possible imbalances the Member State faces.

DG ECFIN's **economic forecasts** provide the forward-looking, analytical underpinning to surveillance under the semester. To fulfil this purpose, the forecasts cover the euro area, the EU, the individual Member States as well as the world's other major economies, and countries that are candidates for EU membership. The forecasts extend over a time horizon of at least two years and are quite detailed, with about 180 variables covered internally. As of 2018, DG ECFIN's fully fledged forecasts will be published two times a year in spring and autumn in sync with the EU's annual cycle of economic surveillance procedures under the European Semester. Interim forecasts focusing on the two main macroeconomic variables (GDP and inflation) will be prepared in winter and during the summer.

DG ECFIN's **Business and consumer survey programme** underpin the analysis of near-term economic prospects by providing unique data on economic confidence of managers and consumers. Thanks to their timeliness, economic tendency surveys provide vital information about the current state of the economy (nowcast) and are widely used to analyse and forecast short-term developments. The high degree of harmonisation that is essential to the BCS programme allows comparisons of cyclical developments across Member States and Candidate Countries and the construction of meaningful EU and euro-area indicators to monitor macroeconomic developments across Europe.

Under the **Third pillar of the Investment Plan**, DG ECFIN contributes to the identification and assessment of the main barriers to investment – as well as best policy practices to address them – through analytical work and a dialogue with Member States in the ECOFIN filière. These findings are reflected inter alia in the context of the European Semester.

A large part of the structural-reforms response to the crisis focused on "competition-enhancing" reforms. Such reforms need to be complemented by reforms that boost productivity – **reforms 2.0** – such as human capital and knowledge in general. DG ECFIN contributes to deepening the understanding of fundamental drivers of productivity growth including the role of labour product and knowledge markets and to stimulating an exchange of best practices.

The Eurogroup is likely to continue its **thematic discussions on growth and jobs**. Previous discussions in this context have contributed to a shared understanding of policy challenges and potential solutions inter alia through an exchange of experiences. In some cases, the discussions led to the agreement of common principles and benchmarks. Building on previous discussion on these topics, the Eurogroup will likely organise an exchange of best practices on spending reviews. It is also likely to follow up on

previously agreed benchmarks on labour taxation and pension sustainability. New topics to be discussed in 2018 are likely to include wage dynamics and allocative efficiency in labour markets.

Benchmarking exercises can help foster the implementation of structural reforms. It allows for the identification of potential challenges and best practices and can enhance Member States' ownership of the challenges identified in the context of the European Semester. Benchmarking is widely used in the context of the Semester. The Eurogroup has agreed on benchmarks of labour taxation and of the fiscal sustainability of Member States' pension systems. Progress will be monitored and potential further areas for benchmarking explored.

DG ECFIN aims to deepen the macroeconomic understanding of **inequality developments** and their consequences also with an eye to their better integration into the EU's economic policy coordination. For example, in collaboration with DG JRC, the budgetary and redistributive effects of tax reforms are assessed. Also, DG ECFIN's QUEST model is used to examine the impact of policy measures on specific income categories.

DG ECFIN will provide relevant macroeconomic analysis in the framework of discussions on the **post 2020 Multiannual Financial Framework** (MFF). In particular, analysis on EU expenditures will be carried out, on the basis of EU value added criteria. The objective would be to strengthen the provision of key EU public goods (e.g. migration and security, R&D, climate change) and to align the EU budget with EU priorities. Other topics of analysis include the link between the EU budget and structural reforms, the use of financial instruments and other instruments for external assistance (e.g. macro-financial assistance (MFA), external financial instruments for migration, etc.)

In the context of the post 2020 MFF, a **structural reform instrument** may be considered: a stand-alone instrument to further a stronger link between the EU budget and economic reform. The instrument would offer financial incentives to support targeted, 'home grown' reforms that are conducive to growth and resilience. The instrument would build on the framework of the European Semester. Financial support will be complementary to the technical support offered by the SRSS.

DG ECFIN also has an important **Economic service function** with the assessment of new EU policy initiatives. The approach has to be selective and concentrated on strategic initiatives with the highest macro-economic impact and link to investment, in particular initiatives related to the digital single market as well as initiatives in the areas of the Energy Union and the Mobility Package.

Activity 2: Management of tools and processes to support the implementation of growth and employment-enhancing policies

This activity relates to the development of supportive actions that enable policies to be developed.

In April, Member States present their national reform programmes and their stability or convergence programmes. The Commission assesses these plans/programmes and presents a series of new **country-specific recommendations** to each Member State. Due to a streamlining initiated in the 2015 European Semester cycle there are now more focused country-specific recommendations.

ECFIN regularly monitors and assesses the policy mix in the euro area, notably in the context of the Commission forecast rounds and as part of its fiscal surveillance work. For that purpose, a set of instruments have been developed to assess monetary and financial conditions (e.g. shadow rate, monetary condition index, composite financing cost indicators), as well as the fiscal stance (e.g. structural balances, discretionary fiscal effort, debt sustainability indicators). This set of instruments is regularly enriched and improved.

Regarding the ongoing **Article 50 negotiations** with the UK, ECFIN staff stands ready to continue to provide the Article 50 Task Force with analytical support so as to assess negotiation options with a view to their economic impact on the EU. Moreover, it is expected that work related to EU economic surveillance continues to be applied to the UK. Furthermore, the impact of the negotiations on the ECFIN-managed financial instruments implying budgetary liabilities for the UK has to be constantly assessed and adjustments need to be considered.

While work towards a possible comprehensive settlement of the **Cyprus issue** has been stalled since the failure to find an agreement at the Conference of Cyprus in July 2017, it cannot be excluded that the process resumes in 2018. As before, DG ECFIN's support in the settlement talks between the Turkish Cypriot and Greek Cypriot communities should ensure that a solution is found which is sustainable also from an economic and fiscal perspective in the context of the euro area. In case a comprehensive political agreement is found, its legal and technical implementation before and after reunification will require substantial input from Commission services, including from DG ECFIN.

In September 2016, the Council issued a Recommendation on the establishment of **National Productivity Boards**. The Member States of the euro area are invited to implement the principles set out in this Recommendation by no later than March 2018. Non-euro area Member States are also encouraged to identify or set up similar bodies. The Commission could facilitate the exchange of views between the productivity boards. ECFIN intends to organise a conference with all productivity boards after the deadline. A Commission progress report on the implementation of the Recommendation is foreseen for 2019.

In September 2017, the EFC approved the principles and governance rules for a new procedure aimed at expanding the possibility of making economically justified, country-specific, amendments to the EU's commonly agreed methodology for calculating **output gaps**. The procedure will see concrete follow-up in 2018, in addition to ongoing horizontal work to improve further the common methodology.

On 7 June 2017, the Commission published a Communication "Launching the **European Defence Fund**", outlining the intended next steps with regards the Financial Toolbox, notably the creation of an "ad-hoc Committee" comprising Member States and other selected public sector bodies to develop a standardised set of tools / instruments aimed at addressing financing challenges for collaborative development and procurement. In this regard, DG ECFIN is tasked to set up an informal expert group which shall deliver its first deliverables in mid-2018.

In 2017 **the IAS has conducted an audit on "evaluations of policy and financial instruments including macro-financial assistance and economic adjustment programmes"** in ECFIN.

ECFIN received the draft final report on 20 November 2017. The draft final report contained 3 important recommendations covering 15 sub-recommendations. ECFIN has accepted all recommendations.

In **2018** ECFIN will prepare an action plan and start to implement it in view of the IAS' follow-up engagement.

Also to be subject to an IAS audit during 2018 are the ECFIN economic forecast process, the management and control of external providers especially as regards IT security controls, and potentially the management of the EFSI guarantee fund.

The European Court of Auditors (ECA) performance audit on the European Semester was formally launched in September 2016. The overall purpose of the audit is to take stock of the performance of the European Semester exercise after five years of implementation (2011–2016).

The audit has been split into two separate audits on, respectively, the preventive arm of the Stability and Growth Pact and on European Semester communication and Europe 2020. On 18 October 2017 ECFIN received the Clearing Letter (CL) from the Court regarding the part of the European Semester audit on the preventive arm of the Stability and Growth Pact. The Commission reply to the CL signed by the Commissioner(s)/VP in charge will conclude the phase of the audit called the "Clearing procedure".

The performance audit on the European Fund for Strategic Investments was started in July 2017 and the field work is expected to continue until early next year. The clearing letter is expected around February 2018.

The next steps for both performance audits in 2018 will be:

- i) the (pre-) adversarial phase;
- ii) the adoption and publication of the final version of the special report;
- iii) the presentation of the special report to the European Parliament and Council and
- iv) the follow-up of the implementation of the recommendations by the ECA.

In addition, a number of other ECA audits recently concluded – in particular the audit on the Greek economic adjustment programme and the Macroeconomic Imbalance Procedure – and will require substantial follow-up in 2018.

Specific Objective 2: Promoting macro-economic and fiscal stability in the euro area and the EU

This specific objective focuses on the development and implementation of the MIP and the SGP. It covers various outputs under the European Semester. It puts into action the policies that are developed under specific objective one, under the surveillance agenda set out by the legislation.

In 2018, the application of the SGP should follow the guidelines set out by the President in his Letter of Intent and be mindful of the economic needs of the euro area. Making use of flexibilities to deliver investment and structural reforms has clearly been flagged, and ECFIN will need to provide balanced considerations about the need for an adequate policy mix as well as the need for sustainability. In terms of the MIP, the emphasis will continue to evolve with the economic challenges with a clear aim to reduce outstanding imbalances, avert the build-up of new ones and promote rebalancing and real convergence. In line with the new direction towards more concern for inequality and inclusiveness, the work in the European Semester will continue to build on these issues, alongside the work on the European Pillar of Social Rights.

Activity 3: Undertaking fiscal surveillance of Member States' economies

The activity covers the implementation of the SGP, including Commission activities stemming from the Two Pack and other legislation in the fiscal area.

Ensuring an **effective fiscal surveillance** is of key importance to promote and maintain fiscal and macroeconomic stability in the euro area and the EU. To this end, a number of dedicated documents are prepared by DG ECFIN⁵. These documents can take the form of (i) technical and methodological notes to the ECOFIN, its Committees (i.e. EFC, EWG and their working groups), (ii) legal documents and, where relevant, accompanying SWDs as envisaged under the SGP, (iii) country-specific Commission Opinions on the Draft Budgetary Plans (DBPs), as required by the Two Pack, and (iv) Commission Communications in case of the overall assessment of DBPs in the euro area.

The **Debt Sustainability Monitor 2017** and the **Fiscal Sustainability Report 2018** envisage analysing in a comprehensive manner risks to fiscal sustainability using a comprehensive multi-dimensional approach. In a medium- to longer term perspective, the budgetary impact of population ageing, including pension and health care related expenditure may pose important challenges to fiscal sustainability, calling for policy adjustment. These issues are analysed in the **Joint EC-EPC 2018 Ageing Report**.

In this context DG ECFIN produced **numerous notes to the EFC** all along the year to explain the Commission position on surveillance. In particular the implementation of the margin of discretion and the use of flexibility and the completion of the simplification and transparency-increasing changes to the Pact were implemented. In spring the customary analysis of the **Stability Programmes** was conducted, and a horizontal overview was produced for the EFC, as a basis of the discussion of the SPs of the individual Member States.

Budgetary monitoring intensifies in the autumn for euro area Member States which submit **Draft Budgetary Plans** for the following year by 15 October (except for Member States under macroeconomic adjustment programmes). DG ECFIN assesses the Plans against the requirements of the Stability and Growth Pact and the relevant country-specific recommendations and issues an Opinion on each of them in November, so that this guidance is taken into account when national budgets are finalised.

If Member States breach either the deficit or the debt criteria, they are placed in an **Excessive Deficit Procedure**, in which they are subject to additional monitoring (usually every three or six months) and are set a deadline for correcting their excessive deficit. DG ECFIN monitors compliance throughout the year, based on regular economic forecasts and on Eurostat data.

DG ECFIN also monitors compliance with the preventive arm of the Stability and Growth Pact. If, following the spring notification, a significant observed deviation from a member State's medium-term budgetary objective (MTO) or the adjustment path towards the MTO is identified, a **Significant Deviation Procedure** shall be triggered by the Commission. DG ECFIN prepares the draft Decision and draft Recommendation to be adopted by the Council. DG ECFIN also assesses the Member State's report on action taken, once submitted, and proposes to the Council a decision on effective action and, if

⁵ See also activity 2

due, a recommendation for a revised recommendation. Enhanced surveillance missions may be taken by ECFIN in the Member States under a Significant Deviation Procedure for the purpose of on-site monitoring.

National fiscal frameworks (i.e. the national arrangements for the conduct of fiscal policies) are an increasingly important part of rule-based fiscal governance in the EU. DG ECFIN is responsible for monitoring the transposition and/or application of the Six Pack's Council Directive 2011/85 on requirements for the budgetary frameworks of the Member States and the Two Pack's Regulation (EU) 473/2013 regarding enhanced budgetary monitoring. Among others, DG ECFIN will prepare by the end of 2018 a suitability review for the budgetary frameworks directive.

Activity 4: Contributing to the prevention/correction of macro-economic imbalances

This activity covers most of the work relating to the procedures linked to the MIP and the CSRs under the European Semester.

To promote the pursuit by Member States of sound macro-economic policies, reduce imbalances in countries and promote rebalancing across countries, within the context of the Europe 2020 strategy and the European Semester, the European Commission will continue to identify and address imbalances that hinder the smooth functioning of the economies of Member States, the economy of the EU, and may jeopardise the proper functioning of the EMU, through the application of the **Macroeconomic Imbalance Procedure**. The **Alert Mechanism Report**, through a reading of a scoreboard of indicators, screens Member States for risks of economic imbalances that require further investigation. To this end Member States selected in the Alert Mechanism Report are then analysed in an **In-depth Review** to assess how macroeconomic risks in the Member States are accumulating or winding down, and to conclude on the existence and degree of imbalances. The findings of the In-Depth Reviews for the relevant Member States support the Country-specific Recommendations under the European Semester of economic policy coordination. In case of the identification of an excessive imbalance, the Commission may initiate the Excessive Imbalance Procedure. The policy response, in terms of implementation of reforms to address the identified imbalances, is also monitored through "specific monitoring" in autumn.

Specific Objective 3: Promoting investment in the EU

The specific objective on promoting investment covers direct action in the EU to increase investment spending. Given the fall in investment spending at national level in recent years, combined with low fiscal space for a number of countries, direct actions at EU level are an area of growing economic and political importance.

In 2018, the European Fund for Strategic Investments (EFSI) 2.0 will enter into force and the final preparatory work will take place for the follow-up to be included under the new MFF.

Activity 5a: Mobilising the Investment Plan effectively towards increasing private sector participation

This activity looks at progress towards the key objective of the Investment Plan to make smart use of scarce budgetary resources while mobilising private investments in projects supporting strategic EU policy objectives throughout the EU.

DG ECFIN is in charge of all issues related to the first and second pillars of the Investment Plan. This covers tasks from acting as lead negotiator vis-à-vis the co-legislator over handling all relations and contract negotiations with the EIB Group, to managing the Guarantee Fund underpinning the EU guarantee under EFSI and promoting awareness of EFSI, EIAH and EIPP and their achieved results. ECFIN carries out these activities in close collaboration/consultation with DGs responsible for the policies covered by the EFSI objectives and central services.

The **European Fund for Strategic Investments (EFSI)** is the first pillar of the IPE, aiming originally to mobilise at least EUR 315 billion in additional investment through operations undertaken in 2015-2018, especially by crowding in private sector investments. The EFSI Regulation entered into force in July 2015. EFSI projects need to be economically and technically viable, consistent with Union policies, provide additionality and maximise, where possible, the mobilisation of private sector capital. EFSI is a very flexible instrument and fully demand-driven with no sectorial or geographical pre-allocations. EFSI projects are financed through the so-called Infrastructure and Innovation window (IIW) or through the so-called SME window (SMEW). The implementation is entrusted to the European Investment Bank (with sub-delegation to EIF for the SMEW). In light of the very encouraging start with a high number of signed operations, EUR 0.5 billion was reallocated from IIW to SMEW in 2016, thus increasing available budgetary resources from EUR 5 billion to EUR 5.5 billion under the SMEW. As of November 2017, the Investment Plan for Europe has already triggered an additional EUR 251.6 billion in investment across all 28 Member States. This represents 79.8% of the original EUR 315 billion target.

The amended EFSI Regulation (**EFSI 2.0**) to extend the capacity and duration of the EFSI and to enhance the role of the European Investment Advisory Hub (EIAH) was adopted on 12 December 2017 by the co-legislators. It increases the investment target to at least EUR 500 billion by the end of 2020 and also introduces some enhancements taking into account the lessons learnt in the first year of implementation of the EFSI, which also respond to the recommendations made by the independent evaluation. The EFSI 2.0 will put even more emphasis on the additionality of the projects to be financed with the EFSI support. It will also increase the EU guarantee from EUR 16 billion to EUR 26 billion and the European Investment Bank resources to EFSI from EUR 5 billion to EUR 7.5 billion. This should mobilise private and public investment of EUR 500 billion by 2020.

The EFSI Agreement will need to be adjusted accordingly during the first half of 2018. In this context it will be necessary to agree and finalise a proposal on the allocation of the additional guarantee capacity to various instruments in the framework of the SMEW and to negotiate the required amendments to the contractual documentation. Part of this work can be finalised in 2017, with a likely need to continue on specific instruments in 2018.

The **European Investment Advisory Hub (the EIAH, the Hub)** went live in September 2015 and offers project promoters a single point of entry for technical assistance, as well as guidance and advice for project promoters, to help ensure that good ideas can be turned into viable investment projects that result into extra financing reaching the real economy. In doing so, EIAH should help to strengthen Europe's investment and business environment. The EIB is responsible for the management of the

Hub which is established within the Bank. After two years, the Advisory Hub is already delivering targeted technical assistance, redirecting requests internally to specialised technical assistance providers or externally by signposting the requestors to the relevant providers.

In order to reflect the EFSI 2.0 orientations, the EIAH will have to continue to reinforce its regional and local capacities, to improve its visibility and to tailor its technical assistance to address specific needs. The call for proposals targeting National Promotional Banks (NPBs) to be launched in Q4 2017 will also be an indicator of the NPBs' willingness to further engage with the EIAH to develop the local technical assistance. The Advisory Hub should also continue to contribute actively to the objective of sectorial and geographical diversification of the EFSI and support the EIB where needed in originating projects. In line with these objectives, the agreement with the European Bank for Reconstruction and Development (EBRD) enabling them to deliver advisory services to SMEs in Romania, Bulgaria and Greece under the EIAH umbrella should deliver the first concrete results locally.

The European Investment Project Portal (EIPP, the Portal) was launched in June 2016. Designed as a bridge between EU project promoters and investors worldwide, the EIPP currently offers more than 200 investments opportunities. To give the opportunity to SMEs to publish their projects, the minimum project cost was lowered to EUR 1 million in May 2017 through the new Commission Implementing Decision (EU) 2017/919 which also exempts the promoters from the payment of the submission fees.

The EIPP website (<https://ec.europa.eu/eipp/>) has been significantly enhanced in 2017 and offers new functionalities to promoters (on-line projects submission) and investors (registration, newsletters and notifications). These features aimed to streamline the project submission process and search of investment. The EIPP interface for the external users is now finalised and only minor enhancements are expected in the future. In 2018, it is planned to develop the back-office in order to ease the EIPP internal screening process.

The main objective for 2018 is to continue to develop the pipeline of investment projects and to raise awareness of the Portal among all stakeholders: private/public project promoters and investors. Actions implemented in 2017 will be pursued in 2018, including:

- Promoting the EIPP in major conferences and events organised within the EU and in the social media;
- Developing partnerships and cooperation agreements with financial institutions (IFIs, NPBs), other national or international portals, and DGs and agencies of the European Commission;
- Organising matchmaking / pitching events such as the one which took place in November 2017 in Tallinn during the SME week.

The Pan-European Venture Capital Fund of Funds programme aims to further address Europe's equity gap, the fragmentation of the VC market and to attract additional private funding from institutional investors. The Programme forms part of the Investment Plan for Europe, the Capital Markets Union Action Plan, the Digital Single Market strategy, the Single Market Strategy and the Open Innovation strand of Horizon 2020. Six possible operations were approved by the EIF Board of Directors in July and September 2017. Because of unresolved compliance issues, the EIF requested further guidance from the Commission in September 2017. DG ECFIN will coordinate the preparation of this guidance with DGs RTD, GROW and TAXUD, to allow for the EIF to sign agreements with intermediaries in Q4 2017 or Q1 2018.

An Inter-Service Group (ISG), established in Q4 2017, is to explore the feasibility of setting up a new programme, **ESCALAR (European Scale-Up Action for Risk Capital)**. ECFIN will co-chair the group with GROW and organise meetings with Commission DGs, external stakeholders and EIF and EIB. A final report from the Group should be drafted by end of Q1 2018, outlining the Commission position on such an initiative.

Activity 5b: In the framework of the next MFF, possibly establishing a single InvestEU Fund and a single InvestEU Assistance Regulation

A proposal could be put forward to ensure that strategic investment would continue in the EU at sustainable level after 2020. Its focus would be the most efficient use of budgetary resources to address market failures and investment gaps. In order to achieve this, it would build on leverage of budgetary resources by crowding in private finance to support investment in the EU. The **InvestEU Fund** would offer an EU budget guarantee to underpin market-based financing products.

Following up on the June 2016 Commission Communication and on the outcome of the Working Group on simplifying and potentially merging the underlying envelopes for TA for investment projects at EU level, the Commission intends to put forward a proposal for a single regulation for centrally managed TA for investment projects (**InvestEU Assistance**). This would be proposed as part of a comprehensive investment support programme and would enable a more complete and coherent provision of TA across policy areas and a more streamlined access to TA for final beneficiaries while providing more financial flexibility and simplification.

Activity 6: Enhancing the efficient use of EU resources via financial instruments with a special focus on SMEs and infrastructure

This activity covers the use of the EU's resources in delivering investment using financial instruments.

Financial instruments are a recognised delivery mechanism of financial support from the EU budget, complementing grants. They typically support access to finance for companies, helping them to invest, grow and create jobs, but can also be used to support lending to vulnerable target groups, students and other beneficiaries. They can take the form of guarantees, risk-sharing or equity investments and can be combined with grants or other types of support. These instruments are deployed through a cascade of entities typically involving international financial intermediaries and market-based financial intermediaries which can identify economically viable projects in the real economy. The support that is necessary to make these projects financeable on a market-basis is kept to the necessary minimum, to avoid unwanted market distortions. Financial instruments are used to attract private funding to projects supported by the EU policies and one of their key characteristics is leverage – the ability to ensure financing of final beneficiaries that is a multiple of the EU's budgetary input.

DG ECFIN ensures a proper liaison with the International Financial Institutions (IFIs) in charge of implementation of the financial instruments, and particularly with the **European Investment Fund (EIF)**. It prepares the EIF Board of Directors meetings as well as the EIF annual General Meeting, including the nomination of Board members and the determination of the EIF capital necessary for present and upcoming transactions. In that respect, DG ECFIN i) fosters enhanced co-ordination between the Commission and

the EIF, while promoting both consistency among IFIs and development as well as pursuit of EU policies, and ii) coordinates the EU position in the governance of the EIF, notably by supporting the Commission representatives in its governing bodies.

DG ECFIN ensures a proper liaison with the **European Investment Bank (EIB)**. It prepares the EIB Board of Directors meetings as well as the annual meeting of the Board of Governors, including the nomination of Board members. In that respect, DG ECFIN i) fosters enhanced co-ordination between the Commission and the EIB, while promoting both consistency among IFIs and development as well as pursuit of EU policies, and ii) coordinates the EU position in the governance of the EIB, notably by supporting the Commission representatives in its governing bodies.

Article 19(2) of the EIB Statute foresees that requests for EIB financing from its own resources made directly to the Bank by an undertaking shall be submitted to the Member State concerned and to the Commission who should deliver their opinions within two months. The Commission's opinion set out in Article 19 involves the Directorates General (21 DGs and EEAS) concerned by EIB activities. ECFIN is "chef de file" of the consultation and is in charge of preparing the Commission's opinion.

ECFIN has recently launched a review of Article 19 working procedures with the EIB in close cooperation with DGs concerned, before a discussion with the EIB is launched on a new Memorandum of Understanding (MoU). The objective is to increase the efficiency and the added-value of the procedure in a context of a growing activity.

DG ECFIN is responsible for the exercise of the rights and obligations of the Commission under the Treaty in respect of the **European Bank for Reconstruction and Development (EBRD)**, particularly the support of EU representatives in the EBRD Board, preparation of legislation and reports relating to EBRD capital increase or modifications of Articles of Agreement and contribution to the procedures dealing with nominations of EU representatives in the governing bodies of the EBRD.

Based on a long experience in designing and managing financial instruments, DG ECFIN assumes the role of **coordinator for all centrally-managed financing programmes using financial instruments**, including through its central role as the secretariat of the EFSI Inter-service Working Group and the Financial Instruments Interservice Expert Group (FIIEG). Policy DGs systematically involve DG ECFIN in the design of financial instruments, negotiations with IFIs for the conclusion of delegation agreements and also in subsequent monitoring, assessments and evaluations.

The **implementation of the existing programmes from the previous MFFs** (CIP-GIF, CIP-SMEG, MAP, G&E) is monitored with a view to ensuring their compliance with legal requirements. Monitoring visits to financial intermediaries and the EIF continue to test this.

Visibility and awareness of the impact of Financial Instruments

i) **Reporting package**: DG ECFIN will coordinate and draft the new single reporting to the budgetary authority on financial instruments (Article 39(4) of the proposed revision of the Financial Regulation (FR)), in the form of a working document attached to the draft budget, replacing the former reports under Articles 38(5), 49(1) and 140(8) of the current Financial Regulation. Provided the FR proposal is adopted by the legislator, the reporting will be produced for the first time under that format in 2018, based on figures at the end of 2017.

ii) **Seminars**: Seminars on the financial instrument activities will be delivered both inside and outside DG ECFIN and the Commission.

Activity 7: Ensuring sound and efficient management and follow-up of financial operations

This activity covers direct investment activities from the EU Budget under the Euratom Treaty as well as several asset management mandates.

Nuclear energy is a base load energy source which is part of the low carbon emission power generation. The choice in the energy mix in order to reach CO2 reduction target is a national responsibility. Since nuclear energy is excluded from the recently developed financial instrument, such a loan facility is contributing to the technology neutral approach to low carbon energy systems.

The general aim of the management of several **asset management mandates**, notably the available assets of the Guarantee Funds of the European Fund for Strategic Investment (EFSI) and the European Fund for Sustainable Development (EFSD) as well as the assets in the portfolio of the European Coal and Steel Community in liquidation (ECSC i.L.), the Participants' Guarantee Fund (FP7/Horizon 2020) and the Competition fines - BUFI (budgetary fines) is to generate the highest return available, while maintaining a high degree of stability and security and after having ensured there is sufficient liquidity to meet the obligations (such as guarantee calls) payable out of these funds.

Specific Objective 4: Promoting prosperity beyond the EU

This specific objective covers DG ECFIN's work with respect to countries and institutions beyond the EU. DG ECFIN prepares the participation of the Commission and the EU in IMF and G-Group meetings, in particular the G20 (including working groups e.g. Framework for Growth), G7/G8, as well as in EU meetings, where global economic matters are discussed. The EU has a strong interest in confirming the role of the G20 as a prime forum for global economic and financial policy coordination to achieve strong, sustainable, balanced and inclusive growth. Therefore, DG ECFIN continues to work closely with our partners in the G7 as well as in major emerging economies. This has been demonstrated through the Commission's proposal to expand the EIB's External Lending Mandate to support investment in countries outside the EU supporting the 2030 Agenda for Sustainable Development. DG ECFIN's role in contributing to the EU's relations with the rest of the world has also been enhanced as the political situation in the EU's neighbourhood has risen up the policy agenda. The macro-financial assistance (MFA) instrument has gained in importance in recent years and its role in the Partnership Framework with third countries under the European Agenda on Migration was set out in June 2016. Work relating to candidate and pre-candidate countries also comes under this objective, as does economic analysis of major economies around the globe.

In 2018, the work on MFA will continue from 2017, with the implementation of ongoing operations (notably in Jordan, Moldova and Tunisia), the approval of new operations currently in the pipeline (Georgia) and possible new programmes being launched, depending on neighbourhood countries' requests and macroeconomic stabilisation needs (Ukraine, Jordan). In support of the 2030 Agenda for Sustainable Development, the new External Investment Plan (EIP) will become operational and will contribute to addressing the root causes of migration by attracting fresh investment in Europe's neighbourhood. DG ECFIN will also continue to manage the EIB's External Lending Mandate including changes related to its expansion in size and scope. For our nearer neighbours, DG ECFIN will continue to support the enlargement process by assessing Economic Reform Programmes (ERPs) in preparation of the Economic and Financial Dialogue of

the EU with the Western Balkans and Turkey, and evaluating compliance with the economic criteria for joining the EU. As the world economy gathers momentum amid the gradual unwinding of crisis-related policy support in some parts of the world, fostering economic relations with non-EU countries and strengthening the role of the EU in international fora will remain important to promote a coordinated policy approach that ensures sustained global growth and stability.

It is worth noting that ECFIN carries out the activities under this specific objective in collaboration/consultation with other services.

Activity 8: Promoting EU positions and interests, cooperation in the external field and coordinating EU positions in the G7, G20, IMF, EIB/EIF, EIB External Lending Mandate (ELM) and governing bodies of the EBRD and other IFIs

DG ECFIN will ensure the effective participation of the Commission in G7, G20 finance track, and IMF meetings; contribute to the participation of the EU in G20 Sherpa meetings, and the participation of the President in the G20 summit. DG ECFIN will provide contributions to the discussion on global economic developments and policy priorities in multilateral global fora, notably the G7, G20, and the IMF as well as coordinating and ensuring Commission participation in these fora. DG ECFIN will also lead the coordination of Member States' positions in those through the preparation of common positions in written form, the EU G20 Terms of Reference (ToR) for G20 Deputy and Ministerial meetings and EU/euro area common language on horizontal IMF issues for discussion at the IMF Board. DG ECFIN is also underpinning the EU positions in those fora through analytical contributions. Argentina takes over the G20 Presidency in December 2017 while Canada has the G7 Presidency in 2018.

In the context of the **G7**, ECFIN is in charge of preparing interventions for the discussions on the global economy, the European economic outlook, the global policy mix and provides analytical inputs for the work on the promotion of greater economic inclusiveness. It also contributes to the work to improve the functioning and performance of International Financial Institutions and coordinates the inputs from associated services on other topics that fall within the remit of the G7 Finance Track (financial cybersecurity, financial sanctions, financial regulation, international tax transparency etc.)

Within the **G20**, the growth strategy process will gather new momentum with the agreement to streamline G20 growth strategies to make them shorter and better targeted. Peer reviews will be replaced by thematic discussions of structural reform topics. DG ECFIN will make contributions to the agreement on the renewal of the G20 Growth Strategies after 2018 building on the experience we have in the coordination under the European Semester. DG ECFIN will also contribute to both the content and process of the thematic discussions, given its considerable experience in preparing similar discussions for the Economic Policy Committee/Economic and Financial Committee. Moreover, DG ECFIN assesses the implementation of the G20 members' growth strategies. All in all, these analyses aim at identifying possible spill-overs to the EU and the euro area, and also to inform the policy debate at EU and international level (e.g. IMF, G7, G20).

Another topic where ECFIN's contribution will be important regards the renewed international interest in global imbalances and how to deal with these going forward. Global imbalances are central to the G20 agenda as there is again risk of their renewed accumulation. DG ECFIN is closely monitoring the evolution of stock and flow imbalances and will continue its analytical work on the topic to underpin discussions on the issue in the G7/G20 fora.

Furthermore, DG ECFIN will continue to coordinate the implementation of the **G20 Compact with Africa** with colleagues in EEAS, DEVCO and NEAR. The Compact with Africa is an initiative launched within the G20 Finance Track by the German Presidency. It aims at boosting private investment in Africa by stepping up reforms in African countries through enhanced cooperation with bilateral partners and international organizations. 7 African countries have joined for the moment. The main contribution of the EU will be through the rollout of the External Investment Plan.

In light of the upcoming discussions on the international monetary system and the IMF quota and governance in particular, DG ECFIN will work on the EU's strategic approach towards the IMF over the medium and long term. This will not only reflect on the different aspects of the work of the IMF that relates to the EU (surveillance, lending) but also on the relationship and future cooperation between the EU/euro area and the **IMF** from a strategic point of view. ECFIN will moreover continue to work on other IMF policies that affect the EU, including the enhanced cooperation between Regional Financing Arrangements and the IMF and the lending framework for currency union members. ECFIN also participates in the G20 Working Group on the International Financial Architecture providing inputs on the IMF governance and quota formula reforms and the optimization of Multilateral Development Banks' balance sheets. Finally, in 2015 the Commission proposed a legislative measure to progressively move towards a unified representation of the Euro Area in the IMF. ECFIN is following up on the progress of this proposal at Council level.

A main priority in the G7 and G20 groups will be to improve the coordination and effectiveness of the system of multilateral development banks, including the EIB, notably through pursuit of those groups' work on balance sheet optimisation and additionality.

DG ECFIN will continue to pursue an agreement between the co-legislators on its proposal to increase the size and scope of the **EIB's External Lending Mandate (ELM)** and work with the EIB to ensure that the ELM continues to support increased prosperity beyond the EU through investment in the local private sector, economic and social infrastructure, climate action and economic resilience in line with the 2030 Agenda for Sustainable Development. This file was included in the Joint Declaration on the EU's legislative priorities for 2017 as a priority pending file and its possible continuation was included in the Commission Work Programme for 2018.

DG ECFIN will support other Commission services in the swift operationalisation of the **External Investment Plan (EIP)** as stated in the President's Letter of Intent accompanying the State of the European Union address.

DG ECFIN will work together with other Commission services to analyse a possible proposal from the EIB to establish a development bank subsidiary and will come forward with the necessary proposal regarding participation as warranted.

Activity 9: Supporting macro-financial stability and promoting growth-enhancing reforms outside the EU, including regular economic dialogues with key partners and by providing macro-financial assistance

Macroeconomic dialogues are essential to support, in cooperation notably with the European External Action Service (EEAS) and relevant line DGs, economic policies and reforms in partner countries, notably in the non-EU G20 and in the EU neighbourhood, with a view to promoting sustainable growth and stability. Global growth momentum is expected to continue in 2018 amid the gradual unwinding of crisis-related policy support in some parts of the world. In this context, it is important to understand the key drivers

of global economic developments in order to assess potential risks, including those related to policy uncertainty, and spillovers to the EU economy that could jeopardize the sustainability of the recovery. Moreover, the 2018 Commission Work Programme also aims at further advancing EU trade policy in a balanced and progressive manner to harness globalisation and at reinforcing the EU role as global actor by strengthening our relations with key partners in Asia and Latin America but also by renewing our partnership with Africa, Caribbean and the Pacific and contributing to develop the relations with Iran and Iraq.

DG ECFIN works to promote, manage and enhance effective bilateral relations with key non-EU partners as regards macroeconomic developments and policy challenges will be instrumental in delivering on the 2018 Commission priorities including by promoting growth and stability in the EU and beyond.

In addition, exceptional financial support in the form of **MFA** can help individual neighbouring countries that experience serious balance of payments tensions, provided that they meet the pre-conditions for MFA (respect for democratic mechanisms and human rights, as well as the existence of a disbursing adjustment and reform IMF programme). Aside from addressing the beneficiary country's macroeconomic stabilisation needs, MFA also encourages economic adjustments and key structural reforms, through policy conditionality. Through its stabilisation and reform impetus, MFA also supports the efficiency of the other EU financing instruments.

Of the countries benefitting from MFA, some are making progress towards macroeconomic stabilisation and the restoration of a sustainable external financial situation, whereas others require further efforts in the wake of a deteriorating international economic environment and, in some cases, regional political and security challenges. In this context, the successful implementation of ongoing MFA operations remains a priority. In 2018, DG ECFIN envisages full disbursement of the **existing programmes in Tunisia (MFA-II), Jordan (MFA-II) and the new programme in Georgia (MFA-III)**, as well as **substantial progress on the MFA operation in Moldova**, subject to the fulfilment of the policy measures agreed in the relevant MoU and as long as the political preconditions are met. Moreover, a new MFA operation in Ukraine (MFA IV) is currently under consideration for 2018, following an official request by the Ukrainian Authorities received by the Commission in November 2017. A proposal for a follow-up operation with Jordan will also be presented after conclusion of the current one, if the usual conditions for MFA are in place – in line with the joint statement of European Parliament, Council and Commission annexed to the Decision for MFA-II to Jordan.

In addition, in the light of the persistent macroeconomic and financial instability in the neighbourhood, DG ECFIN is prepared to intervene with additional MFA, based on requests received to date or expected to be received imminently. In view of this, in preparation of the Post-2020 Multiannual Financial Framework (MFF) DG ECFIN would propose to keep the annual lending capacity for MFA to up to EUR 2 billion, in line with the recent political agreement to increase the MFA lending volume from EUR 500 million to EUR 2 billion, as proposed in the context of the MFF MTR.

DG ECFIN will continue working to ensure the proper use of MFA funds by i.a. carrying out **evaluations of the programmes**. In this respect, the Staff Working Document (SWD) presenting the evaluations of the MFA operations in Kyrgyz Republic, Ukraine (MFA I and II) and Jordan will be completed and two evaluations, Georgia (MFA II) and Tunisia (MFA I), are to be launched in 2018. The evaluations focus on assessing ex-post the contribution of MFA to structural reform and the macroeconomic performance of the recipient country, thereby complementing the MFA implementation reports prepared by DG ECFIN.

Activity 10: Supporting the enlargement process, the implementation of the EU Neighbourhood Policy and EU priorities in other third countries by conducting economic analysis and providing policy assessments and advice

All **enlargement countries** (i.e. the Western Balkans and Turkey) are – to varying degrees – suffering from macro-economic imbalances and significant structural obstacles to growth and competitiveness. None of them is yet complying with the economic accession criteria. Income convergence to the EU has stalled since the outbreak of the crisis in 2009. The ongoing economic recovery in the EU is improving the growth prospects of enlargement countries. However, sustaining their cyclical upturn requires implementing structural reforms to remove obstacles to growth and enhancing efforts to reduce macroeconomic imbalances (high unemployment and public debt levels, external sector vulnerabilities, impaired lending channels and high non-performing loans etc.). Engaging with the enlargement countries in the economic sphere will contribute to maintaining a credible European perspective for all countries of the Western Balkans, which remains a key driver of reforms and stability in the region.

Our analysis related to the annual medium-term **economic reform programmes** of enlargement countries is meant to promote policies focused on macroeconomic stability and long-term growth, and to prepare the Economic and Financial Dialogue of the EU with the Western Balkans and Turkey, which in turn offers jointly agreed guidance to effectively address macroeconomic challenges and structural weaknesses.

DG ECFIN also evaluates each year the level of preparedness and progress made by enlargement countries towards meeting the **economic criteria for joining the EU**, which relate to the existence of a functioning market economy and the capacity to cope with competition and market forces.

Macroeconomic dialogues/subcommittee meetings held under the framework of the Stabilisation and Association Agreements between enlargement countries and the EU provide another forum for regular information exchange as well as inputs for assessing the economic situation in these countries.

Regarding **other third countries**, DG ECFIN provides regular analyses of key macroeconomic trends and policy challenges in selected countries, with a focus on non-EU G20 and other strategic partners, and on selected topics of global relevance. The situation in these countries differs considerably in terms of economic development, the stage of the economic cycle as well as macroeconomic and structural challenges. DG ECFIN prepares macroeconomic forecasts for the global economy and key partner countries (US, China, Japan, Russia, EFTA) that feed into the regular DG ECFIN's economic forecasts.

General Objective 5: A deeper and fairer EMU

This general objective takes two broad directions: how EMU is implemented now, and what changes should be made to its structure and implementation over time. It covers the interpretation of the secondary legislation under the SGP and any changes to it or its application. It also covers deeper changes: any work on how EMU might look in the future would come under this objective. Building on the vision set out in the Five Presidents' Report of June 2015 and the Reflection Papers on the Deepening of the Economic and Monetary Union and the Future of EU Finances of spring 2017, the European Commission has on 6 December 2017 set out a Roadmap for deepening the Economic and Monetary Union, including concrete steps and proposals to be taken over the next 18 months.. General objective five also covers the economy of the euro area –

as distinguished from the individual economies of the Member States – and the way that it is served by the rules and implementation of EMU, the euro as a currency and the conditions under which countries can become members of the single currency.

Specific Objective 5: Improving the efficient functioning of the Economic and Monetary Union

This specific objective covers the interpretation and changes to the legislation governing EMU. Work on risk reduction and risk sharing in EMU and the building of convergence and resilience fall under this heading, including work on the banking sector. The specific objective covers financial assistance to euro area countries and the analysis and decisions as to whether countries with their own currencies can join the euro. Work to protect the euro as a currency is also covered.

In 2018, part of the focus will be to deepen the euro area dimension of economic policies under the heading of resilience and convergence within the euro area, and between the euro area and the non-euro area. This will require stepping up their relevance and impact, focussing on the overall euro area challenges. The importance of the euro area fiscal stance will continue to be reflected, to ensure an appropriate position as the recovery beds in.

A significant priority for 2018 will be to advance on the EMU deepening agenda, following the proposals adopted by the Commission on 6 December. This will involve work on the setting up of a central stabilisation capacity, a reform delivery tool and enhanced technical assistance for structural reforms, the incorporation of the ESM into the Union framework and developing a credible backstop for the SRF and banking union, and steps towards a European Minister for Economy and Finance and the integration into EU law of the substance of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (TSCG). Work on a safe asset will be important, as will steps on the completion of Banking Union and significant progress towards a Capital Markets Union. External representation aspects of the EMU will also be addressed.

In addition, work will take place in ensuring that countries seeking to join the euro are supported in their convergence steps through the convergence instrument to be set up under the euro area budget.

2018 will mark the end of the ESM stability support programme for Greece and ensuring a successful completion will be an important policy for the Eurogroup.

Activity 11: Completing EMU by implementing the December 2017 proposals by the European Commission

This activity covers all **legislative work relating to EMU**, including any changes to the SGP.

Following the Five Presidents' Report from June 2015, and the White Paper for the "Future of Europe", the Commission published a Reflection Paper on "Deepening of the Economic and Monetary Union" which set out possible ways forward for deepening and completing the Economic and Monetary Union up until 2025. In that paper it outlined concrete steps that could be taken by the time of the European Parliament elections in

2019, as well as a series of options for the following years. The three key areas identified were (i) Completing a genuine Financial Union, (ii) Achieving a more integrated Economic and Fiscal Union, and (iii) Anchoring democratic accountability and strengthening euro area institutions.

Building on these, President Juncker's State of the Union address outlined specific action to be taken by the Commission in the area of Economic and Monetary Union package and in December 2017 the Commission presented proposals for:

- the transformation of the European Stability Mechanism into a European Monetary Fund anchored in the Union;
- the integration of the substance of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union into EU law, taking into account the appropriate flexibility built into the Stability and Growth Pact and identified by the Commission since January 2015;
- Strengthening the Structural Reform Support Programme, by doubling the funding available for technical support activities, and targeted changes to the Common Provisions Regulation governing the European Structural and Investment Funds (ESIF) in order to extend the possibilities to use part of their performance reserve in support of agreed reforms.

The Commission also issued Communications on:

- further steps towards completing the Economic and Monetary Union (chapeau communication);
- the European Minister of Economy and Finance;
- new budgetary instruments for a stable euro area within the Union framework, providing for a) support to Member States for structural reforms through a reform delivery tool and technical support at the request of Member States; b) a dedicated convergence facility for Member States on their way to joining the euro; c) a backstop for the Banking Union, through the EMF/ESM, to be agreed by mid-2018 and made operational by 2019; and d) a stabilisation function in order to protect investments in the event of large asymmetric shocks.

In **2018** ECFIN will continue working in these areas with the view to fully implement these in line with the announced timeline.

Activity 12: Ensuring euro area reforms within the framework of the European Semester improve economic resilience

This activity covers all **work relating to the euro area dimension of economic policy** – in contrast to work that relates to Member States

Since 2011, the Commission has been proposing **Recommendations for the euro area (EARs) as a whole. Since the 2016 European Semester cycle, the recommendations for the euro area** and the SWD for the euro area have been published in November, together with the AGS, in order to better integrate the euro area and national dimensions of the EU economic governance through a more effective sequencing. The objective is for discussions and recommendations for the euro area as a whole to be held early in the Semester, before country-specific discussions in the first half of 2018, so that common challenges are addressed coherently by all. The EARs should be taken into account by the Member States in the formulation of their 2018 National Reform Programmes (NRPs) and actions. The EARs are then taken into account

by the Commission in the formulation of individual CSRs in the second stage of the Semester.

The EARs should aim at improving economic resilience of EMU through appropriate reforms at the national level. The Commission proposed a framework discussing economic resilience which can be used to guide thematic discussions at the Eurogroup. This framework identifies policies that deal with vulnerability of countries to shocks, that help to absorb part of the shock especially if temporary, and which facilitate the reallocation process. All these policies can significantly affect the ability of an economy to recover quickly and grow.

Going forward, the EARs will aim at reflecting the need to improve economic resilience of member states and the euro area as a whole.

An important aspect in this context is the reduction of the level of non-performing loans in a number of Member States. While not a sole euro area problem, there are some euro area Member States where the problem is particularly pronounced. To address the problem of high NPL levels, the Commission actively contributes to the Council Action Plan agreed in July 2017 and DG ECFIN is closely involved in this work.

Activity 13: Providing financial assistance to Member States

Greece has been receiving financial support from euro area Member States and the IMF to cope with its financial difficulties and economic challenges since May 2010. In August 2015 a **Stability Support Programme** was launched under the European Stability Mechanism (ESM) framework.

The ongoing ESM programme includes measures to sustain the Greek government's efforts to address economic imbalances, tackle social challenges, and pave the way for sustainable economic growth and job creation.

Following their exit from the EU-IMF financial assistance programme (Ireland), Economic Adjustment programme (Portugal & Cyprus) and financial assistance programme for the recapitalisation of financial institutions (Spain) are now subject to **post-programme surveillance** (PPS). The objective of PPS is ultimately to measure the countries' capacity to repay their outstanding loans to EFSM, EFSF, ESM and/or bilateral lenders.

Under PPS, the Commission, in liaison with the European Central Bank, (i) conducts regular review missions to assess the countries' economic, fiscal and financial situation; and (ii) prepares semi-annual assessments of the countries' economic, fiscal and financial situation and analyses whether corrective measures are needed.

In 2018, DG ECFIN will finalise post-programme surveillance (PPS) of the Balance of Payments (BoP) financial assistance to **Romania**. PPS in Romania started in October 2015, following the end of the 3rd BoP financial assistance programme. The main objective is to monitor Romania's capacity to repay the loans granted under the 2009-2011 BoP programme (the 2011-2013 and 2013-2015 BoP programmes were precautionary and no disbursements were made). PPS shall be maintained until at least 70% of the loan has been repaid, i.e. spring 2018 in the case of Romania. The first two PPS missions concluded that risks related to the repayment of the outstanding loans are very low. A third mission has taken place in November 2017.

In September 2017, DG ECFIN presented its mandatory report to the Council on the **BoP facility** in which it reviewed the effectiveness of the instrument and of the current

ceiling. In this regard, DG ECFIN also reminded Member States of the still outstanding Commission proposal for a new BoP instrument which was tabled in 2012. Given the upcoming exit of the UK, there might be a possibility that this proposal could be put back on the agenda by Member States as the UK was so far reluctant to agree to the proposal.

In 2018, DG ECFIN will start work on the ex-post evaluation of the Cyprus economic adjustment programme.

Activity 14: Strengthening the platform for future enlargement of the euro area

The **Convergence Reports** examine whether the Member States satisfy the necessary conditions to adopt the single currency. The EC Treaty requires the Commission and the ECB to issue these reports at least once every two years or at the request of an EU Member State which would like to join the euro area. The content of the reports is governed by Article 140(1) TFEU.

The conditions which the Member States must meet, and which the Reports therefore examine, are: i) the convergence criteria (price stability, sound public finances, exchange rate stability and convergence in long-term interest rates) and ii) compatibility of national legislation with the 'acquis' (existing EU legislation) as regards the national central bank, notably its independence and that of the members of its decision-making bodies, its objectives, and its integration into the European System of Central Banks. To broaden the view on the sustainability of convergence, the assessment also takes into account additional factors, including the integration of markets, developments in the balances of payments and developments in unit labour costs and other price indices.

With the aim of contributing to strengthening the EMU and increase its resilience to shocks, particular attention will be devoted in the next Convergence Reports to the sustainability of convergence for those Member States fulfilling the conditions for euro adoption. DG ECFIN will also contribute to the work stream under the Structural Reform Support Programme to deliver technical assistance to the Member States on their way to joining the euro for the 2018-2020 period. It will also be involved in the work on turning this into a dedicated facility from 2020.

Activity 15: Protecting the euro against counterfeiting and managing the euro cash policy and legislation

The overall protection of the euro banknotes and coins against counterfeiting and related fraud is achieved through specific legislative measures, training actions financed by the Pericles 2020 programme, technical assistance provided by the European Technical Scientific Centre (ETSC) and coordination among relevant stakeholders within the established cooperation fora with the Member States, the ECB and Europol.

The **Pericles 2020 programme** contributes to the prevention and combatting of counterfeiting and related fraud, enhancing the competitiveness of the EU's economy and securing the sustainability of public finances.

The implementation and management of Commission actions and grants co-financed under the Pericles 2020 programme contribute to the overall protection of the euro banknotes and coins against counterfeiting and also establish a close and regular cooperation and an exchange of information among all relevant stakeholders, as defined by Regulation (EU) No 331/2014.

Euro cash policy and legislation aim at a coherent framework of both euro coin legislation, the euro coinage system and cash policy, including the management of the **Monetary Agreements with third countries** (AND, MC, RSM and VA) and participating in euro coin expert groups with the Member States and the ECB.

The Commission contributes to the Council's approval of new national euro coin designs under the euro coin regulation (Council Regulation (EU) No 729/2014), being in charge of checking the technical aspects of the coin design (of regular coins, commemorative and common commemorative coins). Regulation (EU) No 651/2012 details the conditions of coin issuance and also requires the Commission to periodically examine the use of different denominations in euro coins.

The Commission furthermore monitors the application of the Regulation (EU) No 1214/2011 on professional cross-border transportation of euro cash by road between euro area Member States.

The Commission is assessing if an EU measure to introduce cash payment limits has added value in the framework of the implementation of its Action Plan to step up the fight against terrorism financing (COM (2016) 50).

PART 2. MAIN ORGANISATIONAL MANAGEMENT OUTPUTS FOR THE YEAR

A. Human resource management

As part of the second pilot project to implement the HR Modernisation project (according to the Communication on Synergies and Efficiencies of April 2016) the delivery of HR services for DG ECFIN was transferred in February 2017 to an Account Management Centre (AMC 1) inside DG HR who acts upon the instructions of ECFIN's HR Business Correspondent, who is responsible for defining HR strategy and taking HR decisions, in consultation with the management of the DG.

In order to make progress towards ECFIN's Strategic Plan targets, a new HR Strategy for the period 2017-2020 has been developed and adopted by senior management. It is organised around three main axes:

1. The alignment between resources and priorities.

In line with the overall reductions in staffing across the Commission, DG ECFIN is facing increasing pressure on its resources. In this context, to ensure that the DG is fully equipped to deliver on its mission, emphasis will be placed on regularly reviewing and assessing the staff allocation and organisational structure, with a forward-looking perspective, to seek optimal alignment with ECFIN's political and operational priorities. To this aim, collecting and exploiting key data, including benchmarking and workload data, will continue to be carried out in 2018 to better inform resources (re)allocation decisions and priority-setting. A more flexible, project-oriented approach (teams for themes), swiftly mobilising the expertise of its staff, will also continue to be exploited where required to respond to evolving policy challenges. These initiatives will be combined with initiatives to simplify ECFIN's working methods and work processes at all levels.

2. Matching talent with business needs.

To ensure that DG ECFIN draws upon all of its available talents, a fuller picture of its highly specialised workforce will be established, including identifying individual staff skills, competencies and knowledge. Particular attention will be paid to the different cohorts in ECFIN's AST community, whose talents are not always known or fully exploited. ECFIN will also continue to support staff in their personal development and career aspirations, encouraging individual career planning and reflection along with promoting mobility across the DG (and beyond in some cases). Staff will be supported in their development and career ambitions through a coherent and structured choice of local learning and development solutions to cover both specific individual and more general needs. The development of leadership and interpersonal skills amongst middle managers, but also colleagues in pre-management positions, will continue to be encouraged. Following the adoption of new middle management gender targets by the College in July 2017 (setting down by DG a specific number of 'first-time' female middle management appointments to be made by November 2019), particular attention will be paid to the drafting of vacancy notices and the extension of publication deadlines in order to ensure – where possible – at least 40% of female candidates for such posts so as to fill the last 'first time' middle management appointment to be made by the given date.

3. Staff engagement.

DG ECFIN will strive to maintain an engaged and motivated workforce, where colleagues feel able to contribute their talents fully to the successful function of the DG and its high quality output. In addition to continuing to promote the highest levels of ethical behaviour and integrity, a process - under the banner of 'team time' - has been initiated

with the aim to consolidate previous organisational and leadership development initiatives and address the results of the 2016 staff survey, in particular with regard to staff engagement. The proposed initiative, which will allow ECFIN staff to dig deeper into issues that they have identified as priorities and to develop means of addressing these, will culminate in a reflection day bringing together over 700 staff members in spring 2018. Sustainable follow-up, through the putting in place of different working groups, is also planned.

Objective: The DG deploys effectively its resources in support of the delivery of the Commission priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.

Main outputs in 2018:

Output	Indicator	Target
a dedicated talent management campaign to encourage female AD staff to apply for management positions	Share of female candidates applying for middle-management positions	>40%
Team time process, reflection day and working groups	Level of staff participation	90%
Organisation of physical well-being activities, social events and targeted workshops	Number of activities/events organised	5

B. Financial Management: Internal control and Risk management

DG ECFIN manages both direct and indirect management types of operations and applies therefore various control systems and various forms of assurance to ensure the legality and regularity of its financial transactions. The past years have shown no design or operating deficiencies to be reported and the cost-effectiveness, while maybe leaving room for improvement, is nevertheless definitely acceptable. The time-to indicators are largely complied with.

The Authorising Officer by Delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions including prevention, detection, correction and follow-up of fraud and irregularities.

DG ECFIN recently revised its anti-fraud strategy valid until 2020; the strategy is accompanied by an Action Plan covering implementing measures that range from awareness-raising and specific training to the identification of sensitive posts in DG ECFIN or the review of anti-fraud clauses in contracts and the exchange of best practices with partner organisations. DG ECFIN will devote energy to implementing the Action Plan in 2018.

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

Main outputs in 2018:

Output	Indicator	Target
Financial transactions with legality and regularity issues kept at a level that allows for an unqualified assurance statement from the Authorising Officer by Delegation in the Annual Activity Report	Residual error rate (and corresponding amount at risk at closure) for 2018 transactions	Residual error rate between 0% and 2% according to the type of transaction and the management mode
Draft and final ex post control reports	Draft reports to be issued within 3 months after the collection of main evidence, final reports to be issued within 1 month after the AOSD provides comments.	Complete the ex post assignments that will be approved in the 2018 ex post control programme and finalise draft reports from previous years.

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

Main outputs in 2018:

Output	Indicator	Target
New effective and reliable controls as well as possible increases in existing controls will have to be matched by corresponding increases in related expenditures to achieve and sustain cost-effectiveness	Cost of controls over expenditures per control system for 2017 transactions	Cost ratio's identical or lower than 2017 for each control system
All calls for proposals with corresponding signing of framework partnership agreements and/or grant agreements and specific grant agreements shall comply with the periods specified in art. 128 FR. All payments shall comply with the time-limits specified in art. 92 FR	Time to inform; time to grant; time to pay	Art. 128 FR for time to inform and time to grant and art. 92 FR for time to pay unless a stricter target is imposed by the Commission

Objective 3: Minimisation of the risk of fraud through application of effective anti-fraud measures, integrated in all activities of the DG, based on the DG's anti-fraud strategy (AFS) aimed at the prevention, detection and reparation of fraud.

Main outputs in 2018:

Output	Indicator	Target
Review and update list of sensitive functions in the DG	Official note on the identification of potential sensitive functions, mitigating factors and the final designation of such functions approved by senior management	Completed by end-2018
Review organisation and controls to prevent and detect possible fraud from financial initiating agents	Written report approved by senior management	Completed by end-2018

C. Better Regulation

The main planned outputs linked to the Better Regulation objective in the Strategic Plan are listed in Annex 1 under the relevant specific objective in the tables.

D. Information management aspects

In the context of the Commission Communication on "Data, Information, and Knowledge Management adopted on 18 October 2016, ECFIN is playing an active role, firstly by exploring opportunities in the area with other services through its pro-active participation in the Commission's Information Management Team set up to support the Information Management Steering Board of Directors General; in addition, ECFIN is actively involved in the Interservice group of Document Management Officers and will continue to seek improvement in the area of document management.

Concerning document management specifically, ECFIN improved its overall performance in 2017 compared to previous years. The number of empty files has been further reduced, and good use of Areslook is ensuring that the number of emails registered is also above target. Progress opening files to other Commission services is being made. As a first step, ECFIN has introduced "Commission file reader" as the default (but modifiable) setting for new files to be created. However, issues remain to be tackled, e.g., the growing proportion of inactive files. Targets for 2018 aim to do even better and to tackle areas where progress has not been good. For example, the electronic validation of documents (e.g. e-Signatory) needs further streamlining in collaboration with all directorates.

Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable.

Main outputs in 2018:

Output	Indicator 16/10/2017	Target
Policy officers increased level of Data, Information, and Knowledge Management tools literacy	Number of training sessions on relevant IT tools	≥4
Reduce unfiled documents	Percentage registered documents not filed, 0.78%	< 0.5%
Reduce number of empty files	Percentage empty files, 2.10%	< 5%
Reduce number of unused active files	Percentage unused files, 16%	< 7.5%
Maintain registration of emails via Areslook	2017 percentage of documents registered in ARES via Areslook, 48%	> 35 %

E. External communication activities

External communication will support pro-actively DG ECFIN's outreach to key stakeholders and the public. Key messages will relate to DG ECFIN's contribution to the achievement of the political priorities of the Juncker Commission, notably priority 1 on jobs, growth and investment and priority 5 on a deeper and fairer EMU.

For 2018, a major focus of DG ECFIN's communication narrative will be the **December 2017 EMU package**, to explain the contents of the package and why it is so important to deepen EMU and enhance the euro area dimension of economic policy-making. At the same time, we will also continue to use the opportunities throughout the yearly **European Semester** cycle to explain why the Semester is needed and how Commission proposals and initiatives underpin fiscal policy and structural reforms efforts to further strengthen the economic recovery. Communication actions will likewise buttress Commission actions to further boost investment for jobs and growth through the **Juncker Plan** for investments. DG ECFIN will for this purpose continue to closely cooperate with central services to complement corporate communication on the benefits stemming from the Juncker Plan and to promote the EIPP to promoters and investors. In this context, particular attention will be placed on how EFSI has been implemented successfully, the continued progress with EFSI 2.0 as well as on the narrative for developing a permanent EFSI 3.0.

In addition, DG ECFIN will, in close cooperation with DG COMM and the ECB, plan appropriate communication actions on the forthcoming **20th anniversary of the EMU**, as a good opportunity again to raise awareness of the benefits of the euro. This will also dovetail with the communication narrative on deepening EMU. Moreover, communication to stakeholders will also explain the need to further strengthen the EU's growth potential and productivity, renew economic and social convergence, and explain developments regarding EU budget incentives and support for reforms through the structural reform and convergence instruments.

Last but not least, communication will accompany the negotiations for the **next MFF** and the interlinkages with the EMU package, as well as tangible examples of best use of

existing EU financial instruments. Moreover, the forthcoming completion of Greece's stability support programme will provide a key moment to communicate on the success of the country's reform efforts and its return to growth, to the benefit of the Greek people.

We will continue to use communication as a strategic tool and to integrate it closely with policy-making. Aligned with the overall political narrative for the Commission's economic policies, DG ECFIN's communication activities will continue to reach out to a wide range of key stakeholders, multipliers and the public. The aim therein remains to inform and explain to stakeholders and foster exchange of ideas and debate. This also aims to shape and influence policy-making. Where appropriate, we reach out to the interested public to show in plain language how the economic policies of the Commission contribute to jobs, growth and investment.

The communication activities to achieve these objectives listed below were and will continue to be coordinated with the SPP and cabinet communication adviser, DG COMM, SG and other partner DGs and the European Semester Officers (ESO) network. They include a targeted stakeholder and journalist outreach programme and DG ECFIN's analytical publication programme to inform and influence opinion-formers at the EU and national levels. The tools also include reaching out to the interested non-expert citizens with a new set of episodes for the video series "European Economy Explained" rendering complex EU economic issues more accessible and understandable, as well as infographics for the web and social media.

This outreach is complemented by a further expanding social media programme to join and influence the debate, make our voice heard, and win over new endorsers.

Objective: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.

Main outputs in 2018:

Output	Indicator	Target
Debates with Commissioner Moscovici on the occasion of Citizens' dialogue events	<i>Number of participants</i>	<i>250 participants</i>
Outreach programme for stakeholders and journalists	Satisfaction rate as measured in questionnaires	8.0 out of 10
	Number of participants stating their likelihood to share the information learnt	70% very or fairly likely
	Number of participants who have a better opinion of the EU and/or its institutions as a results of the event	50%
Brussels Economic Forum 2018	Number of participants	800
	Satisfaction rate	7.5 out of 10
	Number of participants who made useful contacts	50%
Social media	Facebook: follower growth	20% growth or 16 new/day

	(% and average)	
	Twitter: follower growth (% and average)	25% growth or 20 new/day
	Facebook: Post engagement rate (average) ⁶	1,500
	Twitter: Post engagement rate (average)	3,300
	Facebook: Fan engagement rate (average) ⁷	1%
	Twitter: Fan engagement rate (average)	3%
"European Economy Explained" video series	Number of views per video in first quarter	10,000
	Twitter: Fan engagement rate per video per quarter	6.5% on average
	Facebook: Fan engagement rate per video per quarter	1.5% on average
Real Economy	Number of views per video in first quarter (page views on website & apps)	80,000
	Number of views per video in first quarter (page views on YouTube Social media outreach: Unique browsers)	2,800
Economic publications	Number of PDF downloads from the "Publications" website section, for all four series (Institutional Papers, Economic Briefs, Discussion Papers, Technical Papers)	200,000
	Number of quotations in economic and general press (media coverage) per Institutional Paper/Flagship publication	10
	Number of new subscriptions to the ECFIN publication mailing list	10% increase
ECFIN E-newsletter	Number of external subscribers	10% increase (currently 8400)

⁶ Post Engagement Rate, calculated by number of likes, comments, replies, retweets etc., divided by number of posts and then, multiplied by 100.

⁷ Fan Engagement Rate, calculated by number of likes, comments, replies, retweets etc., divided by number of fans and then, multiplied by 100.

	Number of people who declare the publication met their expectations/ overall satisfaction (annual survey)	7.5 out of 10
Website	Number of visits, monthly average	Piwik 100,000
	Number of page views, monthly average	Piwik 250,000
	Language coverage	Website section on economic and financial affairs is translated in all EU official languages at least for the first three levels of navigation. Important website sections below level three (e.g. Economic forecasts) are translated in the three main EU working languages

Annual communication spending:	
Baseline (2017)	Estimated commitments (2018)
2.750.000	2.750.000

F. Example(s) of initiatives to improve economy and efficiency of financial and non-financial activities of the DG

In 2017 unit R2 introduced an **electronical workflow for all financial transactions**. This was done through use of the already existing ARES application, so no financial investment was needed (only organisational development). In practice this means that a financial transaction file does no longer exist in paper format, but circulates and is validated by the different actors through an ARES and – where required – an ABAC workflow. The approach is advantageous in several respects:

- no transport time (in particular useful after the abolishment of mail distribution services and for a Directorate-General of which the staff is split between Brussels and Luxembourg);
- no time and other resources spent for preparing paper files;
- easy tracking of every step in the workflow;
- easy archiving. However original external documents are still archived in paper form.

The work will continue and be further refined in 2018, on the basis of gathered experience.

As reported last year, DG ECFIN has been developing a **workload management (WLM) tool** with the goal of identifying how we allocate our resources towards our DG-specific objectives and, by extension, to the Commission's overarching objectives. This is all the more necessary given the challenge of on-going resource cuts. The situation has however evolved. Now DG HR is developing a similar corporate tool called ATLAS with the same goal as our WLM tool. According to the current timetable, this will be rolled out to the Commission at the end of summer 2018. DG ECFIN has been pro-actively engaged in preparing for the introduction of ATLAS. Concretely, that means we have been one of 4 DGs involved in the ATLAS pilot phase, aiming to tweak its design and identify any issues

arising. That work will continue in the first half of 2018 in order to be sure that ATLAS is optimally fit for purpose and that ECFIN is well-prepared for its introduction.

As in previous years, DG ECFIN will make the holding of a **summer school** of learning and development a priority. This initiative was relaunched in 2013 to great enthusiasm. It consists of 2 intensive weeks of economic and non-economic courses running in parallel, just before the summer vacation period. It is open to the whole Commission and several surveys looking at its impact have found high approval ratings. HR centralisation in the Commission has made organising this event more challenging, but it will nevertheless be organised again in 2018.

Annex 1. Tables

Relevant general objective 1: A new boost for jobs, growth and investment		
Specific objective 1: promoting growth and employment- enhancing policies in the euro area and the EU		
Activity 1: Analysis and development of growth and employment enhancing policies		
Main outputs in 2018:		
Other important outputs		
Output	Indicator	Target
Assessment of 2017 CSR implementation	Annual and multiannual assessment of CSR implementation	Q1 – Q2
Preparation of 2018 CSRs	ECFIN proposal of draft CSRs to SG	Q1
Country Reports including IDRs	Publication of the country reports for all non-programme Member States including, for the Member States selected in the Alert Mechanism Report, the findings of the in-depth review	Q1
European Economic Forecasts	Publication -> Interim Winter Forecast February 2018 -> Spring Forecast May 2018 -> Interim Summer Forecast July 2018 -> Autumn Forecast November 2018	Q1 – Q2 – Q3 -Q4
Joint Harmonised EU Programme of Business and Consumer Surveys	Publication of survey data and related analyses, circulation of nowcasts and short-term forecasts	Monthly BCS results: second last working day of the month; quarterly EBCI: one week after the end of the quarter; nowcasts: usually twice per month
Relevant general objective 1: A new boost for jobs, growth and investment		
Specific objective 1: Promoting growth and employment-enhancing policies in the euro area and the EU		
Activity 2: Management of tools and processes to support the implementation of growth and employment-enhancing policies		
Main outputs in 2018:		
Other important outputs		
Output	Indicator	Target
Country-specific recommendations to all non-programme Member States – legal texts including opinions on the Stability and Convergence programmes	Publication of the CSRs and accompanying technical assessments of SCPs	Q2
Assessment of the policy mix in the euro area	Development of various indicators to assess the monetary and fiscal stances. Contributions on the policy mix included in	Throughout 2018

	the Commission forecast documents and various fiscal surveillance notes	
Conference National Productivity Boards	Organisation of the conference	Q2
Contribute to the Article 50 negotiations with the UK	Input provided to the Article 50 Task Force	2018
Developing the Financial Toolbox of the European Defence Fund *	Establishing an informal expert group to discuss and develop the toolbox	Q1-Q2 2018
Preparation of action plan following the IAS audit	Submission of the action plan	H1 2018
Implementation of action plan following the IAS audit	Number of closed (sub)-recommendations	3 main recommendations covering 15 sub-recommendations
Prepare replies & comments to the draft report of the ECA audit	Timely submission of the Commission's reply	6 weeks following receipt of draft report
Implementation of the accepted recommendations from the ECA audit	Information provided in the RAD reporting tool	Completion date indicated in RAD

Relevant general objective 1: A new boost for jobs, growth and investment

Specific objective 2: Promoting macro-economic and fiscal stability in the euro area and the EU

Activity 3: Undertaking fiscal surveillance of Member States' economies

Main outputs in 2018:

Other important outputs

Output	Indicator	Target
Follow-up on the 2018 Draft Budgetary Plans	Note to the EWG	Q1
Overview of 2019 SPs	Note to the EFC	Q2
Overall assessment of the 2019 Draft Budgetary Plans in the euro area	Adoption of a Commission Communication	Q4
Opinions on the 2019 DBPs for non-programme euro area Member States	Adoption of a Commission Opinion and accompanying SWDs	Q4
SGP * - Legal acts - notably EDP or SDP steps	Adoption of legal documents and accompanying SWDs	Q1 - Q2 - Q4
Suitability review for the Council Directive 2011/85 on requirements for the budgetary frameworks of the Member States	Adoption of the report	Q4
Debt Sustainability	Commission services (DG ECFIN) report	Q1

Report 2017		
2018 Ageing Report	Joint EC (DG ECFIN)-EPC (AWG) report	Q1
Assessment of fiscal sustainability: Fiscal sustainability report 2018	Commission services (DG ECFIN) report, possibly Commission Communication	Q4
Relevant general objective 1: A new boost for jobs, growth and investment		
Specific objective 2: Promoting macro-economic and fiscal stability in the euro area and EU		
Activity 4: Contributing to the prevention/correction of macro-economic imbalances		
Main outputs in 2018:		
Other important outputs		
Output	Indicator	Target
Alert Mechanism Report (AMR)	Adoption of a Commission report	Q4
In-Depth Reviews (IDR)	Adoption of Commission communication with the findings of imbalances and publication of the accompanying country reports integrating the IDR analysis.	Q1
Specific Monitoring Reports	Reports to the EPC/EFC	Q4
Relevant general objective 1: A new boost for jobs, growth and investment		
Specific objective 3: Promoting investment in the EU		
Activity 5a: Mobilising the Investment Plan effectively towards increasing private sector participation		
Main outputs in 2018:		
Important items from work programmes/financing decisions/operational programmes⁸		
Output	Indicator	Target
Additional investment mobilised by EFSI *	Continuing the implementation of the Infrastructure and Innovation Window (IIW) to achieve the mobilisation of EUR 232.5 billion of cumulative investment and continuing the implementation of the SME Window (SMEW) of EUR 82.5 billion to ensure reaching the overall EFSI target of EUR 315 billion of investment mobilised	Q2 2018
Other important outputs		
Output	Indicator	Target
Amended EFSI *Agreement	Signature of the amended EFSI Agreement to adjust it to EFSI 2.0	1H 2018
EFSI 2.0 * SME	Agreement between the Commission	Q2 2018

⁸ For a complete listing of expenditure-related outputs please refer to the Programme Statements published together with the [Draft Budget for 2018](#).

Window allocation	services and the EIB Group on allocations of EFSI capacity to debt and equity products under the EFSI SME Window for EFSI 2.0	
EIAH	Additional number of requests received (200) and detailed advisory support provided (50)	31 December 2018
EIPP	Additional number of projects published (150)	31 December 2018
Finalising the award process for the Pan-European Venture Capital Fund of Funds programme	Following approval by EIF Board of possible investment into Pan-European Venture Capital Fund of Funds, giving guidance to EIF and supporting the process leading to signature with the selected financial intermediaries	Q1 2018
ESCALAR (European Scale-Up Action for Risk Capital) PLAN/2017/1942	Final report of ISG to be delivered	Q1 2018

Relevant general objective 1: A new boost for jobs, growth and investment

Specific objective 3: Promoting investment in the EU

Activity 5b: In the framework of the next MFF, possibly establishing a single InvestEU Fund and a single InvestEU Assistance Regulation

Main outputs in 2018:

Other important outputs

Output	Indicator	Target
Legislative proposal on InvestEU Fund [possibly]	Adoption of Commission proposal	2H2018
Legislative proposal on InvestEU Assistance [possibly]	Adoption of Commission proposal	2H2018

Relevant general objective 1: A new boost for jobs, growth and investment

Specific objective 3: Promoting investment in the EU

Activity 6: Enhancing the efficient use of EU resources via financial instruments with a special focus on SMEs and infrastructure

Main outputs in 2018:

Other important outputs

Output	Indicator	Target
EIF governance and shareholding	Board preparation work, timely and effective preparation of the regular briefings for the Commission representatives in the governing bodies	10 per year
EIB governance	Board preparation work, timely and	10 per year

	effective preparation of the regular briefings for the Commission representatives in the governing bodies. Review of Article 19 procedures and Memorandum of Understanding (MoU).	By end 2018
EBRD governance	Board preparation work, timely and effective preparation of the regular briefings for the Commission representatives in the governing bodies.	2 per month, except holiday period
Acting as Commission Competence Centre for Financial Instruments	Coordination of overall Commission approach to design and negotiation of financial instruments.	Ongoing task throughout 2018
Monitoring the implementation of legacy programmes	Conducting the yearly monitoring plan	Four visits for venture capital instruments and three visits for guarantee instruments
Awareness on financial instruments implementation and impact	(i) Drafting and coordinating the working document to the Draft Budget 2019 on the implementation of financial instruments under the proposed Article 39(4) of the Financial Regulation (FR), replacing the current report under Article 140(8) FR covering 36 different financial instruments (ii) Conducting an external study with the JRC on market failures and an external study on blending of grants and financial instruments (iii) Seminars to be delivered	(i) Timely delivery of the working document as required by the Financial Regulation (ii) Final delivery of the studies by summer 2018 (iii) Throughout the year

Relevant general objective 1: A new boost for jobs, growth and investment

Specific objective 3: Promoting investment in the EU

Activity 7: Ensuring sound and efficient management and follow-up of financial operations

Main outputs in 2018:

Other important outputs

Output	Indicator	Target
Euratom loan facility: Disbursement (in tranches) of the EUR 300 million LFA with Energoatom/Ukraine for safety upgrades	Number of disbursement tranches	Two tranches in 2018 of EUR 50 million each
Sound and efficient management of assets	Performance relative to benchmarks	Performance in line with benchmarks

Relevant general objective 1: A new boost for jobs, growth and investment

Specific objective 4: Promoting prosperity beyond the EU

Activity 8: Promoting EU positions and interests, cooperation in the external field and

coordinating EU positions in the G7, G20, IMF, EIB/EIF, EIB External Lending Mandate (ELM) and governing bodies of the EBRD and other IFIs

Main outputs in 2018:

Other important outputs

Output	Indicator	Target
Coordination of written EU positions for G20 finance track meetings	EU G20 Terms of Reference to be agreed in EFC/ECOFIN	Throughout 2018
Strengthen the role of the EU/euro area in international fora	Policy oriented contributions for discussions either directly (e.g. presentations at the G20) or indirectly (e.g. through the EFC or EURIMF)	Throughout 2018
Agreement on G20 growth strategies	Policy oriented contributions for discussions at the G20 Finance track/Framework for Growth Working Group Assessment of G20 Growth Strategies	Throughout 2018
Analytical work on Global Imbalances	Continued monitoring and in-depth analysis	Throughout 2018
Coordination of EU positions on IMF policy issues	Analytical and policy notes for discussion and common positions to be agreed by the SCIMF/EFC	Throughout 2018
Proposal for next generation EIB External Lending Mandate	Impact assessment and legislative proposal for next generation of the EIB external lending mandate, possibly in a common external fund	Q3 2018 (following MFF proposal in May 2018)
Improved coordination and effectiveness of the system of multilateral development banks, including the EIB	Advance work on balance sheet optimisation and additionality of Multilateral Development Banks	Q4 2018
Implementation of the current EIB External Lending Mandate to strengthen economic resilience in line with the 2030 Agenda for Sustainable Development	Number, amount and impact of EIB operations proposed under the Economic Resilience Initiative envelope of the ELM. Agreement between the co-legislators on the mid-term review of the current ELM. Evaluation report on the current ELM	Q4 2018
Supporting the operationalisation of the External Investment Plan *	Number, amount and impact of operations supported by the European Fund for Sustainable Development (pillar 1 of the External Investment Plan)	Q4 2018
Proposal regarding possible EIB development subsidiary	Possible proposal regarding the EU/Commission's participation in a possible development subsidiary	Q4 2018

Relevant general objective 1: A new boost for jobs, growth and investment

Specific objective 4: Promoting prosperity beyond the EU

Related to spending programme MFA

Activity 9: Supporting macro-financial stability and promoting growth-enhancing

reforms outside the EU, including regular economic dialogues with key partners and by providing macro-financial assistance

Main outputs in 2018:

Important items from work programmes/financing decisions/operational programmes⁹

Output	Indicator	Target
Implementation of MFA operations in third countries	Adoption of a Decision on the MoU (Georgia), Release & Borrowing Decisions by the Commission (for Georgia, Tunisia, Jordan and Moldova)	Depending on the beneficiary country and the progress with conditionalities
Possible Proposals for legislative decisions on MFA to third countries	Adoption of the Proposals by the Commission, depending on developments	Throughout 2018
MFA grant commitments & payments to third countries	Disbursement of grants (for Georgia and Moldova)	EUR 10 million to Georgia; EUR 40 million to Moldova depending on the progress with conditionalities

Other important outputs

Output	Indicator	Target
Macroeconomic dialogues with key non-EU partners, underpinned by comprehensive economic analysis	- Contribution at the High-Level economic dialogue with China. - Annual macroeconomic dialogues with key partners including neighbourhood, and G20 countries (China, Japan, India, Korea, Canada, Brazil, Mexico, Argentina, Australia, South Africa, Iran and the Gulf Cooperation Council)	Throughout 2018
Regular subcommittees on economic issues or economic dialogues with Neighbourhood countries	Annual dialogues with Belarus, Ukraine, Georgia, Egypt, Tunisia, Jordan, Moldova, Azerbaijan, Lebanon, Palestine, Armenia, Morocco, Algeria, Israel.	Throughout 2018
Operational assessments, Public Expenditure & Financial Accountability (PEFA) studies & ex-post evaluations PLAN/2016/200 (Jordan) PLAN/2016/202	Launch (for Georgia and Tunisia) and complete (for Kyrgyz Republic, Ukraine I and II, and Jordan I) ex-post evaluations. Launch and complete operational assessments, depending on developments.	Ex post evaluation (SWD) on MFA Ukraine I and II, and Jordan I to be completed in Q1 2018 and MFA Kyrgyz Republic to be completed in Q4 2018. Two ex post evaluations (Georgia II and Tunisia I) to be launched in Q2/Q3

⁹ For a complete listing of expenditure-related outputs please refer to the Programme Statements published together with the [Draft Budget for 2018](#).

(Ukraine) PLAN/2017/2036 (Kyrgyz Republic)		
MFA loan commitments and payments to third countries	Disbursement of loans subject to fulfilment of conditionality	EUR 35 million to Georgia; EUR 300 million to Tunisia (two instalments of EUR 150 million each); EUR 100 million to Jordan; EUR 60 million to Moldova; Ukraine (to be decided).
Relevant general objective 1: A new boost for jobs, growth and investment		
Specific objective 4: Promoting prosperity beyond the EU		
Activity 10: Supporting the enlargement process, the implementation of the EU Neighbourhood Policy and EU priorities in other third countries by conducting economic analysis and providing policy assessments and advice		
Main outputs in 2018:		
Other important outputs		
Output	Indicator	Target
Assessment of enlargement countries' medium-term ERPs	<ul style="list-style-type: none"> – Producing the Commission staff assessment of the ERP for each enlargement country (i.e. candidate countries and potential candidates) – Preparing the Economic and Financial Dialogue of the EU with the Western Balkans and Turkey which adopts joint conclusions with country-specific policy guidance 	Q2 2018
Assessment of enlargement countries' state of compliance with the economic accession criteria	Economic chapter of the country reports under the enlargement package	Q1 2018
Regular subcommittees on economic issues with enlargement countries	Annual dialogues with Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo, Montenegro, Serbia and Turkey	Throughout 2018
Regular monitoring and assessment of major macroeconomic & macrofinancial developments in enlargement and neighbourhood countries	Notes and/or Economic Briefs	Throughout 2018
Economic forecasts for candidate countries and rest of the world (with a focus on Russia, China, Japan, US, EFTA)	Publication -> Interim Winter Forecast February 2018 -> Spring Forecast May 2018 -> Interim Summer Forecast July 2018 -> Autumn Forecast November 2018	Q1 – Q2 – Q3 -Q4
Regular monitoring	- Notes and/or Economic Briefs, notably	Throughout 2018

and assessment of macroeconomic and financial developments in other third countries	on US economic developments and policies, economic re-balancing in China, macroeconomic and financial stability challenges in Emerging Market Economies and Global Trade.	
EFTA-ECOFIN meeting	- Contribution and coordination to the exchange at ministerial level between ECOFIN and EFTA Ministers of Finance and Economy	Q4 2018
Relevant general objective 5: A deeper and fairer EMU		
Specific objective 5: Improving the efficient functioning of the EMU		
Activity 11: Completing EMU by implementing the December 2017 proposals by the European Commission		
Main outputs in 2018:		
All new initiatives and REFIT initiatives from the Commission Work Programme		
Output	Indicator	Target
Integration of the substance of the TSCG into EU law *	Adoption by the Council and the European Parliament of the legislative act for the incorporation (based on the Commission's proposal)	2019
Integration of the ESM into EU legislation and transformation into a European Monetary Fund *;	The European Parliament and the Council are invited to adopt this proposal by mid-2019.	2019
A reform delivery tool to support Member States' reform commitments *	Proposal in the next Multifinancial Framework of this new reform delivery tool.	2018
Strengthening of the Structural Reform Support Programme, and targeted changes to the Common Provisions Regulation governing the European Structural and Investment Funds (ESIF) *.	Adoption of these two proposals by the European Parliament and the Council.	2018
Stabilisation function *	Following the December 2017 Commission package further develop the proposal to fully operationalise it	2018
Commission proposal for progressively establishing unified representation of the euro area in the	Proposal by the Commission to be discussed at the Council	2018

International Monetary Fund *.		
European Minister of Economy and Finance *	Following the December 2017 Commission package further develop the proposal to fully operationalise it	2018
Euro area safe asset *	Proceed with exploratory work jointly with FISMA	2018

Relevant general objective 5: A deeper and fairer EMU

Specific objective 5: Improving the efficient functioning of the EMU

Activity 12: Ensuring euro area reforms within the framework of the European Semester improve economic resilience

Main outputs in 2018:

Other important outputs

Output	Indicator	Target
EARs *	Adoption by the Commission and Council of recommendations for the euro area, including on the euro area fiscal stance	2018
Addressing high NPL levels	Contributing to the implementation of the Council Action Plan of July 2017	2018

Relevant general objective 5: A deeper and fairer EMU

Specific objective 5: Improving the efficient functioning of the EMU

Activity 13: Providing financial assistance to Member States

Main outputs in 2018:

Other important outputs

Output	Indicator	Target
Economic adjustment process in Greece	Completion of the 2015 ESM Stability Support Programme for Greece	2018
Post-programme surveillance related to the economic adjustment programme for Portugal	Reports on PPS missions published	2018
Post-programme surveillance related to the economic adjustment programme for Ireland	Reports on PPS missions published	2018
Post-programme surveillance related to the financial assistance programme	Reports on PPS missions published	2018

for the recapitalisation of financial institutions for Spain		
Post-programme surveillance related to the economic adjustment programme for Cyprus	Reports on PPS missions published	2018
Maturity lengthening of existing EFSM loans to Ireland	The EFSM loan due in April 2018 (EUR 3.4 billion) and in October (EUR 500 million) could be lengthened (if so requested by Ireland). Preparations would start end of 2017 and transactions would be carried out in 2018.	Agreement reached with Ireland on number of transactions and maturities
Maturity lengthening of existing EFSM loans to Portugal	The EFSM loan due in October 2018 (EUR 600 million) could be lengthened (if so requested by Portugal). Preparations and transactions would be carried out in 2018.	Agreement reached with Portugal on number of transactions and maturities.
Post-programme surveillance related to the Balance of Payments (BoP) financial assistance to Romania	Reports on PPS missions published	2018
Reviving discussions on the Commission proposal for revised BoP facility	Adoption by the Council of the BoP proposal	2018
Assessment of the economic adjustment programme for Cyprus	Work on the ex-post evaluation	2018

Relevant general objective 5: A deeper and fairer EMU

Specific objective 5: Improving the efficient functioning of the EMU

Activity 14: Strengthening the platform for future enlargement of the euro area

Main outputs in 2018:

Other important outputs

Output	Indicator	Target
Assessment of progress made by Member States with a derogation (BG, CZ, HR, HU, PL, RO, SE) in fulfilling their obligations regarding the achievement of EMU. PLAN/2017/21530	Adoption of the Convergence Report 2018 * and accompanying SWD	Q2

Relevant general objective 5: A deeper and fairer EMU		
Specific objective 5: Improving the efficient functioning of the EMU		Related to spending programme PERICLES
Activity 15: Protecting the euro against counterfeiting and managing the euro cash policy and legislation		
Main outputs in 2018:		
Important items from work programmes/financing decisions/operational programmes¹⁰		
Output	Indicator	Target
Develop policy strategy and legislation with respect to the protection of the euro against counterfeiting – Pericles 2020 programme PLAN/2017/2195	Annual Report to the Economic and Financial Committee (EFC) on the implementation of the Regulation (EU) No 1210/2010 ¹¹ concerning the authentication of euro coins and of coins unfit for circulation	1st semester 2018
Provide technical support for partners to protect the euro effectively via the European Technical Scientific Centre (ETSC)	<ul style="list-style-type: none"> - 3 Euro Counterfeiting Experts Group (ECEG) , 2 Counterfeit Coin Experts Group (CCEG) and 2 ETSC work team meetings addressing upcoming threats, forming the anti-counterfeiting strategy, exchanging best practices and addressing linkages of counterfeiting with other illegal activities (e.g. money laundering, terrorist financing etc.) - Degree of classification of euro counterfeit coins and communication to Coin National Analysis Centres (CNACs) 	<p>Rolling programme</p> <p>100% of coins to be classified and communicated to the CNACs by the end of the year</p>
Protection of the euro against counterfeiting through the Pericles programme, established by Regulation (EU) No 331/2014 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the	<ul style="list-style-type: none"> - Counterfeit notes and coins detected - Illegal workshops dismantled - Individuals arrested/charged - Annual Report to the European Parliament and to the Council on the implementation of the Pericles programme in 2017 -Adoption of the Financing Decision and of the Annual Work Programme for 2019 of the Pericles 2020 programme 	<p>12 actions</p> <p>1st semester of 2018</p> <p>2nd semester of 2018</p>

¹⁰ For a complete listing of expenditure-related outputs please refer to the Programme Statements published together with the [Draft Budget for 2018](#).

¹¹ OJ L339, 22.12.2010, p.1.

Pericles 2020 programme ¹²) PLAN/2017/2039		
Commission Communication on the latest developments in relation to euro coins PLAN/2017/984	Issuing Commission Communication	2 nd semester 2018
Management of the Monetary Agreements with Andorra, Monaco, San Marino and the Vatican	Update of Annexes to the agreements. In cooperation with other Commission services responsible for the policy area concerned, (coordination of the) screening of the implementation measures taken by the four third countries	Q2/Q4 2018
Other important outputs		
Output	Indicator	Target
Study to quantify net coin migration among Member States	The objective of the study is to design a methodology to quantify the size of net euro coin migration, apply that methodology to effectively estimate net coin migration for each Member State, and then consider options to mitigate the consequences of such net migration	2 nd semester 2018
Impact assessment P2020 for continuation beyond 2020	The Commission will prepare a full impact assessment exploring the possibility to extend the Pericles 2020 programme beyond 2020	1st semester 2018
Impact assessment on EU cash payment limitations PLAN/2016/28	The Commission is preparing a full impact assessment including costs and benefits to explore the relevance of potential limits to cash payments	Q3 2018

¹² OJ L103, 5.4.2014, p.1

List of Acronyms

AFS	Anti-Fraud Strategy
AGS	Annual Growth Strategy
AMC	Account Management Centre
AMR	Alert Mechanism Report
BCS	Business and Consumer Survey
BoPs	Balance of Payments
BUFI	budgetary fines
CCEG	Counterfeit Coin Experts Group
CIP	Competitiveness and Innovation Framework Programme
CL	Clearing Letter
CNAC	Coin National Analysis Centre
COMM	(DG) Communication
CR	Country Reports
CSRs	Country Specific Recommendations
DEVCO	(DG) International Cooperation and Development
DG	Directorate General
DBP	Draft Budgetary Plan
EA	euro area
EARs	euro area Recommendations
EBCI	European Business Consumer Index
EBRD	European Bank for Reconstruction and Development
ECA	European Court of Auditors
ECB	European Central Bank
ECEG	Euro Counterfeiting Experts Group
ECFIN	(DG) Economic and Financial Affairs
ECSC i.L.	European Coal and Steel Community in liquidation
EDP	Excessive Deficit Procedure
EEAS	European External Action Service
EFC	Economic and Financial Committee
EFSD	European Fund for Sustainable Development
EFSF	European Financial Stability Fund
EFSD	European Fund for Strategic Investments
EFSM	European Financial Stabilisation Mechanism
EIAH	European Investment Advisory Hub
EIB	European Investment Bank
EIF	European Investment Fund
EIP	External Investment Plan
EIPP	European Investment Project Portal
ELM	External Lending mandate
EMF	European Monetary Fund
EMU	Economic and Monetary Union
EPC	Economic Policy Committee
ERP	Economic Reform Programme
ES	European Semester
ESCALAR	European Scale-Up Action for Risk Capital
ESIF	European Structural and Investment Fund
ESM	European Stability Mechanism
ESO	European Semester Officer
ETSC	European Technical Scientific Centre
EU	European Union
EWG	Eurogroup Working Group
FIIEG	Financial Instruments Inter-service Expert Group
FR	Financial Regulation

GDP	Gross Domestic Product
GIF	Growth and Innovative SME Facility
GROW	(DG) Internal Market, Industry, Entrepreneurship and SMEs
HR	Human Resources
IAS	Internal Audit Service
IDR	In Depth Review
IFIs	International Financial Institutions
IIW	Infrastructure & Innovation Window
IMF	International Monetary Fund
IPE	Investment Plan for Europe
JRC	Joint Research Centre
MFA	Macro-Financial Assistance
MFF	Multi-Annual Financial Framework
MIP	Macro Imbalance Procedure
MoU	Memorandum of Understanding
MP	Management Plan
MS	Member States
MTO	Medium Term budgetary Objective
NEAR	(DG) Neighbourhood and Enlargement negotiations
NPB	National Productivity Boards
NRPs	National Reform Programmes
OM	Organisational Management
PEFA	Public Expenditure and Financial Accountability
PPS	Post Programme Surveillance
SCP	Stability and Convergence Programme
SDP	Significant Deviation Procedure
SG	Secretariat General
SGP	Stability and Growth Pact
SME	Small and Medium Enterprises
SMEG	Small and Medium Enterprise Guarantee
SMEW	Small and Medium Enterprise Window
SP	Stability Programmes
SRF	Single Resolution Fund
SWD	Staff Working Document
TA	Technical Assistance
TAXUD	(DG) Taxation and Customs Union
T4T	Teams for Themes
TFEU	Treaty on the Functioning of the European Union
ToR	Terms of Reference
TSCG	Treaty on Stability, Coordination and Governance
VC	Venture Capital
WLM	Work Load Management