



Management Plan 2019

DG Economic and Financial Affairs

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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 and resilient 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.

Economically, the crisis years are now behind us, with the recovery having settled in and unemployment falling continuously. However, we need to take steps to increase economic resilience and address economic vulnerabilities in order to deliver greater wellbeing and a stronger future in the coming years.

DG ECFIN acts as the interface for the Commission with the EIB group. It coordinates the EU policy steer across all policy areas, internal and external, for operations proposed by the EIB group.

Prosperity and stability inside the EU are highly dependent upon developments in the international environment, especially stability and prosperity in our neighbourhood and beyond. DG ECFIN contributes through stabilisation instruments, such as the Macro-

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

Financial Assistance (MFA) and the External Lending Mandate (ELM), and plays an active role in international economic issues.

DG ECFIN's priorities for 2019 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 12 September 2018², and in the 2019 Commission Work Programme (CWP)³ are reflected in the Management Plan (MP)⁴. The legislative proposals currently pending before the European Parliament and the Council are also included, including those related to the MFF proposal.

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.

Finally, much of the work for 2019 will involve DG ECFIN's core business and annual cycle of work.

The **Economic and Financial Committee (EFC)**, the **Economic Policy Committee (EPC)** and the **Eurogroup Working Group (EWG)** work closely with DG ECFIN. 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/priorities/state-union-speeches/state-union-2018_en#read

³ https://ec.europa.eu/info/publications/2019-commission-work-programme-key-documents_en

⁴ Policy priorities mentioned in the State of the Union address, Letter of Intent and/or 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, follow the Commission's proposal for a single InvestEU Programme Regulation through the legislative negotiations to adoption and initiate the implementation process - Enhancing the efficient use of EU resources via financial instruments with a special focus on SMEs, micro-, creative/cultural and social enterprises, innovation and sustainable 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 Economic and Monetary Union	<ul style="list-style-type: none"> - Completing EMU following 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 **2019** the key challenges under this objective are to continue to pursue structural and institutional reforms to ensure that this period of stability and growth is used to address long-term challenges and to lift productivity and wellbeing. High quality investment is needed, alongside reform efforts focused on productive growth, inclusiveness and institutional quality, in a framework of stable growth and sound public finances. Longer term challenges such as demographic trends and the future of work should be confronted to make changes and capitalise on opportunities where possible, while addressing weaknesses.

The DG will also focus its interactions with the rest of the world on ensuring that economic policies contribute to the attainment of the EU'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 **2019**, providing the right policy environment to foster productive, inclusive growth is top of the economic policy agenda. Reforms to support this will be at the base of ECFIN's economic analysis contributing to the work linked to the European Semester. In terms of reforms, particular attention will be paid to institutional quality and structural reforms focused on long term inclusive growth such as in the fields of education and labour market participation. The adoption of the new Multi-annual Financial Framework (MFF) will be central to supporting reforms and growth in the coming years, including through a new reform delivery tool and a convergence facility, delivered under the reform support programme. This should be articulated within the European Semester process to ensure optimal policy coherence.

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 and coordinate 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, including 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. For the production of these documents, ECFIN is working closely together with other services, including in the context of the European Semester Core Group (SG, ECFIN, EMPL, GROW and the relevant Cabinets) and Country Teams, and is thereby also contributing to wider Commission work.

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. Since 2018, DG ECFIN's fully fledged forecasts are published twice 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) are prepared in winter and during the summer.

DG ECFIN's **Business and consumer survey (BCS) programme** underpins 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 and inclusive growth – **structural reforms 2.0** – such as active labour market policies, and investment in education and skills. DG ECFIN contributes to deepening the understanding of fundamental drivers of productivity growth including the role of labour and product markets, innovation, and quality of public administration, and to stimulating an exchange of best practices.

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, and also in the context of assessing the economic impact of structural reforms.

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 links to investment. This includes, in particular, initiatives related to the single market and the digital single market as well as initiatives in the areas of the Energy Union, including 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 (CSRs)** to each Member State. ECFIN provides crucial, economically underpinned input for the production of those CSRs as part of its membership of the European Semester Core Group and Commission-wide Country Teams.

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.

In September 2016, the Council issued a Recommendation on the establishment of **National Productivity Boards**. The Member States of the euro area were invited to implement the principles set out in this Recommendation by no later than March 2018. A Commission progress report on the implementation of the Recommendation is foreseen for 2019. ECFIN will act as a facilitator by organising meetings and providing a platform for the exchange of information across the National Productivity Boards.

ECFIN aims to stay abreast of developments that affect the economic performance of Europe's economy. In 2019 it will remain involved in internal work on **the digital economy**, artificial intelligence and big data, looking at the type of impact they might have on economic and social outcomes. To that end, ECFIN is expanding its own analytical capacity on the digital economy. This work includes the Digital roundtables, which is a series of seminars to discuss various economic aspects of the on-going digital transformation of the economy. A conference on "Digitalisation in a low growth environment" will also be organised.

Regarding the **Article 50 negotiations** with the UK, ECFIN staff stands ready to continue to provide the Article 50 Task Force and other relevant services with analytical support, including during a possible transition period. 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.

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. The final report contained 3 important recommendations covering 15 sub-recommendations. ECFIN has accepted all recommendations. In **2019** ECFIN will continue to implement the action plan in view of the IAS' follow-up engagement.

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 Macro Imbalance Procedure (MIP) and the Stability and Growth Pact (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 **2019** again the application of the SGP should be mindful of the economic needs of the euro area. ECFIN will need to provide balanced considerations about the need for an adequate policy mix, ensuring an appropriate balance between sustainability and stabilisation considerations and taking into account the need to deliver investment and structural reforms. 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. **A review of the SGP** is due by 14 December 2019.

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.

If Member States breach either the deficit or the debt criteria, they are placed in an **Excessive Deficit Procedure (EDP)**, in which they are subject to additional monitoring

⁵ See also activity 2

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

Budgetary monitoring intensifies in the autumn for euro area Member States which submit **Draft Budgetary Plans** for the following year by 15 October. 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.

National fiscal frameworks (i.e. the national arrangements for the conduct of fiscal policies) are an increasingly important part of rules 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 relevant part of the Two Pack's Regulation (EU) 473/2013 regarding enhanced budgetary monitoring. These activities will continue throughout 2019.

The **Fiscal Sustainability Report 2018** envisages analysing in a comprehensive manner risks to fiscal sustainability using a multi-dimensional approach covering, short-, medium and long-term fiscal challenges. It includes a complete debt sustainability analysis (DSA) over the medium-term as well as an assessment of the budgetary impact of population ageing drawing on the joint EC-EPC 2018 Ageing Report.

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 the 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 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 **2019**, the focus will be on the implementation of EFSI 2 and the preparation of the new InvestEU Programme, which will bring together the different investment instruments under one roof under the new programming period. Under EFSI 2, the main focus will be on the timely deployment of the additional guarantee capacity. Also, ECFIN will monitor remaining barriers to investment in connection with the third pillar of the investment plan. Under InvestEU, the first half of the year will see focus on concluding the legislative process. The second half of 2019 will be devoted to initial discussions with potential implementing partners on pillar assessments, possible financial products and discussions on delegation agreements.

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 for Europe (IPE). 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, assisting the Commission's representatives to the Steering Board 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. DG ECFIN is contributing to the first and second pillar sections of a new stock-taking Communication on the Investment Plan announced in the State of the Union, coordinated by the Secretariat General and due at the end of November 2018.

a) The **EFSI** is the first pillar of the IPE, aiming to mobilise additional investment into strategically important projects, especially by crowding in private sector investments. EFSI projects need to be economically and technically viable, consistent with Union policies, provide additionality and maximise the mobilisation of private sector capital. EFSI also finances projects through the so-called Infrastructure and Innovation window (IIW), or through the so-called SME window (SMEW). The **EFSI 2.0 Regulation**, which entered into force on 30 December 2017, has extended the capacity and duration of the EFSI and enhanced the role of the European Investment Advisory Hub (EIAH). It increased the investment target to at least EUR 500 billion by the end of 2020 and introduced 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. EFSI 2.0 has put even more emphasis on the additionality of the projects to be financed with the EFSI support.

b) The amended EFSI Regulation also necessitated an adjustment of the **EFSI Agreement** which has been negotiated with the EIB, EIF and the concerned Commission services, under the lead of ECFIN, during the first three quarters of 2018. The 4th amendment of the EFSI Agreement is thus expected to be signed in November/December 2018). The 4th Amendment has

1. further increased the firepower of 4 debt products (Enhancement of InnovFIN SMEG, COSME LGF, EaSI and CCS guarantee facilities) with in total EUR 710 million
2. increased the EFSI Equity product firepower with an additional EUR 1,05 billion
3. introduced 2 new products with a EUR 300 million allocation each:
 - Private Credit Tailored for SMEs, increasing the availability of non-bank financing for businesses from alternative investment funds via the Debt Funds, thus supporting the Capital Markets Union (CMU) objectives to promote alternative lending channels.
 - the EFSI Combination product, pooling EFSI and European Agricultural Fund for Rural Development (EAFRD)/national resources to design guarantee instruments pursuing aligned EU and national policy objectives.

c) The negotiations to allocate the remaining +/- EUR 1,2 billion guarantee capacity under **EFSI 2.0 SMEW** will need to be finalised in 2019, Further increases of the 4 already existing debt products as well as equity products would allow continuing support to European companies. Cooperation with EU-level mandates allows achieving high policy value, avoids potential overlaps, responds to high market demand, continues addressing market gaps (as identified by individual EU-level programme) and provides more budgetary resources as compared to standalone EU-level instruments. In addition, new products targeting other specific market gaps and/or suboptimal investment situations may be contemplated.

d) 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. After three years, the Hub is already delivering targeted technical assistance and has already dealt with more than 800 requests from all Member States. In order to reflect the EFSI 2.0 enhancements, the EIAH continues to reinforce its regional and local capacities, to contribute to the sectorial diversification, to improve its visibility and to tailor its technical assistance to address specific needs. 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 is continuing to deliver promising results locally and was extended to cover Croatia as well in September 2018.

EIAH has signed 25 Memoranda of Understanding (MoUs) with national promotional banks and institutions (NPBIs) from 20 Member States to develop, as necessary, the ability of such institutions to support investment pipelines and to enhance the local provision of assistance. The call for proposals targeting NPBs launched in December 2017, to develop the local technical assistance already received 8 applications and several more have expressed their interest in developing their advisory capacity. Moreover, the Urban Investment Advisory Support (URBIS), launched in November 2017, is a new dedicated urban investment advisory platform within the Hub and set up to provide advisory support to urban authorities.

e) The **European Investment Project Portal (EIPP, the Portal)** was launched in June 2016. As the EU's online matchmaking platform, the EIPP currently offers nearly 450 investment opportunities. To increase the user-friendliness of the Portal, its website has

been further improved in 2018, with features such as a new tablet and mobile-adapted interface and a distinction between infrastructure and SMEs projects. The main objective for 2019 is to continue to raise awareness for the EIPP among stakeholders (project promoters and investors), to increase the quantity and quality of projects published, and to generate further success stories. Actions implemented in 2018 will continue to be pursued in 2019, including: (1) promoting the EIPP on social media; (2) organising EIPP matchmaking events; and (3) developing new and existing partnerships with external partners, other portals and financial institutions.

The Pan-European Venture Capital (VC) 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](#), [Digital Single Market strategy](#), the [Single Market Strategy](#) and the [Open Innovation strand of Horizon 2020](#). Six operations were approved by the EIF Board of Directors in July and September 2017, of which two were signed in March 2018. The remaining operations are expected to be signed at the end of 2018 and in 1H 2019.

Following the Recommendation of the Inter-Service Group (ISG), established in Q4 2017 to explore the feasibility of setting up a new programme, **ESCALAR (European Scale-Up Action for Risk Capital)**, discussions were pursued with the EIF. DG ECFIN together with DG GROW is developing a term sheet to serve as basis for a product to be added to the arsenal of EFSI SME Window products.

Activity 5b: In the framework of the next MFF, follow the Commission's proposal for a single InvestEU Programme Regulation through the legislative negotiations to adoption and initiate the implementation process

A proposal for setting up the InvestEU Programme was put forward to ensure that strategic investment would continue in the EU at a sustainable level after 2020. Its focus is 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** Programme will offer a EUR 38 billion EU budget guarantee to underpin market-based financing products. The InvestEU Programme includes an InvestEU Fund, an InvestEU Advisory Hub and an InvestEU Portal.

Following the InvestEU proposal, a dedicated Team is following the legislative process with a view to its adoption before the European elections of May 2019. This involves active participation in the Financial Counsellors' Working Group on the Council side. On the European Parliament's side, the Team is informing about the proposal and monitoring the lead and associated committees' work. The Team will produce non-papers, analysis of the draft reports and votes and meet with the key stakeholders. Trilogues are expected to start in December 2018 and continue in the first quarter of 2019. The Commission's delegation to the negotiations will contribute to bringing an agreement by drafting compromise proposals. During this whole process the legislative Team will seek assistance from the Luxembourg based experts and will report to the inter-service InvestEU Working Group.

In parallel to the legislative work stream, preparatory work to ensure the InvestEU Fund and Advisory Hub are operational from 1 January 2021 will proceed. This involves amongst other work on the Investment Guidelines with line DGs and Implementing Partners, design of specific products, pillar assessment of Implementing Partners, design of the advisory offer.

Activity 6: Enhancing the efficient use of EU resources via financial instruments with a special focus on SMEs, micro-, creative/cultural and social enterprises, innovation and sustainable 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.

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 of the Financial Instruments Interservice Expert Group (FIIEG). It also chairs the InvestEU Working Group. 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. In order to maximise cost-effectiveness, for guarantee programmes reaching the end of their lifetime the number of yearly monitoring visits to financial intermediaries and the EIF has been reduced from 4 to 3 as from 2018. For the venture capital part of these old programmes, the monitoring scheme will be fully completed by end 2018, and no visits are planned for 2019.

To improve the **visibility and awareness of the impact of financial instruments**, DG ECFIN provides 2 types of actions:

i) *Reporting package:*

Coordination and drafting of the single reporting to the budgetary authority on financial instruments (Article 41(4) of the new Financial Regulation (FR)), in the form of a working document attached to the draft budget; the reporting was produced for the first time under that format in 2018, based on figures at the end of 2017. It gives a complete overview on financial and operational status of the financial instruments centrally managed by the Commission. DG ECFIN will ensure the same coordination, review and drafting for the 2019 edition of the 41(4) FR report.

ii) *Seminars and studies:*

External seminars on the financial instrument activities can be delivered both inside and outside DG ECFIN and the Commission as necessary. In 2018, one study with the Joint Research Centre (JRC) on market failures and an external study on blending of grants and financial instruments were finalised. No new studies are currently envisaged.

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 the 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 **asset management** activity is to apply a sound investment process in order to generate optimal returns, in line with the market evolutions and the risk profiles of the portfolios under management. The investment approach aims at maintaining a high degree of stability and security for the portfolios while ensuring that sufficient liquidity is available for meeting the payment obligations (such as guarantee calls) payable out of EU funds. DG ECFIN directly manages the available assets of the Guarantee Fund 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). Moreover, DG

ECFIN oversees the management of several portfolios which have been outsourced to EIB and EIF.

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 G7, the G20 (including working groups e.g. Framework for Growth), the IMF Spring and Annual meetings, as well as EU meetings where global economic matters are discussed, aiming at strengthening Europe's global role and its ability to speak with one voice. The EU has a strong interest in participating in the G20 as a prime forum for global economic and financial policy coordination to achieve strong, sustainable, balanced and inclusive growth. At the same time, DG ECFIN continues to work closely with our partners in the G20, including through regular macroeconomic dialogues.

The commitment to promoting prosperity beyond the EU 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 part of the policy efforts to strengthen Europe's sovereignty, including through a broader use of the euro and by reinforcing the ties in particular in the EU's neighbourhood. 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. DG ECFIN carries out the activities under this specific objective in collaboration/consultation with other services.

In **2019**, the work on MFA will continue with the implementation of ongoing operations, the approval of new operations currently in the pipeline and possible new programmes being launched, depending on neighbourhood countries' requests and macroeconomic stabilisation needs. 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 global growth momentum starts to slow down amid increasing country divergence and significant downside risks, fostering economic relations with non-EU countries and strengthening the role of the EU in international fora will become even more important to promote a coordinated policy approach that ensures sustained global growth and stability.

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. 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. Japan will take over the G20 Presidency in December 2018 and France will hold the G7 Presidency in 2019.

DG ECFIN is in charge of ensuring the participation of the EU in the **G7** notably for discussions on the global economy, the European economic outlook, the global policy mix and provides analytical inputs on the promotion of greater economic inclusiveness and improving global economic governance. It also contributes to the work to improve the governance and functioning 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.).

DG ECFIN fully supports the **G20** Japanese Presidency's intention to focus much of the work of the Finance Track on the challenges of demographics and ageing populations and global imbalances. In this context DG ECFIN will prepare contributions for the G20 work on ageing, inclusiveness and global imbalances. In addition, DG ECFIN will present its ideas about reforming the G20 growth strategies' content and process and explore the possibility of organising a meeting in 2019 of the G20 Framework Working Group, which discusses the state of the global economy and G20 members' macroeconomic policies.

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 organisations. 12 African countries have joined for the moment. The initiative contributes to the goals of the Africa – Europe Alliance for Sustainable Investment and Jobs. The main contribution of the EU to the Compact with Africa will be through the rollout of the EU External Investment Plan.

In 2019, DG ECFIN will continue to work on EU's strategic approach towards the **IMF**, mainly in view of the upcoming discussions on IMF quota and governance where an agreement is supposed for fall 2019. Moreover, DG ECFIN will work on different aspects of the work of the IMF that relates to the EU, in particular where IMF policies are expected to be reviewed (surveillance, conditionality and debt sustainability analysis). Furthermore, DG ECFIN also participates in the G20 Working Group on the International Financial Architecture providing input on the IMF governance and quota formula reforms and discussions on the global financial safety net / international monetary system.

DG ECFIN will also contribute to formulating the Commission's position towards the **G20 Eminent Persons' Group** Report on the Global Financial Governance, including through the International Financial Architecture (IFA) G20 Working Group, and in feeding relevant recommendations into EU policy and legislation, including in the context of the MFF 2021-27.

DG ECFIN will oversee the implementation of the **EIB's External Lending Mandate** 2014-20 and produce an evaluation report as required by the ELM Decision. It will coordinate the Commission's scrutiny of proposed investment projects pursuant to Article 19 of the EIB Statute and help to resolve policy issues identified by Commission services. DG ECFIN will contribute to the implementation of the European Fund for Sustainable Development 2017-20, including through technical reviews of proposed investment

pipelines prior to their discussion in Technical Assessment meetings and the Operational Board [lead DGs: DG DEVCO and DG NEAR].

In the context of negotiations on the MFF 2021-27, DG ECFIN will contribute to the on-going legislative process concerning the EU's post-2020 external financial architecture, in particular the **Regulation on Neighbourhood, Development and International Cooperation Instrument (NDICI)**[lead DGs: DG DEVCO and DG NEAR]. DG ECFIN will have an important contribution to make in exploring concrete modalities of IFIs' and bilateral Development Finance Institutions (DFIs) possible engagement in the open architecture envisaged in the NDICI Regulation, so as to make maximum use of the IFIs/DFIs' respective strengths in pursuit of EU objectives. Through operational contacts with possible implementing partners, DG ECFIN will provide an important contribution to preparations for the implementation of the NDICI.

DG ECFIN will also help to formulate responses to initiatives taken by IFIs and other actors concerning the post-2020 **external financial architecture** and contribute with its expertise in an effort to find common ground between the EU and the IFIs in order to establish an effective external financial architecture that is fit for the purpose of achieving the EU's external policy objectives, in line with the directions provided in the 12 September 2018 Communication "Towards a more efficient financial architecture for investment outside the European Union" and in cooperation with DGs DEVCO/NEAR/SG/BUDG/EEAS. DG ECFIN will work closely with the EU Executive Director's office at the EBRD to facilitate the coordination of EU Member State positions at the EBRD Board.

DG ECFIN, in cooperation with other services, will assess whether EIB operations proposed to be transferred to the **Economic Resilience Initiative (ERI)** private mandate or the ERI public mandate comply with the ELM Decision. Ten operations ("warehoused projects") will be assessed against the transitional provision of Art. 20a of Decision 2018/412 of 14 March 2018⁶. DG ECFIN prepares the Decision to be approved by the College. Future project proposals by the EIB within the context of the ERI will be screened under the Article 19 procedure.

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 countries and in the EU neighbourhood, with a view to promoting sustainable growth and stability. Global growth momentum is expected to slow down in the near term becoming more uneven and much less synchronised. Amid high uncertainty, downside risks to the global economy are mounting, are closely interconnected and are partly materialising. The highly pro-cyclical

⁶ The Decision states that "The EIB may finance projects that were approved after 12 October 2016 and before 8 April 2018 and the conclusion of a guarantee agreement between the Commission and the EIB. Such projects may be covered by the EU guarantee, subject to confirmation by the Commission that they are in line with the objective defined in point (d) of Article 3(1) and respect the terms of the guarantee agreement."

fiscal policy in the United States could trigger a faster tightening of financing conditions, which would add an additional burden to already fragile Emerging Market Economies. A further escalation of trade tensions would dampen global growth and damage the multilateral trading system. As the global environment becomes more hostile, it is essential to understand the underlying causes of these developments in order to identify possible spillovers to the EU economy. In this context, DG ECFIN works to promote, manage and enhance effective bilateral relations with key non-EU partners as macroeconomic developments and policy challenges will be instrumental in delivering on the 2019 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 **2019**, DG ECFIN envisages further progress and the completion of the existing programmes in **Tunisia (MFA-II) and Jordan (MFA-II)**, and of the new MFA operations in **Georgia (MFA-III) and Ukraine (MFA IV)**, both adopted by European Parliament and Council in 2018. The operation in **Moldova** is expected to further progress with implementation, despite the delays in the disbursements due to reasons beyond the EU's control. All MFA disbursements remain subject to the fulfilment of the political preconditions, the policy conditions agreed in the relevant MoUs and a satisfactory track-record of implementing IMF program reforms.

A proposal for a follow-up operation with **Jordan** may also be presented after the successful conclusion of the current one, if the usual conditions for MFA are in place – in line with the Joint Statement of the European Parliament, the Council and the Commission annexed to the Decision for MFA-II to Jordan. A similar situation may arise with Tunisia. In addition, in view 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.

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, three evaluations were launched in 2018 (Kyrgystan MFA, Georgia (MFA II) and Tunisia (MFA I)) and should be finalised in 2019. 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. Furthermore, a **meta-evaluation on MFA operations** is planned to be launched in 2019. The meta-evaluation will provide a synthesis of the results of the evaluation studies of MFA operations carried out up to 2018. Furthermore, it will consider the reliability and relevance of the methodology, process, outputs, and outcomes of these evaluations.

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 complies yet with the economic accession criteria. Income convergence to the EU has slowed since the outbreak of the crisis in 2009. The ongoing economic recovery in the EU has improved the growth prospects of enlargement countries in the Western Balkans. However, their cyclical upturn might face headwinds if the external environment deteriorates. At the same time, existing vulnerabilities coupled with changing global financing conditions have triggered a sharp adjustment in the Turkish economy. This underscores the need for all enlargement countries to implement structural reforms to remove obstacles to growth and enhance 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 input 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) in the framework of the regular economic forecasts. With the global momentum fading amid mounting downside risks, these analyses becomes particularly important to underpin the appropriate economic policy response at EU level.

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 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 coming 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.

A significant priority for **2019** will be to advance on the EMU deepening agenda. The first indispensable elements are the completion of the Banking and Capital Markets Unions and providing meaningful centralised stabilisation. The Commission will work to deliver on the European Deposit Insurance Scheme and the European Investment Stabilisation Function, while moving to stronger risk sharing through other means. DG ECFIN will continue working on a stronger **international role** for the euro, as announced in the President's letter of intent.

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.

Activity 11: Completing EMU following 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 in 2017 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, the Commission proposed several initiatives to strengthen the Economic and Monetary Union that should ideally be adopted before the European Elections:

- Adoption of the proposals under the Economic and Monetary Union package, notably the progressive transformation of the European Stability Mechanism into a European Monetary Fund; integration of the substance of the Treaty on Stability, Coordination and Governance into the EU legal framework, the creation of a dedicated euro area budget line within the EU budget providing for i) structural reform assistance, also building on the Commission's structural reform support programme, and ii) a European Investment Stabilisation Function.

- Adoption of the proposal for progressively establishing a unified representation of the euro area in the International Monetary Fund.

In the framework of further initiatives to give perspective for the Future of the Union a Communication on strengthening the international role of the euro was adopted by the Commission on 5 December 2018. Follow-up work will take place in the framework of the preparation of the Sibiu summit and other possible consultations with MS and stakeholders.

The Euro Summit of 14 December mandated the Eurogroup to work on the design, modalities of implementation and timing of a budgetary instrument for convergence and competitiveness for the euro area, and ERM II Member States on a voluntary basis. The features of the budgetary instrument will be agreed in June 2019. The instrument will be adopted in accordance with the legislative procedure, as foreseen by the Treaties, on the basis of the relevant Commission proposal to be amended if necessary. The Euro Summit also endorsed the terms of reference of the common backstop to the Single Resolution Fund and the term sheet on the ESM reform. Finally, the Euro Summit took note of the communication on a stronger international role of the euro and encouraged work to be taken forward to this end.

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 individual 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 Staff Working Document (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 2019, 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 2019 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 in the context of 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, for instance by proposing in March 2018 a package to tackle NPLs, and DG ECFIN is closely involved in this work.

Activity 13: Providing financial assistance to Member States

In 2018 Greece successfully exited its Stability Support Programme and is now reintegrated into regular country surveillance under the European Semester. It is also subject to enhanced surveillance, allowing for the monitoring of the commitments made by Greece to the Eurogroup on 22 June 2018. Enhanced Surveillance monitors the economic, fiscal and financial situation in the country as well as progress with the aforementioned commitments. Enhanced surveillance reports will be sent to the Eurogroup and the European Parliament. A positive Enhanced Surveillance report would provide the basis for the Eurogroup and the EFSF governing bodies to proceed with the implementation of policy-contingent debt measures. Enhanced surveillance is more stringent than post-programme surveillance (PPS) as is being conducted in Ireland, Portugal, Cyprus and Spain. The objective of PPS is ultimately to measure the countries' capacity to repay their outstanding loans to EFSM, EFSF, ESM and/or bilateral lenders. Enhanced Surveillance in addition requires the country subject to it to adopt measures to address the sources of its imbalances; and it allows the Commission to recommend additional measures. Reporting requirements and the frequency of Commission reports is also more binding.

Both under PPS and Enhanced Surveillance, 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 regular assessments and analyses whether corrective measures are needed. The review missions are conducted in coordination with the International Monetary Fund, where relevant. The European Stability Mechanism joins those review missions in the context of their Early Warning System.

In **2019**, DG ECFIN will continue its work on the ex-post evaluation of the Cyprus economic adjustment programme which started in 2018.

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

For the period **2018-2020**, the Commission has proposed to set up a dedicated workstream within the Structural Reform Support Programme to offer targeted support to Member States on their way to joining the euro.

The technical support will be offered upon request and will cover all policies that can help achieve a high degree of convergence, such as support for reforms in the areas of public financial management, the business environment, the financial sector, labour and product markets, and the public administration. This technical support will be funded through the Structural Reform Support Programme. It will be fully voluntary and offered without any co-financing from the beneficiary Member States.

For the period post-2020, the Commission proposes a dedicated convergence facility, as part of the follow-up to the Structural Reform Support Programme, in order to support Member States in their concrete preparation for a smooth participation in the euro area. The choice of reform priorities will be discussed and monitored as part of the European Semester. This is irrespective of the formal process towards euro adoption, which is part of a specific monitoring process.⁷

In addition, for Bulgaria, the ERM II parties' statement of 12 July 2018 mandated the Commission and the ECB to monitor the effective implementation of Bulgaria's commitments in preparation for ERM II participation. The Commission has direct responsibility for monitoring and assessing the implementation of 4 out of 6 commitments (non-banking financial sector, insolvency procedures, anti-money laundering and governance of state-owned enterprises).

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 programmes, 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.

The Pericles 2020 programme on the protection of the euro against counterfeiting is one of the programmes of the proposed list of instruments for the next Multiannual Financial Framework, post-2020. In this framework, the Commission adopted a proposal for a Regulation of the European Parliament and of the Council for the period 2021-2027, the 'Pericles IV' programme (COM(2018) 369 final of 31.5.2018). The Commission also adopted a proposal for a Council Regulation extending the application of 'Pericles IV' to the Member States that do not have the euro as their official currency (COM(2018) 371 final, 31.5.2018) in continuity with the current programme. The Commission monitors the application of the Regulation (EU) No 1210/2010 concerning authentication of euro coins and handling of euro coins unfit for circulation.

The Commission is also committed to ensuring proper transposition and application of Directive 2014/62/EU of the euro and other currencies against counterfeiting by criminal law. In this framework, the Commission will submit a report to the European Parliament and to the Council assessing the extent to which the Member States have taken the

⁷ According to Article 140 of the Treaty on the Functioning of the EU, the Commission and the European Central Bank present a report at least every two years. The next reports are expected in May 2020.

necessary measures to comply with this Directive, accompanied, if deemed necessary, by a legislative proposal.

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 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.

PART 2. MAIN ORGANISATIONAL MANAGEMENT OUTPUTS FOR THE YEAR

A. Human resource management

Within the new organisation of the HR function (centralisation of the majority of HR processes between the newly created Account Management Centres (AMCs) and HR corporate), and in order to make progress towards ECFIN's Strategic Plan targets, an HR Strategy for the period 2017-2020 has been developed and adopted by senior management and will therefore continue to be implemented through **2019**. It is organised around three main axes:

1. The alignment between resources and priorities.

In order to optimise our use of resources and 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 via, inter alia, the new ATLAS (Activity & Task Logging for Allocation of Staff) module in Sysper, will continue to be carried out in 2019 which should lead to a better assessment of whether the allocation of resources is appropriately aligned to priorities and better inform future resources (re)allocation decisions and priority-setting. In addition, DG ECFIN will play an active role in the new Working Group on HR Strategic Planning recently set up by DG HR.

Meanwhile, ways of enhancing efficiencies on how ECFIN works towards achieving its objectives will continue to be exploited. This will involve supporting better information flows, reviewing business processes and a new more inclusive process for sound analysis to shape decision-making where required, to respond to evolving policy challenges.

These initiatives will be combined with others to simplify ECFIN's working methods and work processes at all levels, including putting in place an improved electronic document management system to ensure a better and clearer overview of currently existing knowledge and material to avoid possible overlaps and increase efficiency.

2. Matching talent with business needs.

To ensure that DG ECFIN draws upon all of its available talents, both in Brussels and in Luxembourg, ECFIN will work closely with DG HR corporate with regard to individual staff skills, competencies, experience and aspirations. In this context, much use will be made of formal and informal professional networks. For instance, attention will continue to be paid to the different cohorts in ECFIN's AST community, whose talents are not always known or fully exploited. Such knowledge should lead to improved identification and filling of gaps and matching of resources to policy needs. In general, 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, and also colleagues in pre-management positions, will continue to be actively worked on. In this context, ECFIN will develop guidance to support colleagues in pre-management positions as well as a policy for optimising the use of the pre-management function to develop staff with potential for management careers. Team leadership at senior management level will also be supported throughout 2019. Following the adoption of new middle management gender targets by the College in July 2017 (benchmarking 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 so as to ensure – where possible – that at least 40% of all candidates for such posts in future are female.

3. Staff engagement.

DG ECFIN will continue to 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. Team-building/away-days/volunteering, individual and group coaching will continue to be encouraged and supported as appropriate. In addition to continuing to promote the highest levels of ethical behaviour and integrity, DG ECFIN will continue to work on the follow-up to the team time process, supporting the eight project teams in their practical outcomes, as well as continuing to develop initiatives based on the proposals made by staff during the Reflection Day. Regular all-staff meetings will be held to monitor progress and promote continued staff engagement. A wider range of fit@work initiatives including the organisation of a Health Day and other cultural initiatives will be set put in 2019 in response to the changing work culture. A project team will be established to make recommendations to ECFIN's senior management about using the existing Commission instruments of flexible working measures to achieve the best possible operational objectives.

DG ECFIN's HR business correspondent and the Communication unit work closely together to ensure tailor-made internal communication actions to support HR priorities. Actions include intranet news articles, in-house videos, midday briefing sessions for all staff, posters, and agenda points for unit meetings.

Objective 1: 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 2019:

Output	Indicator	Target
Initiatives to support reflection among female AD staff with regard to management careers	Share of female candidates applying for middle-management positions	>40%
A dedicated learning programme to support different groups of staff, with a focus on acquiring core business related knowledge	Effective use of the 2019 learning and development budget	100%
Organisation of physical well-being activities, social events and targeted workshops	Number of activities/events organised	5
Action plan as follow-up on staff opinion survey 2018	Approval of action plan by Director General	by end of Q2 of 2019

B. Financial management: Internal control and Risk management

DG ECFIN will continue to endeavour in 2019 to best support its policy priorities through targetted controls to minimise risk.

DG ECFIN manages both direct and indirect management types of operations and applies various control systems and forms of assurance to ensure the legality and regularity of its financial transactions. We have not identified any design or operating deficiencies, and the cost-effectiveness of our transactions is definitely acceptable even if there could be room for improvement. The "timely execution of payments" indicator largely complies with the defined target; it will remain a key indicator for monitoring the efficiency of our financial management in 2019. DG ECFIN uses a variety of approaches to identify possible deficiencies in our system of controls: e.g., using the results of ECFIN's Internal Control Monitoring Criteria or following up issues raised by either the DG's Internal Control Management Group - a group of senior DG ECFIN officials charged with oversight and advice about the DG's internal control function - or by its recently established Compliance Committee.

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. According to our latest information, DG ECFIN's estimated residual error rate is between 0% and 0.06% and the latest conservatively estimated future corrections for DG ECFIN expenditure are 0 M€. Hence, DG ECFIN remains on track with its targets.

DG ECFIN's Anti-fraud strategy (AFS) aims to reduce potential fraud by identifying the main areas of risk and implementing an Action plan that covers various measures including awareness-raising, the identification of sensitive posts, enhanced control and the review of anti-fraud clauses in contracts. The implementation of ECFIN's Anti-Fraud-Strategy (2017-2020) will remain a priority of Internal control and Risk management. Most actions listed in the Action Plan of the Strategy will be accomplished or at least initiated in 2019. The new Commission's (Corporate) Anti-Fraud Strategy is awaited for the beginning of 2019, and DG ECFIN will do whatever is necessary to adapt its Anti-Fraud-Strategy to conform with the Commission's.

Concerning the DG's ex post control, ECFIN will again follow a plan proposed to and agreed with the DG's Internal Control Management Group, a plan that will take a risk-based approach.

The first reporting of DG ECFIN's New Internal Control Framework indicators mentioned just above will appear in the upcoming Annual Activity Report 2018 to be prepared in early 2019. The results will reflect how well DG ECFIN as an organisation is performing and any indications of weakness will trigger actions to rectify the situation. There will also be an exercise to ensure the new Framework is known and understood in the DG, especially by managers.

DG ECFIN intends to finalise its draft Internal Control Strategy; it has been awaiting the finalisation of the work on modifying financial circuits in the DG, an initiative which is now done. This Strategy seeks to provide a short, intuitive overview explaining how DG ECFIN implements its internal control and what principles the DG uses to drive that control.

To improve its risk management, DG ECFIN will be implementing **a new approach**. This will consist of top-down central identification of geopolitical/macroeconomic risks together with

their magnitude and probability, as well as risks attached to DG ECFIN's most important work processes, HR issues and internal organisation. This approach is considered necessary in order to lead to more coordinated, coherent and consistent results. However, room will be left for entities to identify and raise any entity-specific risks **bottom-up**.

Rigorous follow-up of audit recommendations targeting DG ECFIN from whichever source - the European Court of Auditors, the European Parliament, the Council or the Internal Audit Service - will be carried out with the aim of avoiding any late implementation of outstanding recommendations. The Commissioner and senior managers will be kept up to date with the evolution of audit developments and more effort will be devoted to regular high level contacts.

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 2019:

Output	Indicator	Target
Estimated residual error rate	Estimated residual error rate detected on the legality and regularity of the underlying transactions for budget implementation	Error rate below 2% for budget implementation
Estimated future corrections	€ 0	No corrections needed
Draft and final ex post control reports	Execution of the ex post control plan	Draft reports issued within 3 months after the collection of main evidence final reports issued within 1 month after the AOSD provides comments. Complete all ex post assignments approved in the 2019 ex post control programme and finalise draft reports from previous year.

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

Main outputs in 2019:

Output	Indicator	Target
Cost-effectiveness of controls	Control costs over funds managed	Cost ratio's equal to or lower than 2018
Timely execution of payments	Percentage of payments on the budget made within the time limits specified in art. 116 FR.	98%

Risk-differentiated & cost-effective internal control systems	Review status of the control systems to differentiate the frequency and/or the intensity of the DG's controls	<25% control systems not reviewed
Open recommendations from European Court of Auditors (ECA)	Number of recommendations from ECA overdue for more than 6 months	None
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 2019:		
Output	Indicator	Target
implementation of the anti-fraud strategy as planned for 2019	% of implementation of actions planned for 2019 in the anti-fraud strategy	100%
Increased level of anti-fraud awareness	Number of participants from the DG [target population] in training sessions on anti-fraud	10

C. Better Regulation

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

D. Information management aspects

ECFIN will continue to play an active role in the Commission's strategy on information management, 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. More generally, the Resources directorate will maintain its training initiatives on IT tools. These trainings are promoted via the regular DG ECFIN TRAINING BULLETIN and are also part of the summer school non-economic courses.

Returning to document management, ECFIN continued to improve its overall performance in 2018 compared to previous years. For example, ECFIN increased the use of the Ares e-Signatory from 62% in 2017 to 77% in 2018, the number of empty files has remained stable, and good use of Areslook is ensuring that the number of emails registered is also above target. Progress in opening files to other Commission services – in line with the principle of transparency but in respect of rules regarding information handling and marking - must still be made. Furthermore, some issues remain to be tackled, e.g., the growing proportion of inactive files. Targets for 2019 aim to do even better and to tackle areas where progress has not been good enough.

Objective 1: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable.

Main outputs in 2019:

Output	Indicator	Target
<i>Policy officers increased level of Data, Information, and Knowledge Management tools literacy</i>	Number of training sessions on document management	≥4
Reduce unfiled documents	Percentage registered documents not filed	< 0.5%
Reduce number of empty files	Percentage empty files	< 5%
Reduce number of unused active files	Percentage unused files	< 7.5%
Maintain registration of emails via Areslook/Internal Message	Percentage of documents registered in ARES	> 35 %
Increase use of e-Signatory validation/signature in Ares in 2019	2018 percentage of eligible documents preceded by e-Signatory	>70%

E. External communication activities

For the rest of the mandate of the Juncker Commission and in the run-up to the EP elections, strong communication will be essential to show citizens that the European Commission continues to invest in jobs and growth as well as in a deeper EMU until the end. Based on the clear and focused agenda of the Commission Work Programme for 2019, 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 **2019**, the first major focus of DG ECFIN's communication narrative will be the December 2018 Communication on strengthening the **international role of the euro** in the greater context of strengthening Europe's sovereignty. In parallel, we will continue to explain the 2019 milestones towards reinforcing the Economic and Monetary Union and why it is so important to **deepen EMU** and enhance the euro area dimension of economic policy-making. We will therefore closely accompany and support all progress on the proposals relating to the roadmap to deepen EMU, including the budgetary instruments proposed under the next **Multiannual Financial Framework**, the European Investment Stabilisation Function, and the Reform Support Programme for greater macroeconomic resilience, structural reforms and strengthened convergence.

At the same time, we will also continue to use the opportunities throughout the yearly European semester cycle to explain how the EU benefits from the European Semester and how Commission proposals and initiatives underpin fiscal policy and structural reforms efforts to further boost growth and jobs. Communication actions will likewise buttress Commission actions to further boost investment in jobs and growth through the **Investment Plan for Europe**, the Juncker Plan. DG ECFIN communication activities 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, we will focus on the implementation of EFSI 2.0 and the preparation of the new **InvestEU programme**.

On 1 January 2019, we will celebrate the **20th anniversary of the single currency** and of the EMU. DG ECFIN will take this opportunity to raise awareness on the benefits of the euro, in close cooperation with DG COMM, the ECB and other institutions and partners. This will also dovetail with the continuing efforts of the Commission to deepen EMU and will support the EU call to citizens to vote at the **2019 EP elections**, as all EU citizens have a stake in how EMU evolves further. Moreover, communication to stakeholders will explain the need for further strengthening 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.

In addition, communication will accompany the concluding negotiations for the next MFF and the interlinkages with a deeper and fairer EMU, as well as tangible examples of best use of existing EU financial instruments.

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 reach out to a wide range of key stakeholders, multipliers and the public. The aim remains to inform and explain to stakeholders and foster exchange of ideas and debate. This also aims to shape and influence policy-making. As every year, we will apply our creativity and sense for innovative communication to organise the **Brussels Economic Forum** with a topical programme and high-ranking and interesting speakers. 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 further expanding social media programme to join and influence the debate, make our voice heard, and win over new endorsers.

Objective 1: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.

Main outputs in 2019:

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	Satisfaction rate as measured in questionnaires	8.0 out of 10

stakeholders and journalists		
	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 2019	Number of participants	800
	Satisfaction rate	7.5 out of 10
	Number of participants who made useful contacts	50%
Social media	Facebook: follower growth (% and average)	20% growth or 16 new/day
	Twitter: follower growth (% and average)	25% growth or 20 new/day
	Facebook: Post engagement rate (average) 8	1,500
	Twitter: Post engagement rate (average)	3,300
	Facebook: Fan engagement rate (average) 9	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"	200,000

⁸ Post Engagement Rate, calculated by number of likes, comments, replies, retweets etc., divided by number of posts and then, multiplied by 100.

⁹ Fan Engagement Rate, calculated by number of likes, comments, replies, retweets etc., divided by number of fans and then, multiplied by 100.

	website section, for all four series (Institutional Papers, Economic Briefs, Discussion Papers, Technical Papers)	
	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 (currently 7390)
ECFIN E-newsletter	Number of external subscribers	10% increase (currently 9 100)
	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 (2018)	Estimated commitments (2019)
2.300.000	2.500.000

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

In the last quarter of 2018, a revised financial circuit was adopted and implemented, introducing the separation of the verification functions between the operational staff (Operational Verification) and the financial staff (Financial Verification). The aim of the new system is to streamline a transparent, documented collaborative approach between the different actors involved in the preparation and verification of financial transactions, providing greater assurance to the Authorising Officers before their validation. In 2019, DG ECFIN services will continue to benefit from the new financial circuit in terms of

efficiency and assurance. The circuit is fully managed in an electronic way through Ares, without creating additional costs or delays.

As was done in 2018 for budget 2019, the budget planning preparation process for 2020 will be implemented as a corporate overall analysis of the needs per thematic clusters (e.g. portfolio management, data acquisition, studies, grants, organisation of events, subscriptions, technical assistance). The aim is to identify possible synergies and cost savings, to reduce the risk of projects' overlapping and to ensure that the allocation of resources focuses on the achievement of the DG's priorities, mission and objectives.

The implementation in DG ECFIN of the simplified forms of grants under direct and indirect management mode introduced by the new 2018 Financial Regulation will be analysed and fully explored in 2019 in close collaboration with the operational units, the financial unit and DG BUDG in order to identify possible economy and efficiency improvements.

To promote its non-financial efficiency, DG ECFIN has been an active member of the ATLAS steering committee chaired by DG HR and will use the full version of the tool including sub-activities when it is rolled out. This will allow ECFIN to record accurately and dynamically how it allocates its HR to priorities/general objectives, specific objectives, activities and sub-activities.

One key idea for improving economy and efficiency of the DG activities is to move from administrative box ticking to sense making. The Resources directorate started several initiatives in this direction in 2018 and will continue them in coming years. This is particularly true for the IT steering committee which has been transformed from an annual formal exercise to a permanent body which regularly works on important issues: business continuity in the support and development of economic models, the rationalisation of off-the-shelf statistical and econometric tools, the reduction of licence costs, and the rationalisation and prioritisation of information systems' development.

The new set up of the IT steering committee was accompanied by the reintroduction of a previous practice: in 2018, IT projects and expenses were challenged, as were other projects (data acquisition, rating agencies, studies, organisation of events, grants, etc...) while preparing the 2019 Budget planning. This facilitated a better allocation of resources to projects and activities focused on the achievement of DG ECFIN's mission and objectives.

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 2019:		
Other important outputs		
Output	Indicator	Target
Assessment of 2018 CSR implementation	Annual and multiannual assessment of CSR implementation	Q1 – Q2
Country Reports including IDRs	Publication of the country reports for all Member States including, for the Member States selected in the Alert Mechanism Report, the findings of the in-depth review	Q1
Preparation of 2019 CSRs	ECFIN proposal of draft CSRs to SG	Q1
European Economic Forecasts 2019	Publication -> Interim Winter Forecast February -> Spring Forecast May -> Interim Summer Forecast July -> Autumn Forecast November	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
Annual Research Conference	Organisation of the conference	Q4
Conference: "Structural reforms: New solutions for new policy changes"	Organisation of the conference	Q3-Q4
Macroeconomic Dialogue with social partners at technical level		Q1 and Q4
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 2019:		
Other important outputs		
Output	Indicator	Target
Country-specific recommendations (CSRs) to all Member States – legal texts	Publication of the CSRs and accompanying technical assessments of SCPs	Q2

including opinions on the Stability and Convergence programmes		
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 the Commission forecast documents and various fiscal surveillance notes	Throughout 2019
Commission progress report on the implementation of the Recommendation on National Productivity Boards	Adoption of the Report	Q1
Two workshops with the National Productivity Boards	Organisation of the workshops	First workshop in H1; Second workshop in H2
Contribute to the Article 50 negotiations with the UK and any follow-up in a possible transition period.	Input provided to the Article 50 Task Force and other relevant services	Throughout 2019
Implementation of action plan following the IAS audit on evaluation	Close all (sub)-recommendations	December 2019

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 2019:

Other important outputs

Output	Indicator	Target
SGP review	Adoption of a Commission communication and accompanying SWD	Q2
Overview of 2019 SCPs and an assessment of the euro area fiscal stance	Note to the EFC	Q2
Overall assessment of the 2020 Draft Budgetary Plans in the euro area	Adoption of a Commission Communication	Q4
Opinions on the 2020 DBPs for 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
Debt sustainability analysis and assessment of fiscal	Publication of the Fiscal Sustainability Report 2018	January 2019

sustainability risks		
Review of Regulation (EU) No 472/2013 on the strengthening of economic and budgetary surveillance of Member States in the euro area (Two-pack legislation) (PLAN/2018/4649)	Adoption of the Commission Report on the application of Regulation (EU) No 472/2013 and transmission to the European Parliament and the Council	Q1
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 4: Contributing to the prevention/correction of macro-economic imbalances		
Main outputs in 2019:		
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 2019:		
Other important outputs		
Output	Indicator	Target
Additional investment mobilised by EFSI	Continuing the implementation of the Infrastructure and Innovation Window (IIW) and the SME Window (SMEW) to achieve the mobilisation of EUR 420 billion of cumulative investment to ensure reaching the overall EFSI 2.0 target of EUR 500 billion of investment mobilised by end-2020	Q4
EIAH	Additional number of requests received (200) and detailed advisory support provided (50)	31 December 2019
EIPP	Additional number of projects published (150)	31 December 2019
Pan-European Venture Capital Fund-of-Funds	Signature of remaining operations with fund managers	H1
ESCALAR (European	Development of EFSI 2.0 SME Window to	Amendment of the EFSI

Scale-Up Action for Risk Capital)	be included under the EFSI Agreement	Agreement signed before end 2019
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, follow the Commission's proposal for a single InvestEU Programme Regulation through the legislative negotiations to adoption and initiate the implementation process		
Main outputs in 2019:		
Delivery on legislative proposals pending with the legislator		
Output	Indicator	Target
Proposal for a Regulation of the European Parliament and of the Council establishing the InvestEU Programme (COM(2018) 439)	Contribute to the on-going legislative process leading to the adoption of the Proposal by the co-legislators	May 2019
Other important outputs		
Output	Indicator	Target
Commission Delegated Decision supplementing Regulation .../... of the European Parliament and of the Council establishing the InvestEU Programme, setting out the Investment Guidelines (PLAN/2018/3943)	Preparation of the Investment Guidelines with line DGs and adoption of the Decision by the Commission	End 2019
Initiate the implementation process and start the discussions with future implementing partners	<ul style="list-style-type: none"> a) Design of specific products b) Pillar assessment of potential implementing partners c) Design and adoption of scoreboard (legal nature to be confirmed) d) Negotiation and signature of Guarantee Agreements e) Design of the Advisory Offer 	<ul style="list-style-type: none"> a) Throughout 2019 and 2020 b) Throughout 2019 and 2020 c) End 2019 d) Throughout 2019 and 2020 e) Throughout 2019 and 2020
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, micro-, creative/cultural and social enterprises, innovation and sustainable infrastructure		
Main outputs in 2019:		
Other important outputs		
Output	Indicator	Target
Review the procedure about Article 19 of the	Signature of a revised Memorandum of Understanding between the Commission	Q2

EIB Statute	and the EIB	
EIF governance and shareholding	Board preparation work, timely and effective preparation of the regular briefings for the Commission representatives in the governing bodies	10/year
Act as Commission Competence Centre for Financial Instruments	Coordination of overall Commission approach to design and negotiation of financial instruments	Throughout 2019
Monitoring of the implementation of legacy programmes	Conduct of the yearly monitoring plan	Three monitoring visits for the guarantee instruments (no visits foreseen for the venture capital instruments)
Awareness on financial instruments' implementation and impact	<ul style="list-style-type: none"> Drafting and coordination of the working document annexed to the Draft Budget 2020 on the implementation of financial instruments under Article 41(4) of the new Financial Regulation (FR), covering the Commission centrally managed financial instruments Seminars to be delivered as needed 	<ul style="list-style-type: none"> Timely delivery of the working document as required by the Financial Regulation 1-2 seminars in 2019

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 2019:

Important items from work programmes/financing decisions/operational programmes

For a complete listing of expenditure-related outputs please refer to the Programme Statements published together with the [Draft Budget for 2019](#).

Output	Indicator	Target
Euratom loan facility: Disbursement (in tranches) of the EUR 300 million Loan Facility Agreement (LFA) with Energoatom/Ukraine for safety upgrades	Number of disbursement tranches	EUR 100 million in 2 tranches

Other important outputs

Output	Indicator	Target
Sound and efficient management of the assets	Performance relative to benchmarks	Throughout 2019
Proposal for a Council Decision amending Decision 2003/77/EC laying down multiannual financial guidelines for managing the assets	Adoption of the Proposal by the Commission and transmission to the Council	Q4

of the ECSC in liquidation and, on completion of the liquidation, the Assets of the Research Fund for Coal and Steel - PLAN/2017/955		
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 2019:		
Other important outputs		
Output	Indicator	Target
Neighbourhood, Development and International Cooperation Instrument (NDICI)*	Contribute to the on-going legislative process leading to the adoption of the Regulation on the NDICI by the co-legislators.	May 2019
Coordination of written EU positions for G20 finance track meetings	Issues for discussion notes circulated to EFC and EU G20 Terms of Reference to be agreed in EFC/ECOFIN	Throughout 2019
Coordination of EU positions on IMF policy issues	Analytical and policy notes for discussion and common positions to be agreed by the EFC	Throughout 2019
Analytical work on global imbalances (focus on stock imbalances and benchmarking)	Non-papers/presentations circulated to G20 members	Throughout 2019
Policy oriented contributions on ageing and fiscal sustainability	Non-papers/presentations circulated to G20 members	Throughout 2019
Agreement on G20 growth strategies	Producing policy-relevant growth strategies and assessment of measures therein	Throughout 2019
Assessment of compliance of the "warehoused" projects under the ERI initiative with the provision of Art. 20a of Decision 2018/412 of 14 March 2018.	Adoption of the Commission Decision	Q1
Evaluation report (Implementation of the current EIB External Lending Mandate) PLAN/2018/2468	Adoption of the Commission report and publication of the Staff Working Document	June 2019

Operational contacts with possible implementing partners and contribution to the initiation of the implementation process	<ul style="list-style-type: none"> a) Meetings of the EU external investment platform¹⁰ b) Contribution to the design of NDICI investment windows c) Contribution to the establishment of the NDICI risk assessment group d) Contribution to the negotiation and signature of Guarantee Agreements 	Throughout 2019 and 2020
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 2019:		
Important items from work programmes/financing decisions/operational programmes		
<i>For a complete listing of expenditure-related outputs please refer to the Programme Statements published together with the <u>Draft Budget for 2019</u>.</i>		
Output	Indicator	Target
Implementation of MFA operations in third countries	Release & Borrowing Decisions by the Commission (for Ukraine, 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 proposals by the Commission, depending on developments.	Throughout 2019
MFA grant commitments & payments to third countries	Disbursement of grants (for Georgia and Moldova)	EUR 5 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 to the High-Level economic dialogues with China , Japan and Turkey 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	Throughout 2019

¹⁰ The EU external investment platform was proposed in the Commission Communication of 12 September 2018 "Towards a more efficient financial architecture for investment outside the European Union", COM(2018) 644 final.

	Cooperation Council)	
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 2019
Operational assessments, Public Expenditure & Financial Accountability (PEFA) studies & ex-post evaluations PLAN/2017/2036 PLAN/2018/2943 PLAN/2018/2937	Complete (for Kyrgystan, Georgia II and Tunisia I) ex-post evaluations. Launch and complete operational assessments, depending on developments.	Ex post evaluation (SWD) on MFA Kyrgystan to be completed in Q1; on MFA Georgia II and MFA Tunisia I to be completed in Q2/Q3.
MFA loan commitments and payments to third countries	Disbursement of loans subject to fulfilment of conditionality	EUR 20 million to Georgia (EUR 35 million if the two instalments are disbursed in 2019); EUR 150 million to Tunisia (EUR 300 million if both the remaining two instalments are disbursed in 2019); EUR 100 million to Jordan; EUR 60 million to Moldova (if all three instalments are disbursed in 2019); EUR 500 million to Ukraine

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 2019:

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
Assessment of enlargement countries' state of compliance with the economic	Economic chapter of the country reports under the enlargement package and of the opinion on Bosnia and Herzegovina's request to become	Q1/Q2

accession criteria	a candidate for membership	
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 2019
Regular monitoring and assessment of major macroeconomic & macrofinancial developments in enlargement and neighbourhood countries	Notes and/or Economic Briefs	Throughout 2019
Regular monitoring and assessment of global macroeconomic and financial developments with a focus on other third countries	Notes and/or Economic Briefs, notably on US and China economic developments and policies, macroeconomic and financial stability challenges in Emerging Market Economies and Global Trade developments and policies.	Throughout 2019
Economic forecasts for candidate countries and rest of the world (with a focus on Russia, China, Japan, US, EFTA)	Publication -> Spring Forecast -> Autumn Forecast	Q2 Q4
EFTA-ECOFIN meeting	- Contribution to and coordination of the exchange at ministerial level between ECOFIN and EFTA Ministers of Finance and Economy	Q4

Relevant general objective 5: A deeper and fairer EMU

Specific objective 5: Improving the efficient functioning of the EMU

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

Main outputs in 2019:

Delivery on legislative proposals pending with the legislator

Output	Indicator	Target
Proposal for a Regulation of the European Parliament and of the Council on the establishment of a European Investment Stabilisation Function (EISF)*	Contribute to the on-going legislative process leading to the adoption of the Proposal by the co-legislators	May 2019
Proposal for a Council Regulation on the establishment of the European Monetary Fund*	Contribute to the on-going legislative process leading to the adoption of the Proposal by the Council	May 2019

Other important outputs

Output	Indicator	Target
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Establishment of the Reform Support Programme *	Adoption by the co-legislators	May 2019
Commission proposal for progressively establishing unified representation of the euro area in the International Monetary Fund (Council Decision)*	Adoption by the co-legislators	May 2019
Integration of the substance of the Treaty on Stability, Coordination and Governance (TSCG) into secondary law	Adoption by the co-legislators of the draft Directive laying down provisions for strengthening fiscal responsibility and the medium-term budgetary orientation in the Member States	May 2019
Follow-up on the Communication on strengthening the international role of the euro *	Sibiu Summit	9 May 2019
	Outcome of consultations	Summer 2019

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 2019:

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	Q4

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 2019:

Other important outputs

Output	Indicator	Target
Post-programme surveillance (PPS) related to the economic adjustment programme for Portugal	Reports on PPS missions published	2019
PPS related to the economic adjustment programme for Ireland	Reports on PPS missions published	2019
PPS related to the financial assistance programme for the recapitalisation of	Reports on PPS missions published	2019

financial institutions for Spain		
PPS related to the economic adjustment programme for Cyprus	Reports on PPS missions published	2019
Post-programme enhanced surveillance following the completion of the ESM programme for Greece	Reports on enhanced surveillance missions published	2019
Assessment of the economic adjustment programme for Cyprus PLAN/2018/2854	Completion of the ex-post evaluation	2019
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 2019:		
Delivery on legislative proposals pending with the legislator		
Output	Indicator	Target
Proposal for a Council regulation establishing a facility for providing financial assistance for Member States whose currency is not the euro *	Political agreement	May 2019
Other important outputs		
Output	Indicator	Target
Assessment of Bulgaria's progress with the implementation of its pre-ERM II commitments (jointly with the ECB)	Adoption of the assessment report/letter	Summer 2019
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 2019:		
Delivery on legislative proposals pending with the legislator		
Output	Indicator	Target
Exchange, assistance and training programme for the protection of the euro against counterfeiting for the period 2021-	Political agreement	May 2019

2027 (the 'Pericles IV' programme)*		
Extending to the non-participating Member States the programme for the protection of the euro against counterfeiting for the period 2021-2027 (the 'Pericles IV' programme)*	Political agreement	May 2019

Important items from work programmes/financing decisions/operational programmes

For a complete listing of expenditure-related outputs please refer to the Programme Statements published together with the [Draft Budget for 2019](#).

Output	Indicator	Target
Commission Decision concerning the adoption of the work programme for 2019 of the Pericles 2020 Programme	College adoption	February 2019
Report to the European Parliament and to the Council on the application of Directive 2014/62/EU of the euro and other currencies against counterfeiting by criminal law	College adoption	May 2019

Abbreviations

AFS	Anti-Fraud Strategy
AGS	Annual Growth Strategy
AMC	Account Management Centre
AMR	Alert Mechanism Report
BCS	Business and Consumer Survey
BUDG	(DG) Budget
BUFI	budgetary fines
CIP	Competitiveness and Innovation Framework Programme
CMU	Capital Markets Union
COMM	(DG) Communication
CPF	Common Provisioning Fund
CR	Country Reports
CSRs	Country Specific Recommendations
DBP	Draft Budgetary Plan
DEVCO	(DG) International Cooperation and Development
DFI	Development Finance Institutions
DG	Directorate General
DSA	Debt Sustainability Analysis
EA	euro area
EAFRD	European Agricultural Fund for Rural Development
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
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
EFSI	European Fund for Strategic Investments
EFSM	European Financial Stabilisation Mechanism
EFTA	European Free Trade Association
EIAH	European Investment Advisory Hub
EIB	European Investment Bank
EIF	European Investment Fund
EEIP	European External Investment Plan
EIPP	European Investment Project Portal
ELM	External Lending mandate
EMU	Economic and Monetary Union
EPC	Economic Policy Committee
ERI	Economic Resilience Initiative
ERP	Economic Reform Programme
ES	European Semester
ESCALAR	European Scale-Up Action for Risk Capital
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
GFEA	Guarantee Fund for External Actions
GIF	Growth and Innovative SME Facility
GROW	(DG) Internal Market, Industry, Entrepreneurship and SMEs
HR	(DG) Human Resources
IAS	Internal Audit Service
IDR	In Depth Review
IFA	International Financial Architecture
IFIs	International Financial Institutions
IIW	Infrastructure & Innovation Window
IMF	International Monetary Fund
IPE	Investment Plan for Europe
ISG	Inter-service Group
JRC	Joint Research Centre
LFA	Loan Facility Agreement
MAP	Multiannual Programme for Enterprise
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
NDICI	Neighbourhood, Development and International Cooperation Instrument
NEAR	(DG) Neighbourhood and Enlargement negotiations
NPB	National Productivity Boards
NPBI	National Promotional Banks and InstitutionsAMC
NPLs	Non Performing Loans
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
SWD	Staff Working Document
TA	Technical Assistance
ToR	Terms of Reference
TSCG	Treaty on Stability, Coordination and Governance
URBIS	Urban Investment Advisory Support
VC	Venture Capital