ANNEXES

ANNEX 1: Statement of the Resources Director

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

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

Brussels, 18 March 2016

[signed]
Pamela BRUMTER-CORET
Director of Resources and Communication

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

ANNEX 2: Human and financial resources

Human Resources by ABB activity				
Code ABB Activity	**ABB Activity**	**Establishment Plan posts**	**External Personnel**	**Total**
Financial services and capital markets	Financial services and capital markets	220	60	280
Management	Management of the Directorate-General for Financial Stability, Financial Services and Capital Markets Union	48	7	55
Policy strategy and coordination	Policy strategy and coordination for Financial Stability, Financial Services and Capital Markets Union	47	7	54
	Total	**315**	**74**	**389**

12 01 02 11 — Other management expenditure (credits in 2015)

Budget line	Credit appropriations EUR	Commitments EUR	Payments EUR	%
12.010211.00	2 408 408			
12.010211.00.01.10 Missions		1 200 000	968 871	
12.010211.00.01.30 Representation		10 000	1 064	
12.010211.00.02.20 Experts meetings		485 000	370 990	
12.010211.00.02.40 Conferences		103 203	66 638	
12.010211.00.03 Committees		66 000	45 023	
12.010211.00.04 Studies/consultations				
12.010211.00.05 Information Technology		317 928	48 238	
12.010211.00.06 Training		181 957	50 799	
Title 12 -Total	**2 408 408**	**2 364 088**	**1 551 624**	**98.16%**

ANNEX 3: Draft annual accounts and financial reports

AAR 2015 Version 1

Annex 3 Financial Reports - DG FISMA - Financial Year 2015

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2015 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 12 Internal market and services					
12	12 01	Administrative expenditure of the 'Internal market and services' policy area	2.56	2.46	96.09 %
	12 02	A single market policy and free movement of services	6.88	6.85	99.61 %
	12 03	Financial services and capital markets	45.40	44.78	98.63 %
Total Title 12			54.84	54.09	98.63 %
Total DG FISMA			54.84	54.09	98.63 %

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

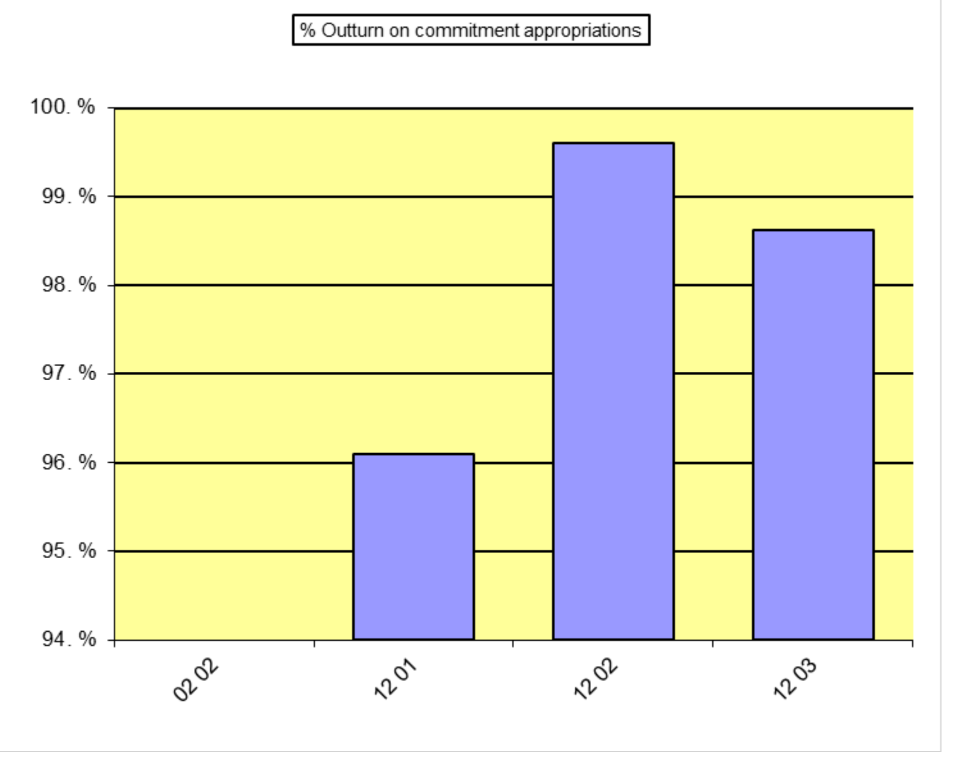


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2015 (in Mio €)					
Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 12 Internal market and services					
12	12 01	Administrative expenditure of the 'Internal market and services' policy area	3.42	2.29	66.78 %
	12 02	A single market policy and free movement of services	4.40	4.40	99.99 %
	12 03	Financial services and capital markets	44.83	44.21	98.61 %
Total Title 12			52.65	50.89	96.65 %
	Total DG FISMA		52.65	50.89	96.65 %

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

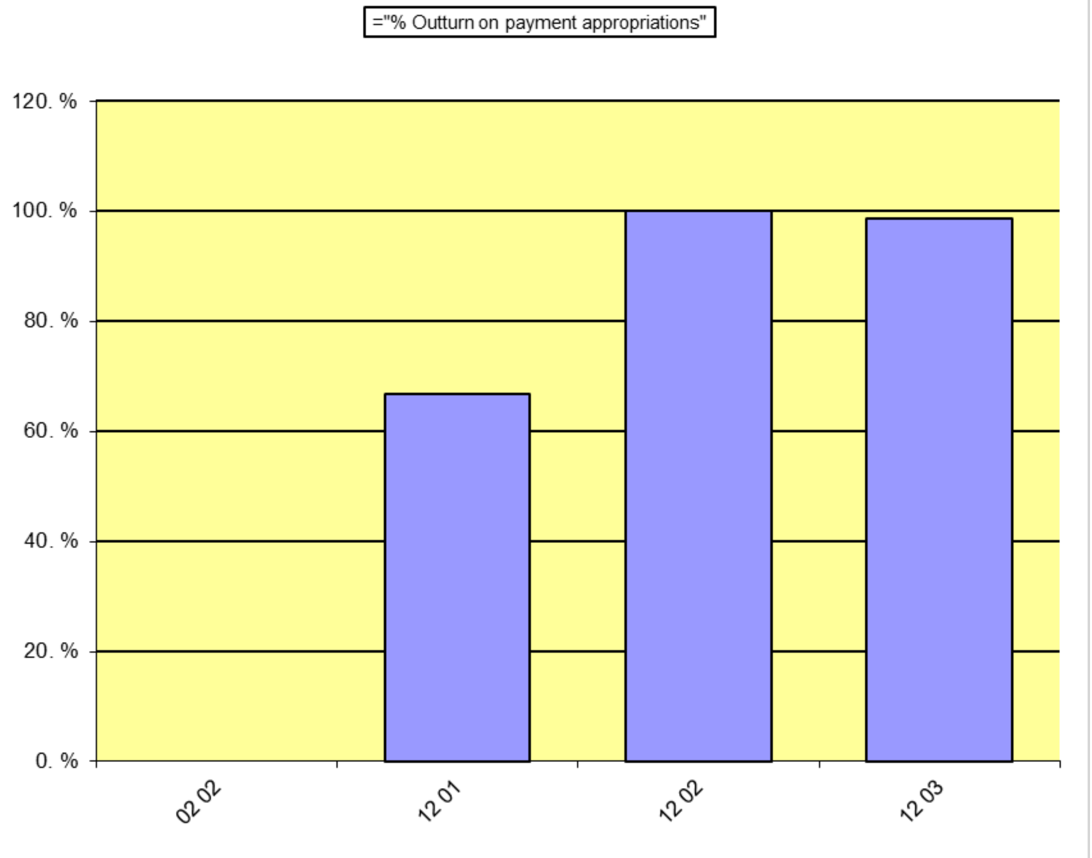


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2015 (in Mio €)									
Chapter			2015 Commitments to be settled				Commitments to be settled from financial years previous to 2015	Total of commitments to be settled at end of financial year 2015(incl corrections)	Total of commitments to be settled at end of financial year 2014(incl. corrections)
			Commitments 2015	Payments 2015	RAL 2015	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
Title 02 : Enterprise and industry									
02	02 02	Competitiveness of enterprises and small and medium-sized enterprises (Cosme)	0.00	0.00	0.00		0.00	0.00	0.00
Total Title 02			0.00	0.00	0.00		0.00	0.00	0.00
Title 12 : Internal market and services									
12	12 01	Administrative expenditure of the 'Internal market and services' policy area	2.46	1.58	0.88	35.65 %	0.00	0.88	0.86
	12 02	A single market policy and free movement of services	6.85	1.37	5.48	80.02 %	0.97	6.46	5.96
	12 03	Financial services and capital markets	44.78	42.55	2.22	4.97 %	0.00	2.22	1.90
Total Title 12			54.09	45.50	8.58	15.87 %	0.97	9.56	8.73
	Total DG FISMA		54.09	45.50	8.58	15.87 %	0.97	9.56	8.73

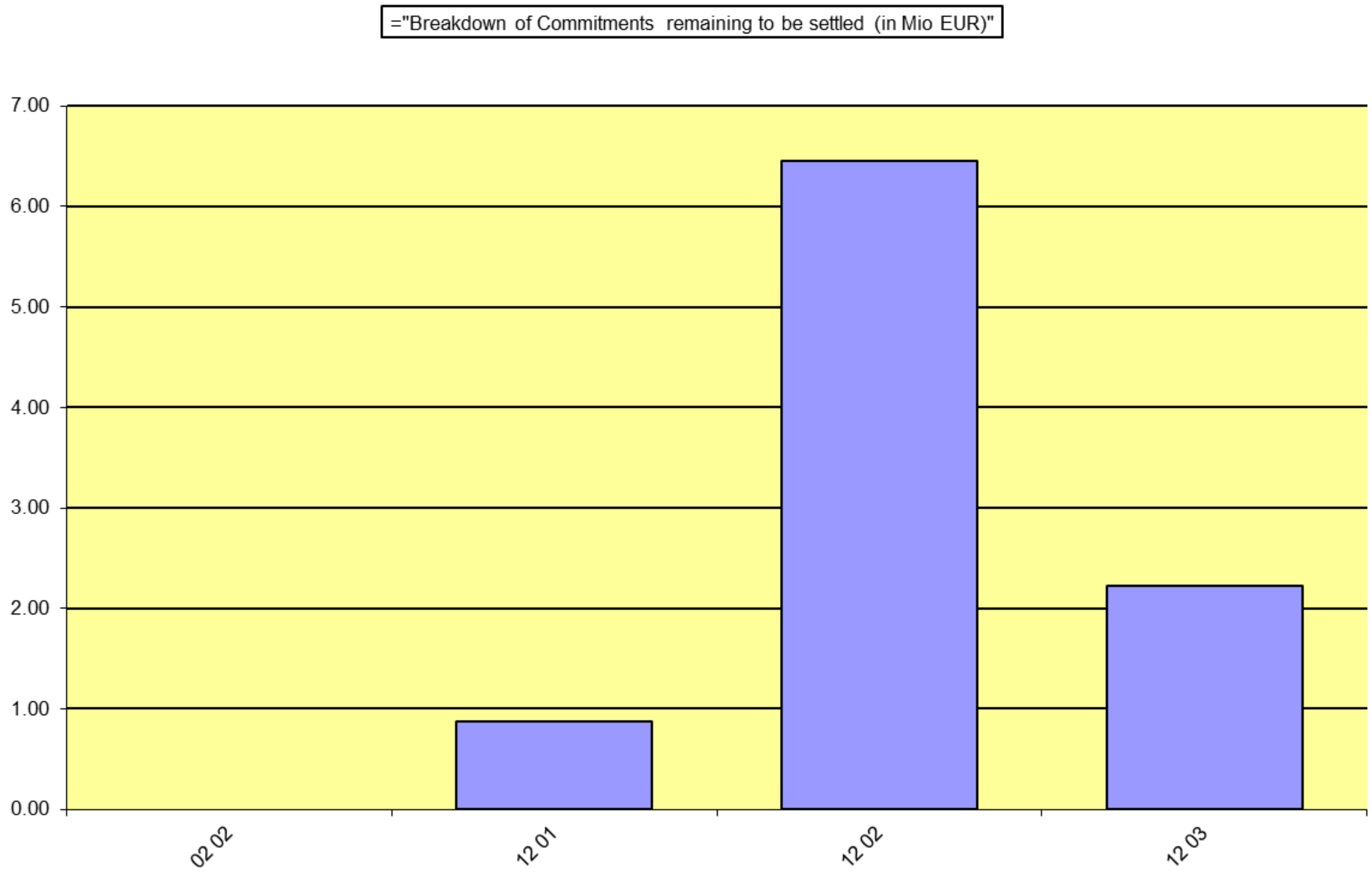

="Breakdown of Commitments remaining to be settled (in Mio EUR)"
7.00
6.00
5.00
4.00
3.00
2.00
1.00
0.00
02 02
12 01
12 02
12 03

TABLE 4 : BALANCE SHEET

BALANCE SHEET	2015	2014
A.I. NON CURRENT ASSETS	0.00	0.00
A.I.2. Property, plant and equipment	0.00	0.00
A.II. CURRENT ASSETS	1 321 162.64	-70 816.91
A.II.2. Current Pre-Financing	1 321 735.09	-70 914.18
A.II.4. Exchange Receivables	97.27	97.27
A.II.5. Non-Exchange Receivables	-669.72	0.00
ASSETS	**1 321 162.64**	**-70 816.91**
P.III. CURRENT LIABILITIES	-3 319 785.02	-3 340 572.73
P.III.4. Accounts Payable	-66 535.63	-312 611.49
P.III.5. Accrued charges and deferred income	-3 253 249.39	-3 027 961.24
LIABILITIES	**-3 319 785.02**	**-3 340 572.73**
NET ASSETS (ASSETS less LIABILITIES)	**-1 998 622.38**	**-3 411 389.64**
P.I.2. Accumulated Surplus / Deficit	103 784 274.67	46 204 215.05
Non-allocated central (surplus)/deficit*	-101 785 652.29	-42 792 825.41
TOTAL	**0.00**	**0.00**

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

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE

STATEMENT OF FINANCIAL PERFORMANCE	2015	2014
II.1 REVENUES	-1 106 540.04	-21 316.00
II.1.1. NON-EXCHANGE REVENUES	0.00	-387 840.00
II.1.1.4. FINES	0.00	-387 840.00
II.1.2. EXCHANGE REVENUES	-1 106 540.04	366 524.00
II.1.2.1. FINANCIAL INCOME	0.00	0.00
II.1.2.2. OTHER EXCHANGE REVENUE	-1 106 540.04	366 524.00
II.2. EXPENSES	46 570 671.60	57 601 375.62
II.2. EXPENSES	46 570 671.60	57 601 375.62
11.2.10.OTHER EXPENSES	1 608 641.38	2 518 874.85
II.2.2. EXP IMPLEM BY COMMISS&EX.AGENC. (DM)	10 463 981.82	17 804 412.47
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)	34 496 346.20	37 274 597.15
II.2.6. STAFF AND PENSION COSTS	249.69	0.00
II.2.8. FINANCE COSTS	1 452.51	3 491.15
STATEMENT OF FINANCIAL PERFORMANCE	**45 464 131.56**	**57 580 059.62**

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

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

TABLE 6: AVERAGE PAYMENT TIMES FOR 2015 - DG FISMA

Legal Times

Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	281	251	89.32 %	13.60	30	10.68 %	47.47
45	2	2	100.00 %	13.00			
60	15	15	100.00 %	17.80			
90	1	1	100.00 %	9.00			
107	1	1	100.00 %	8.00			
Total Number of Payments	**300**	**270**	**90.00 %**		**30**	**10.00 %**	
Average Payment Time	**17.16**			**13.79**			**47.47**

Target Times

Target Payment Time (Days)	Total Number of Payments	Nbr of Payments within Target Time	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
20	8	5	62.50 %	9.40	3	37.50 %	21.67
30	15	12	80.00 %	14.25	3	20.00 %	154.00
Total Number of Payments	**23**	**17**	**73.91 %**		**6**	**26.09 %**	
Average Payment Time	**32.39**			**12.82**			**87.83**

Suspensions

Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	20	55	18.33 %	300	4 687 996.88	6.67 %	70 247 030.06

Late Interest paid in 2015

DG	GL Account	Description	Amount (Eur)
FISMA	65010100	Interest on late payment of charges New FR	1 452.51
			1 452.51

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2015								
Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	7=3-6
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	34 401.96	0.00	34 401.96	34 401.96	0.00	34 401.96	0.00
66	OTHER CONTRIBUTIONS AND REFUNDS	623 642.73	0.00	623 642.73	623 642.73	0.00	623 642.73	0.00
71	FINES	0.00	387 840.00	387 840.00	0.00	0.00	0.00	387 840.00
90	MISCELLANEOUS REVENUE	1 454 960.66	0.00	1 454 960.66	1 454 960.66	0.00	1 454 960.66	0.00
Total DG FISMA		**2 113 005.35**	**387 840.00**	**2 500 845.35**	**2 113 005.35**	**0.00**	**2 113 005.35**	**387 840.00**

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

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2015	Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
Year of Origin (commitment)	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2010			1	26 294.40		
2014			4	631 750.29		
No Link			2	1 454 960.66		
Sub-Total			7	2 113 005.35		

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES												
NON ELIGIBLE IN COST CLAIMS									4	16 691.75		
CREDIT NOTES									5	194 275.33		
Sub-Total									9	210 967.08		
GRAND TOTAL									16	2 323 972.43		

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2015 FOR FISMA						
	Number at 01/01/2015	Number at 31/12/2015	Evolution	Open Amount (Eur) at 01/01/2015	Open Amount (Eur) at 31/12/2015	Evolution
2014	1	1	0.00 %	387 840.00	387 840.00	0.00 %
	1	1	0.00 %	387 840.00	387 840.00	0.00 %

TABLE 10 : RECOVERY ORDER WAIVERS IN 2015 >= EUR 100.000						
	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

Total DG	

Number of RO waivers	

No data to be reported

TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG FISMA - 2015

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

No data to be reported

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

Internal Procedures > € 60 000		
Procedure Type	**Count**	**Amount (€)**
Open Procedure (Art. 127.2 RAP)- (procedures awarded)	5	5 756 750
		(incl. the value of a framework contract)
TOTAL	**5**	**5 756 750**

TABLE 13 : BUILDING CONTRACTS

Total number of contracts :	
Total amount :	

Legal base	Contract Number	Contractor Name	Description	Amount (€)

No data to be reported

TABLE 14 : CONTRACTS DECLARED SECRET

Total Number of Contracts :	
Total amount :	

Legal base	Contract Number	Contractor Name	Type of contract	Description	Amount (€)

No data to be reported

ANNEX 4: Materiality criteria

The control objective is for the estimated error rate (referring to authorised financial operations that do not comply with the applicable contractual or regulatory provisions) not to exceed 2% of total annual expenditure.

To assess the significance of any weakness and determining materiality criteria, DG FISMA considers the following factors in both quantitative and qualitative terms: the nature and scope of the weakness, its duration, the existence of mitigating controls that reduce its impact and the existence of effective corrective measures.

Quantitative and qualitative indicators are provided by:

- ex-post checks by the Financial Resources and Internal Control Unit on a sample of all open commitments and payments processed in 2015;
- the registry of annual exceptions and non-compliance events (i.e. internal control weaknesses). Weaknesses having a significant impact (which would qualify as a material error) are assessed on the basis of:
  - any significant reputational risk for the DG and the Commission;
  - repetitive or systemic errors/errors that have gone uncorrected; and
  - whether they would lead to a failure in identifying any major risk with a financial or policy impact, and/or establishing an adequate action plan to mitigate those risks; and
- on-the spot-checks of grant beneficiaries performed in 2015
- other errors detected ex post in the course of standard control or reporting activities, and which have been notified to the Internal Control Coordinator
- the values in 2015 of the control indicators applicable to the direct procurement and grants management.

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

Grants direct management

Stage 1 — Programming, evaluation and selection of proposals

A — Preparation, adoption and publication of the annual work programme and calls for proposals

Main control objectives: Ensuring that the annual work programme (AWP) and calls for proposals are adequate in facilitating the selection of the most promising projects for meeting the policy or programme objectives (effectiveness); compliance (legality and regularity); prevention of fraud (anti-fraud strategy)

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The annual work programme and the subsequent call for proposals do not adequately reflect the policy objectives, priorities and/or the essential eligibility, selection and award criteria are not adequate to ensure evaluation of the proposals. Call for proposals is published prior to adoption of the AWP.	Explicit allocation of responsibility to individual officials (reflected in task distribution); hierarchical validation within the authorising and operational departments; inter-service consultation including all relevant services; adoption by the Commission	If risk materialises, all grants awarded during the year under this work programme or call would be irregular. Possible impact: 100 % of budget involved and significant reputational consequences **Coverage/frequency**: 100 % **Depth**: N/A	**Costs**: Estimated cost of staff involved in preparation and validation of annual work programme and call for proposals **Benefits**: The (average annual) total budgetary amount of the annual work programmes or calls with significant errors detected and corrected or with irregularities detected	**Effectiveness**: Budget amount of the work programmes concerned (€) For grants awarded following the call for proposals: value of proposals received as a percentage of budget available (%)

B — Selecting and awarding: Evaluation, ranking and selection of proposals

Main control objectives: Ensuring that the most promising projects for meeting the policy objectives are among the proposals selected (effectiveness); compliance (legality and regularity); prevention of fraud (anti-fraud strategy)

Main risks It may happen (again) that …	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Control indicators**
The proposals are not evaluated, ranked and selected in accordance with the established procedures and/or with the essential eligibility, selection and award criteria set out in the annual work programme and subsequent call for proposals. The grant application does not contain all information and supporting documents required for its evaluation.	Appointment of competent staff (e.g. policy officers) as members of the evaluation committee	100 % vetting for technical expertise and independence (e.g. conflicts of interests)	**Costs:** Estimated cost of staff involved in evaluating, ranking and selecting proposals **Benefits:** Compare selected list with a random allocation of the available budget. Benefit equals value of deserving projects otherwise not selected plus value of non-deserving projects that would have been selected (=amount redirected to better projects)	**Effectiveness**: Number of cases of litigation Budget amount of the call concerned (€) **Efficiency**: Time to inform (days): average time to inform applicants of outcome of evaluation of application (as compared with allowed maximum of 180 days)
	Assessment of proposals by competent staff (members of the evaluation committee) Equal treatment of applicants in processing of requests for additional information	100 % of proposals are evaluated		
	Review and hierarchical validation of ranked list of proposals by the authorising department and the AO	**Coverage**: 100 % of ranked proposals Depth depends on risk factors, e.g. conflicts of interests		
	Redress procedure	100 % of contested decisions are examined		

Stage 2 — Contracting: Transformation of selected proposals into legally binding grant agreements

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

Main risks **It may happen (again) that …**	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Control indicators**
The description of the action in the grant agreement includes tasks which do not contribute to the achievement of the policy or programme objectives and/or that the budget foreseen overestimates the costs necessary to carry out the work programme. The beneficiary lacks operational and/or financial capacity to carry out the work programme. Procedures do not comply with the regulatory framework (e.g. the grant agreement does not contain all applicable provisions or is signed late).	Validation of beneficiaries (operational and financial viability) In-depth financial verification and taking appropriate measures for high risk beneficiaries Use of standard grant agreement templates which include control provisions Timely adoption of the annual financing decision Signature of grant agreement by the AO	100 % of the selected proposals and beneficiaries are scrutinised **Coverage**: 100 % of draft grant agreements Depth may be determined after considering the type or nature of the beneficiary and/or total value of the grant	**Costs**: Estimated cost of staff involved in the contracting process **Benefits**: Difference between EU funding requested for selected proposals and that of corresponding grant agreements	**Effectiveness:** Amount of EU funding (€) proposed by beneficiary that was rejected (not included in the grant agreement budget) **Efficiency:** Time to grant (days): average time to sign agreements (as compared with allowed maximum of 90 days)

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

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

Main risks **It may happen (again) that …**	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Control indicators**
The work programme of the beneficiary is not, totally or partially, carried out in accordance with the provisions of the grant agreement and/or the amounts paid exceed those due in accordance with the applicable contractual and regulatory provisions. Changes to grant agreements are not properly documented or authorised. Payments to beneficiaries are made late.	Operational and financial checks in accordance with the financial circuits Operation authorised by the AO	100 % of transactions are controlled and authorised	**Costs**: Estimated cost of staff involved in actual management of grants **Benefits**: Amount of costs claimed by beneficiary, but rejected by DG	**Effectiveness**: Number or % of grants with cost claim errors Amount (€) of cost items rejected (total ineligible costs) Value of cost claims items adjusted as percentage of total cost claim value Number of potential fraud cases **Efficiency**: Time-to-payment
	On-the-spot verifications Verification results validated with beneficiary	100 % of beneficiaries (once every two years) **Depth**: Depends on risk criteria		
	If needed: application of suspension/interruption of payments, penalties If needed: beneficiary or grant referred to OLAF	**Depth**: Depends on results of ex-ante controls		

Stage 4 — Ex-post controls

A — Reviews, audits and monitoring

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

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The ex-ante controls (as such) fail to prevent, detect and correct erroneous payments or attempted fraud.	Desk reviews of a representative sample of transactions to determine effectiveness of ex-ante controls and consider findings for improving them If needed: beneficiary or grant referred to OLAF	(Random) sample sufficiently representative to draw valid management conclusions	**Costs**: Estimated cost of staff involved in desk reviews **Benefits:** Budget value of errors detected during desk reviews	**Effectiveness:** Amount of errors concerned (€) Number of transactions with errors

B — Implementing results from ex-post audits/controls

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

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

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

Procurement direct management

Stage 1: Procurement

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

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

B- Needs assessment and definition of needs

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

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

C — Selection of the offer and evaluation

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

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

Main risks It may happen (again) that …	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
service-providers.			contracts for which the control prevented the risk of litigation or fraud.	
	Exclusion criteria documented	100 % checked. **Depth**: required documents provided are consistent	**Costs**: estimated cost of staff involved. **Benefits**: Avoid contracting with excluded economic operators	
	Standstill period – opportunity for unsuccessful tenderers to put forward concerns on the award decision.	100 % when conditions are fulfilled	**Costs**: Estimated cost of staff involved. **Benefits**: Amount of procurements successfully challenged during standstill period.	

Stage 2: Financial transactions

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

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

Stage 3: Supervisory measures

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

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

Indirect entrusted management — Union contribution to the European Supervisory Authorities (ESAs)[2]

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

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

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

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

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

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

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

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

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

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

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

Main risks ***It may happen (again) that …***	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Possible control indicators**
accountability reporting.	entrusted entities; - referral to OLAF	any		

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

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

Main risks ***It may happen (again) that …***	**Mitigating controls**	**How to determine coverage, frequency and depth**	**How to estimate the costs and benefits of controls**	**Possible control indicators**
N/A The costs of staff involved in financial circuits for the contribution payments/recoveries to/from the entrusted entities are identical to those applied for the execution of the DG's budget. Please refer to the ICT (direct procurement management — financial transactions).				

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

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

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

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

Not applicable

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

Not applicable

ANNEX 8: Decentralised agencies

For 2015, the total budgeted Union contribution allocated to the European supervisory authorities (ESAs) was €30 288 151,[3] including the recovery of surplus (€3 116 000) from the 2013 contribution (as assigned revenues). In addition, €4 678 330 was made available to the ESAs as recovery of the surplus from national authorities' contributions in 2013.

In the course of the year, additional funding of €90 000 was allocated to EIOPA and €761 600 to the EBA.

Agency	Policy	Paid by DG FISMA, 2015 (€)
European Banking Authority (EBA)	Financial services	15 533 318
European Insurance and Occupational Pensions Authority (EIOPA)		8 206 206
European Securities and Markets Authority (ESMA)		12 078 557
Single Resolution Board (SRB)	Financial stability	Fully self-financed agency[4]

3 Commission Decision C(2015) 1618.

4 In 2014 and 2015, the SRB was provided with appropriations from the Union budget to cover its start-up expenditure; it reimbursed all the amounts in 2015 after becoming financially autonomous.

ANNEX 9: Evaluations and other studies finalised or cancelled in 2015

16 02 16 Annex
9_DG FISMA AAR 201

ANNEX 10: Specific annexes on 'management of resources'

FINANCIAL RESOURCES BY ABB ACTIVITY - Implementation of Commitment and Payment appropriations Credits available and accepted in 2015 (C1) and automatic carry-forward from previous years (C8)							
Commitments					**Payments**		
Official Budget Item	Fund	Credit Available Com Amount	Commitment Accepted Amount (Euro)	%	Credit Available Pay Amount	Payment Request Accepted Amount (Euro)	%
12 01 - Administrative expenditure – internal market and services policy area							
12 01 02 01 External personnel	C1	150,526.00	94,826.00	63.00 %	150,526.00	30,526.00	20.28 %
	C8	207,599.69	207,599.69	100.00 %	207,599.69	207,504.15	99.95 %
		358,125.69	**302,425.69**	**84.45 %**	**358,125.69**	**238,030.15**	**66.47 %**
12 01 02 11 Other management expenditure (details in Annex 2)	C1	2,408,408.00	2,364,087.97	98.16 %	2,408,408.00	1,551,624.48	64.43 %
	C8	630,065.13	630,065.13	100.00 %	630,065.13	496,572.62	78.81 %
		3,038,473.13	**2,994,153.10**	**98.54 %**	**3,038,473.13**	**2,048,197.10**	**67.41 %**
12 02 - Single market policy and free movement of services							
12 02 01 Implementation and development of the internal market	C1	5,171,237.00	5,171,175.85	100.00 %	2,701,157.71	2,701,157.71	100.00 %
	C8	5,085,407.04	3,508,211.20	68.99 %	0.00		0.00 %
		10,256,644.04	**8,679,387.05**	**84.62 %**	**2,701,157.71**	**2,701,157.71**	**100.00 %**
12 02 77 05 Preparatory action — capacity-building for end-users (...)	C1	1,672,881.00	1,672,881.00	100.00 %	1,579,544.99	1,579,544.99	100.00 %
	C8	875,000.00	492,172.34	56.25 %	0.00		0.00 %
		2,547,881.00	**2,165,053.34**	**84.97 %**	**1,579,544.99**	**1,579,544.99**	**100.00 %**
12 03 - Financial services and capital markets							
12 03 01 Financial reporting and auditing standards	C1	7,959,000.00	7,959,000.00	100.00 %	7,393,649.00	7,393,649.00	100.00 %
	C8	1,904,000.00	1,658,399.02	87.10 %	0.00		0.00 %
		9,863,000.00	**9,617,399.02**	**97.51 %**	**7,393,649.00**	**7,393,649.00**	**100.00 %**
12 03 02 EBA	C1	11,924,600.00	11,924,600.00	100.00 %	11,924,600.00	11,924,600.00	100.00 %
		11,924,600.00	**11,924,600.00**	**100.00 %**	**11,924,600.00**	**11,924,600.00**	**100.00 %**
12 03 03 EIOPA	C1	7,979,151.00	7,979,151.00	100.00 %	7,979,151.00	7,979,151.00	100.00 %
		7,979,151.00	**7,979,151.00**	**100.00 %**	**7,979,151.00**	**7,979,151.00**	**100.00 %**
12 03 04 ESMA	C1	8,120,000.00	8,120,000.00	100.00 %	8,120,000.00	8,120,000.00	100.00 %
		8,120,000.00	**8,120,000.00**	**100.00 %**	**8,120,000.00**	**8,120,000.00**	**100.00 %**
12 03 05 SRB	C1	998,427.00	998,427.00	100.00 %	998,427.00	998,427.00	100.00 %
		998,427.00	**998,427.00**	**100.00 %**	**998,427.00**	**998,427.00**	**100.00 %**
Total		**55,086,301.86**	**52,780,596.20**	**95.81 %**	**44,093,128.52**	**42,982,756.95**	**97.48 %**

ANNEX 11: Specific annexes on 'assessment of effectiveness of internal control systems'

DIRECT PROCUREMENT AND GRANTS MANAGEMENT
Effectiveness indicators

Procurement direct management

Stage 1 – Procurement

A – Planning

INDICATORS	**2015 values**[5]
Number of projected calls for tenders cancelled; number of contracts discontinued due to lack of use (poor planning)	Two calls for tenders were not launched. No contract was discontinued.

B – Needs assessment and definition of needs

Number of procedures where one or no offers were received	4 (2 of these were negotiated procedures without publication of a contract notice; 1 was a negotiated procedure low value contract and another one was an open tender procedure, finally not awarded)
Number of requests for clarification regarding the tender specifications	Average of 1.18 question per procurement procedure (based on 11 procedures)

C – Selection of offer and evaluation

Number of 'valid' complaints or litigation cases filed	0 (zero)
Number of fraudulent cases detected/number of companies excluded from participating in procurement procedures/awards	0 (zero)

Stage 2 – Financial transactions

Amount of liquidated damages	0 (zero)

5 Based on new procurement procedures in 2015 funded by operational budget lines and excluding purchases from one candidate only, renewals of contracts and specific contracts within established framework contracts without re-opening of competition

Stage 3 – Supervisory measures

Amount associated with errors detected ex post (relating to fraud, irregularity and error)	0 (zero) with financial impact on DG MARKT's budget. The errors detected ex post were procedural and had no impact on the budget.
System improvements made	None reported

Direct grant management —2015 values

Stage 1 — Programming, evaluation and selection of proposals

A — Preparation, adoption and publication of the annual work programme and calls for proposals

INDICATORS	2015 values
Budget for the work programmes concerned	EUR 9 709 000
For grants awarded following call for proposals — value of proposals received as a proportion of budget available (%)	96%

B — Selecting and awarding: evaluation, ranking and selection of proposals

Number of cases of litigation	0 (zero)
Budget amount of the call concerned	€ 1 750 000

Stage 2 — Contracting: conversion of selected proposals into legally binding grant agreements

Amount of EU funding proposed by beneficiary that was rejected (not included in grant agreement budget)	0 (zero)

Stage 3 — Monitoring of execution (i.e. This stage covers the monitoring of operational, financial and reporting aspects related to the project and grant agreement)

Number of grants with cost claim errors	5 grants
Amount of cost items rejected (total ineligible costs)	€ 34 443
Value of cost claims items adjusted as a proportion of total value of cost claims (%)	0.1 %
Number of potential fraud cases	0

Stage 4 — Ex-post controls

Amount of errors concerned	0 (zero)
Number of transactions with errors	0 (zero)

B — Implementing results from ex-post audits/controls

Value of ex-post check results pending implementation	0 (zero)

ANNEX 12: Performance tables

ABB Activity: FINANCIAL SERVICES AND CAPITAL MARKETS

General objective: The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.	Non programme-based

The chosen indicators are based on readily available and easily verifiable aggregate data that reflect wider financial stability and financing conditions in the EU. However, careful interpretation is required when assessing the data. The chosen financial stability indicators, e.g. Credit Default Swap (CDS) spreads, are market-based indicators that are highly volatile and are driven by market sentiment and a whole range of other factors that may not be directly driven by our regulations. Continuous monitoring (rather than a simple daily snapshot) is required to observe and understand trends in the CDS data. The chosen financing indicators (value of loans/debt/equity issued) are influenced not only by our regulation and other supply factors, but also depend on the demand for finance in the economy, which is generally unrelated to regulation. Increases in values of these indicators indicate increased financial activity, but not necessarily more finance flowing to the economy. The 15 May 2014 Communication on a reformed financial sector for Europe and the SWD (ERFRA - Economic Review of the Financial Regulation Agenda) accompanying it was a first step towards a comprehensive review of the financial regulatory agenda since the start of the crisis, but further analysis is required to understand the extent to which the observed changes in indicators such as those in this document are driven by regulation.

The activities of the three European Supervisory Authorities (ESAs) for banking, insurance and securities set up in 2011, together with the European Systemic Risk Board (ESRB), continue to contribute to the achievement of this general objective. While any robust indicator directly and regularly measuring impact of their activities cannot be established in the course of an annual monitoring exercise, some indicators may be introduced to vet the quality of DG FISMA's relationship with the ESAs. In any event, DG FISMA will continue in 2015 its monitoring and its dialogue with the ESAs and the ESRB on the question of whether their mandate and their resources are commensurate with the tasks conferred upon them. It will further put in place clear working arrangements, notably on the preparation of technical standards and will ensure that these are complied with. DG FISMA will ensure appropriate internal coordination and cooperation on matters relating to the ESAs' work, e.g. via regular internal exchanges of views.

Impact indicator: CDS spreads on sovereign bonds in selected EU Member States

Definition: CDS spreads on sovereign bonds serve as an indicator for a credit event of default of the issuer country on its payment commitments. An increasing value for the spreads is an indicator of increase in the probability of default.

Source: five-year CDS spreads from Bloomberg (World Currency Ranking System WCRS screen)

Source: Commission / FISMA B.2

Baseline						**Target**	**Current situation**					
Date:	DE	ES	FR	UK	IT	Continuous monitoring and avoid spikes	Date:	DE	ES	FR	UK	IT
31.12.2012	41.8	299.5	93.5	41.4	289.0		31.12.2015	12.9	89.9	26.4	19.1	97.2
31.12.2013	25.5	153.9	54.0	26.2	168.3							
31.12.2014	17.7	95.6	47.0	21.8	136.1							

In 2015, EU sovereigns were able to refinance their debt at historically low rates, CDS spreads on sovereign bonds continued to decline; the EU's financial systems remained well supervised and stable.

Impact indicator: CDS spreads on financial institutions (and banks in particular)

Definition: CDS spreads on financial institutions' (in particular banks') bonds serve an indicator for a credit event of default of the issuer on its payment commitments. An increasing value for the spreads is an indicator of increase in the probability of default.

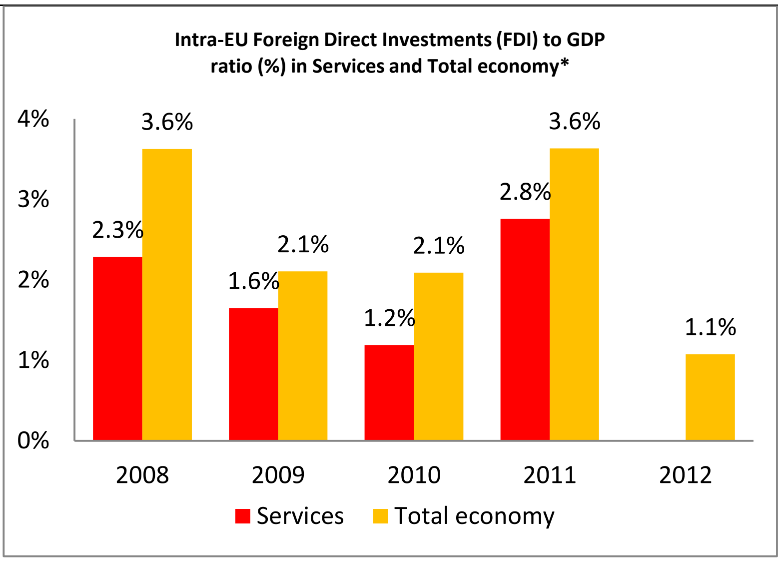
Source: five-year CDS spreads (average) for banks in Europe from Bloomberg (Global CDS Chart screen GCDS)

Baseline	**Target**	**Current situation**
31.12.2012: 276.96 bp 31.12.2013: 141 bp 31.12.2014: 103 bp *Daily market data*	Continuous monitoring and avoid spikes	31.12.2015: 144.9 bp The riskiness of bank equity and debt has remained broadly stable.

Impact indicator: Intra-EU direct investment, average value of inward and outward Direct Investment flows divided by GDP

Definition: Intra-EU direct investment is an important factor that expresses the attractiveness and competitiveness of the single market. Enterprises that are confident to invest in other countries establish a new plant/office, or, alternatively, purchase existing assets. These enterprises seek to complement or substitute external trade by producing (and often selling) goods and services in countries other than where they were first established.

Source: Eurostat (last data update on 17.6.14, extracted on 18.11.14); 2008-2012: EU-27, 2013: EU-28

<table>
<tr><th>Baseline (year)</th><th>Target</th><th>Current situation</th></tr>
<tr><td>


* Average inward and outward net FDI based on Eurostat BoP statistics.
Services: NACE Ver. 2 codes G–U
Source: Eurostat, bop_fdi_flow_r2
</td><td>Long-term increase in intensity of intra-EU direct investment (increase current trend)</td><td>Eurostat has not published more recent data on this indicator (checked 24.1.2016)</td></tr>
</table>

<table>
<tr><td colspan="3">Impact indicator: Loans by banks to non-financial corporates

Definition: This indicator measures the total volume of loans provided by the Monetary Financial Institutions (MFIs) to non-financial corporates (NFCs); i.e. businesses, at the end of a given year. An increase in the volume of the MFI loans to NFC indicates an improvement in the financing available to businesses.

Source: ECB, Quarterly Sector Accounts, ESA 2010</td></tr>
<tr><th>Baseline</th><th>Target</th><th>Current situation</th></tr>
<tr><td>2014Q2: €7.975 trillion (annual growth: -1.5 %)
2014Q1: €7.971 trillion (-2.4 %)
2013Q4: €7.988 trillion (-2.4 %)</td><td>Continuous monitoring of loans provided to the economy</td><td>2015Q1: -0.6
2015Q2: -0.2
2015Q3: 0.1
After negative growth in 2012, 2013 and 2014, and still slightly negative growth in the first two quarters of 2015, the third quarter saw a stabilisation and overall the supply of credit to NFCs stabilised, reflecting a modest recovery and diminishing supply constraints.</td></tr>
<tr><td colspan="3">Impact indicator: Value of equity outstanding

Definition: Equity is the most important part of non-financial companies' capital structure. The indicator refers to total equity instruments outstanding at the end of the latest available quarter. For data availability and comparability reasons, we have chosen the largest available euro-area aggregate including all Member States that had introduced the euro as of 2012, but excluding Austria and Cyprus, for which the indicator is not available.

Source: ECB, Quarterly Sector Accounts, ESA 2010</td></tr>
<tr><th>Baseline</th><th>Target</th><th>Current situation</th></tr>
<tr><td>2014Q2: €14.510 trillion (annual growth: 13.5 %)
2014Q1: €14.307 trillion (11.0 %)
2013Q4: €13.6 trillion (12.5 %)</td><td>Gradual increase in equity financing</td><td>2015Q3: €14.989 trillion (annual growth: 4.0 %)
2015Q2: €15.509 trillion (6.9 %)
2015Q1: €15.728 trillion (9.9 %)
2014Q4: €14.464 trillion
Equity financing stagnated at a high level in 2015, reflecting a combination of high firm valuations and low economic growth.</td></tr>
</table>

Specific objectives

<table>
<tr><td colspan="3">General objective The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.</td></tr>
<tr><td colspan="2">Specific objective: EU companies can operate and move easily within the EU, are well governed and transparent, present high-quality and comparable financial reports and are subject to high-quality audits and ratings.[6]</td><td>Non programme-based</td></tr>
<tr><td colspan="3">Result indicator: Number of countries using International Financial Reporting Standards (IFRSs)

Definition: In 2005, the EU took a significant step and made the use of IFRSs obligatory for the consolidated financial statements of EU companies listed on EU stock markets (Regulation (EC) No 1606/2002). The EU is the largest jurisdiction applying IFRSs.

In relation to listed companies, the Commission's work extends beyond the EU's borders and involves promoting the use of IFRSs as the worldwide financial reporting language, thus enhancing the efficiency and transparency of capital markets around the world.

Source:</td></tr>
<tr><th>Baseline</th><th>Target</th><th>Current situation</th></tr>
<tr><td>2014: 130 countries permit or require IFRSs for domestic listed companies (128 in 2013, 125 in 2012, 120 in 2011)</td><td>Maintain positive trend</td><td>2015: 130 jurisdictions permit or require IFRSs for domestic listed companies.</td></tr>
<tr><td colspan="3">Result indicator: Percentage of standards endorsed in the EU compared to the number of standards issued by the International Accounting Standards Board (IASB) by 2020

Definition: Significant, credible and independent technical upstream European input is essential in the development of IFRSs. The IAS Regulation establishes an accounting technical committee, the European Financial Reporting Advisory Group (EFRAG), to provide the Commission with support and expertise in the assessment of international accounting standards. EFRAG's key role is to provide the Commission with endorsement advice on new and amended IFRSs (Article 3 of the IAS Regulation). The governance of EFRAG was reformed in 2014 to strengthen the EU influence on the international standard setting process. If EFRAG is influential enough, the standards developed by the IASB will be acceptable for endorsement by the EU.

Source: Commission / FISMA B.3</td></tr>
<tr><th>Baseline</th><th>Target</th><th>Current situation</th></tr>
<tr><td>As of November 2014, close to 100 % of IFRSs were endorsed in the EU (with the exception of amendments to IFRS 9 on financial instruments, IFRS 14 on rate regulated activities and IFRS 15 on revenue recognition – currently going through the endorsement process): 54 standards out of 56, i.e. 96 %</td><td>100 % by 2020</td><td>As of December 2015, close to 100 % of IFRSs were endorsed in the EU. In 2015, COM endorsed six amendments to the international accounting standards. It decided not to propose for endorsement the interim standard IFRS 14 on rate regulated activities. The endorsement procedure is ongoing for two new standards (IFRS 9 on financial instruments and IFRS 15 on revenue recognition).</td></tr>
</table>

6 This specific objective incorporates the objective and indicators set in DG FISMA's grant programme to support specific activities in the field of financial reporting and auditing in 2014-2020. The objective set in the legal basis is to improve the conditions for the efficient functioning of the internal market by supporting the transparent and independent development of international financial reporting and auditing standards.

Result indicator: Average rotation period (i.e. duration of audit engagement) for auditors of public-interest entities in the EU.

Definition: In the field of statutory audit, a new EU regulatory framework that was adopted in April 2014 and entered into force on 16 June 2014[7] should improve audit quality across the EU to help restore investor trust in financial company information. The new rules will apply as of June 2016. The Commission's challenge in the following years will be to assess the impact of the new rules based on audit quality indicators and take any further measures that may be necessary to make sure that the reform delivers to its full potential across the Single Market.

The principle of mandatory rotation is a cornerstone of the new legislation as the auditors' independence is an essential ingredient of audit quality. In order to address the 'familiarity threat', it was important to establish a maximum duration for audit engagements. The new rules on statutory audit require public-interest entities to change audit firm every 10 years in cases where one auditor has performed the statutory audit (or possibly 10 + 10 years after tendering or 10 + 14 years in the case of joint audits).

For example, in the UK in 2013, 31 % of FTSE 100 companies and 20 % of FTSE 250 companies had had the same auditor for more than 20 years and 67 % of FTSE 100 companies and 52 % of FTSE 250 companies for more than 10 years.

Source: Commission / FISMA B.4

Baseline	**Target**	**Current situation**
Number of Member States with audit engagement duration of 20 years (or less) in 2014: two	28 Member States by 2020	20 years: – currently in place in two Member States, although national reform still ongoing; – two Member States adopted new legislation in 2015; – six Member States still in national legislative process, with approach for 20 years max.

Result indicator: Number of references to credit ratings in EU legislation

Definition: The new regulatory framework on credit-rating agencies, which entered into force on 21 June 2013, aims to reduce reliance on CRA ratings, enhance transparency on sovereign debt ratings, increase competition in the rating industry and reduce risks of conflicts of interest due to the 'issuer pays' model. With regard to reliance on ratings, the target is to reduce (unquantified) references to credit ratings in EU and national legislation, in general.

Source: Commission / FISMA B.4

Baseline	**Target**	**Current situation**
Most relevant references to ratings are contained in the CRR/CRD and the Solvency II framework. Others also to be found in EMIR. More information on specific references will be provided in the context of the report planned for 2016Q2.	Decrease the number of references to credit ratings. Deadline in CRA Regulation is for 2020.	DG FISMA is currently preparing a report (due in 2016Q2) which will assess existing references to ratings and feasibility of alternatives to credit ratings.

[7] Regulation (EU) No 537/2014 and Directive 2014/56/EU.

Policy-related outputs			
Description (Commission*/final output)**	**Indicator**	**Target**	**Current situation**
2015/FISMA/078 Nomination of a candidate for the President of the Board of the European Financial Reporting Advisory Group (EFRAG)	Adoption	2015Q1	Postponed to 2016Q2 Although the Commission adopted the nomination decision (19.3.2015), the candidate decided to withdraw due to personal issues and the call for applications was republished in 2015.
2015/FISMA/104 Membership of China in the IFRS Monitoring Board - 1st decision to approve the application of Ministry of Finance of the People's Republic of China as a permanent member of the Monitoring Board of the IFRS Foundation.	Adoption	2015Q2	Adopted 26/6/2015
2015/FISMA/105 Prolongation of the Union programme for EFRAG for the period 2017-2020	Adoption	2015Q4	Postponed to 2016
2015/FISMA/224 Commission Implementing Regulation on the mapping of ECAIs	Adoption	2015Q2	Postponed to 2016
Implementation of the revised regulatory framework for CRAs, including implementing multiple technical standards and preparation of several reports for the EP and Council*	Adoption	2015Q3	Measures adopted in 2015 Report on impact of measures introduced by the CRA regulation due in 2016Q2
Endorsement of new International Financial Reporting Standards IFRS (IFRS) to maintain high quality consolidated accounts by EU firms listed on regulated markets*	Adoption	2015	Six sets of amendments endorsed in 2015
Equivalence decisions on Country by Country reporting and Transparency/Prospectus Directives to reduce regulatory burden for EU companies*	Adoption	2015Q2	Postponed to 2016
Equivalence of standards national Generally Accepted Accounting Principles (GAAP) of India 1. Commission Delegated Regulation (EU) No 2015/1605 of 12 June 2015 amending Regulation (EC) No 1569/2007 establishing a mechanism for the determination of equivalence of accounting standards applied by third country issuers of securities pursuant to Directives 2003/71/EC and 2004/109/EC of the European Parliament and of the Council (Text with EEA relevance), 2. Commission Delegated Regulation (EU) No 2015/1604 of 12 June 2015 amending Regulation (EC) No 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards elements related to prospectuses and advertisements (Text with EEA relevance), 3. Commission Implementing Decision (EU) No 2015/1612	Adoption	2015Q1	Adopted November 2015

of 23 September 2015 amending Decision 2008/961/EC on the use by third countries' issuers of securities of certain third countries' national accounting standards and International Financial Reporting Standards to prepare their consolidated financial statements (Text with EEA relevance),			
Commission Staff Working Document "European Financial Stability and Integration, April 2015" and organisation of a joint conference with the ECB in Brussels where this is presented together with a sister publication of the ECB *Financial integration in Europe* (April 2015)*	Completion of the SWD; organization of the joint EC-ECB conference	2015Q2	Completed

Planned evaluations:
Annual report on the activity of the IFRS Foundation and of EFRAG (Financing Regulation (EU) No 58/2014), 4th quarter 2015 – published on 17 September 2015
Commission report on the evaluation of the IAS Regulation, 2nd quarter – published on 18 June 2015
Commission report on European creditworthiness assessment for sovereign debt, 3rd quarter – published on 23 October 2015 (COM(2015) 515 final)
Report from the Commission to the European Parliament and the Council on the exercise of the power to adopt delegated acts conferred on the Commission pursuant to the Transparency Directive (2004/109/EC) – adopted on 17 December 2015 (COM(2015) 655 final)

General objective: The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.

Specific objective: Free movement of capital is applied in a coherent way in the EU, enabling access for European companies and states to capital and ensuring the integrity of financial markets	Non programme-based

Result indicator: OECD FDI regulatory restrictiveness index: average for EU Member States

Definition: The OECD FDI index measures statutory restrictions on foreign direct investment in 58 countries, including 24 EU Member States, and covers 22 sectors. It gauges the restrictiveness of a country's FDI rules by looking at the four main types of restriction on FDI:

(i) foreign equity limitations;
(ii) screening or approval mechanisms;
(iii) restrictions on the employment of foreigners as key personnel; and
(iv) operational restrictions, e.g. restrictions on branching and capital repatriation, or on land ownership.

The index ranges from 0 (the country is fully open to FDI) to 1 (the country is fully closed to FDI). Therefore, a decrease or no change in the index indicate that this objective has been achieved.

Source: OECD,

Baseline	Target	Current situation
In 2013, the average index for 24 EU Member States was 0.035. (in 2012 the average index was 0.04)	Decrease or lack of change in the average OECD FDI regulatory restrictiveness index for the EU*	No change in the average index for the EU. The index has changed only for Lithuania and Latvia, but only insignificantly (down by about 0.002 and 0.005).

Result indicator: Chinn-Ito Index (KAOPEN): average for EU Member States

Definition: KAOPEN is an index measuring a country's degree of financial account openness, based on a codification of restrictions on cross-border financial transactions reported in the IMF's *Annual Report on exchange arrangements and exchange restrictions*. The index is currently available for 27 EU Member States (and can also be normalised from 0 to 1). The higher the index, the more open the country is to cross-border capital transactions. Therefore, an increase or no change indicates that this objective has been achieved.

Source: Menzie Chinn and Iro Hito, 'A New Measure of Financial Openness', *Journal of Comparative Policy*

Analysis, Volume 10, Issue 3, September 2008, p. 309-322. http://web.pdx.edu/~ito/Chinn-Ito_website.htm.

Baseline	Target	Current situation
In 2012, the average index for 27 Member States was 2.10. (in 2011 the average index was 2.185). The average normalised index in 2012 was 0.925.	Increase or lack of change in the KAOPEN for the EU*****	In 2013, the average index for 27 Member States was 2.05 (down from 2.10 in 2012 and 2.185 in 2011). The decline was due mostly to capital controls introduced in Cyprus. The index has not been updated for 2014 and 2015, so it does not yet reflect the lifting of capital controls in Cyprus in early 2015 and the imposition of capital controls in Greece in mid-2015. However, the index dropped much further for the rest of the world, so the drop for the EU after 2008 can be deemed contained.

* A lack of change can be considered as indicating that the objective has been achieved, because the EU has already on average the best scores worldwide for both indicators, so there is little scope for improvement. At the same time, there is a real threat of worse scores for the EU, given the current strong protectionist pressures and high risks posed by financial instability. Thus, a lack of deterioration in both indices for the EU can be considered an indicator of success.

Policy-related outputs

Description (Commission*/final output**)	Indicator	Target	Current situation
A Staff Working Document (SWD) on the movement of capital and the freedom of payments	Adoption	3 March 2015	Adopted

General objective: The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.	
Specific objective: Appropriate supervision, robust market infrastructures and a high level of transparency contribute to the stability and integrity in financial markets.	Non programme-based

Supervision, and the lack thereof, was one of the factors that led to the financial crisis. A tighter, more real-time system of supervision and one that can take the global nature of a modern financial system fully into account, could have led to earlier preventive measures and avoided some of the peaks during the past financial crisis. Since 2007, the entire regulatory framework for financial institutions, financial market infrastructures, conduct and products has been redesigned, with very few of the issues agreed at the G20 still outstanding. A wider use of central clearing was a major component of a strategy to make markets, especially for financial derivatives, more transparent. Central clearing of standardised OTC derivative contracts removes the bilateral counterparty credit risk in transactions, with the CCP assuming the obligations of each counterparty. CCPs are designed to be able to make good any losses upon the default of a participant in its service, thereby mitigating the potential systemic risk caused by the default and associated losses of a highly connected market participant. Among other pieces of legislation, EMIR and MiFID have been the vectors of regulatory action to increase market transparency and market integrity under this objective. Another, more broadly based approach, now being continued under the objective of CMU, is to lower the overall reliance on bank finance, as non-bank (in particular, equity) finance has advantages in terms of cross-border risk-sharing and shock absorption. Making market-based savings and investment vehicles more attractive (UCITS) contributes to this objective.

Result indicator: Level of market-based credit intermediation in the EU, in particular for large corporates, midcaps and SMEs

Definition: This indicator measures the value of short-term and long-term debt securities held by non-financial corporates, i.e. the amount of market-based debt finance to the economy. Increased market-driven credit intermediation is a sign that financial markets are functioning and facilitating the flow of finance to the economy. Access to market-based finance helps reduce reliance on bank finance and diversify financing sources in the EU economy.

Source: ECB Statistical Data Warehouse; http://sdw.ecb.europa.eu/browse.do?node=17103

Baseline	Target	Current situation
2014Q4: €1.211 trillion 2014Q3: €1.194 trillion 2014Q2: €1.153 trillion 2014Q1: €1.116 trillion	Continuous monitoring of the increase in the market-based credit intermediation in the EU, in particular for large corporates, midcaps and SMEs level.	2015Q3: €1.230 trillion (annual growth: 3.0 %) 2015Q2: €1.229 trillion (annual growth: 6.6 %) 2015Q1: €1.269 trillion (annual growth: 13.7 %) In line with slowing stock markets and falling commodity prices, market-based financing slowed in the second half of 2015; although the emerging positive supply-side effects of credit provision from the banking sector may have contributed, this is largely a cyclical adjustment and not a substitution away from market-based finance.

Result indicator: Percentage of settlement fails (weighted average by settlement volume)

Definition: One of the objectives of the proposal for a Regulation on central securities depositories is to improve the efficiency and stability of settlement systems.

Source: ECSDA (European CSD Association)

Baseline	Target	Current situation
In general, data are scarce, largely because there is no harmonised definition of 'settlement fail'. This will change in the future. Once adopted, CSDR will introduce a harmonised definition and require ESMA to report on the number of settlement fails (Article 74(1)(a)). The data provide an indicative baseline based on intermittent industry surveys. No more recent data are currently available. 2012: 1.09 %; 2009: 2.59 %	Reduce the number of settlement fails	No more recent data are currently available.

Result indicator: % of centrally cleared OTC derivatives

Definition: Under the G20's 2009 Pittsburgh Agreement, it was agreed that jurisdictions should introduce a clearing obligation for standardised OTC derivatives contracts. EMIR transposed the clearing obligation into EU law. The high number of cleared transactions is an indication of a safer and more transparent derivatives market.

Source: FSB's Progress Reports

Baseline	Target	Current situation
In mid-2012, around 28 % of OTC derivatives were cleared. In 2014, this had risen; 56 % of the amount of transactions that could theoretically be centrally cleared are currently cleared, and 44 % of all estimated 'notional outstandings' are cleared.	Increase in % of centrally cleared OTC derivatives *The difference between what firms actually cleared and the notional amount that could have been cleared suggests that there remains substantial potential for additional uptake of central clearing.* *Figures should rise significantly with mandatory clearing from 2015 and incentivisation of clearing through margin requirements.*	For Interest Rate Swaps (the largest class of OTC derivatives), the percentage held with non-dealer financial institutions (including CCPs) has been increasing since 2008. In 2015, it was 85 %, i.e. a negligible decrease from 2014, due to the effect of compression (itself a risk-reducing measure). For Credit Default Swaps, the percentage of contract value cleared rose from 10 % in 2010 to just over 30 % in 2015 (a small increase from 2014). Source: BIS.

Result indicator: Number of authorised EuVECA and EuSEF funds

Definition: The European Venture Capital Fund (EuVECA) and the European Social Entrepreneurship Fund (EuSEF) were created in 2013 to facilitate cross-border funds for SMEs and social entrepreneurs. These European passported funds are important, as national fund vehicles for financing for ventures and social enterprises often do not achieve a critical mass. They also reflect the increasing interest of investors in combining pure financial return with a social impact and job creation. Together with ESMA and Member States, the Commission is working to increase uptake of the funds.

Source: ESMA		
Baseline	**Target**	**Current situation**
November 2014: two EuSEF and 21 EuVECA funds authorised	Significantly increase the number of authorised EuSEF and EuVECA funds.	31.12.2015: five EuSEF and 37 EuVECA funds authorised

Policy-related outputs

Description (Commission*/final output**)	Indicator	Target	Current situation
Capital Markets Union (CMU) package: • 2015/FISMA/027 Green Paper on Capital Markets Union* • 2015/FISMA/028 Action Plan on Capital Markets Union* • 2015/FISMA/043 Review of the Prospectus Directive* • 2015/FISMA/064 Framework to facilitate investments into high quality securitisation*	Adoption	 2015Q1 2015Q3 2015Q3 2015Q3	 Adopted 18.2.2015 Adopted 30.9.2015 Adopted 30.11.2015 Adopted 30.9.2015
Delegated acts and RTS/ITS in financial markets: • Markets in Financial Instruments Directive and Regulation (MiFID II) area* • Markets Abuse Regulation (MAR) area*	Adoption	 2015Q4 2015Q4	 Postponed to 2016
Delegated acts and RTS/ITS in the area of post-trading: • European Market Infrastructure Regulation (EMIR) area, including RTS on clearing obligations, RTS on margins for uncleared trades, and Implementing acts on equivalence with third countries on CCPs, trade repositories and transactions* – Commission Delegated Regulation (EU) No 2015/1515 of 5 June 2015 amending Regulation (EU) No 648/2012 as regards the extension of the transitional periods related to pension scheme arrangements – Commission Delegated Regulation (EU) No 2015/2205 of 6 August 2015 supplementing Regulation (EU) No 648/2012 with regard to regulatory technical standards on the clearing obligation – Commission Implementing Decision (EU) 2015/2038 of 13 November 2015 on the equivalence of the regulatory framework of the Republic of Korea for central counterparties to the requirements of Regulation (EU) No 648/2012 – Commission Implementing Decision (EU) 2015/2041 of 13 November 2015 on the equivalence of the regulatory framework of Mexico for central counterparties to the requirements of Regulation (EU) No 648/2012 – Commission Implementing Decision (EU) 2015/2039 of 13 November 2015 on the equivalence of the regulatory framework of South Africa for central counterparties to the requirements of Regulation (EU) No 648/2012	Adoption	2015	Adopted in 2015 Adopted 5.6.2015 Adopted 6.8.2015 Adopted 13.11.2015 Adopted 13.11.2015 Adopted 13.11.2015

– Commission Implementing Decision (EU) 2015/2042 of 13 November 2015 on the equivalence of the regulatory framework of Switzerland for central counterparties to the requirements of Regulation (EU) No 648/2012 – Commission Implementing Decision (EU) 2015/2040 of 13 November 2015 on the equivalence of the regulatory framework of certain provinces of Canada for central counterparties to the requirements of Regulation (EU) No 648/2012 – Regulation on central securities depositories (CSDR) area*			Adopted 13.11.2015 Adopted 13.11.2015 Postponed to 2016.

Delegated acts and RTS/ITS in the area of investment funds:	Adoption		
• European Social Entrepreneurship Fund Regulation area*		2015Q4	Postponed to 2016
• European Venture Capital Fund Regulation area*		2015Q4	Postponed to 2016
• PRIIPs Regulation area*		2015Q4	Postponed to 2016
• Alternative Investment Funds Managers Directive (AIFMD) turning on the third-country passport*		2015Q4	Postponed to 2016
• UCITS IV Directive area (Article 50a – securitisations)*		2015Q4	Included in the general securitisation proposal presented in 2015Q3 (general approach agreed in Council, EP discussions ongoing).
• European Long-term Investment Funds (ELTIF) Regulation area*		2015Q4	Postponed to 2016Q2
Finalisation of the following ongoing negotiations:			
• MMF Regulation (part of the shadow banking package)**	Adoption by EP and Council	2015Q4	EP Plenary voted 29 April 2015. Still no general approach from Council on MMF.
• Regulation on benchmarks**		2015Q2	Political trilogues finalised 24 November, but technical discussions on various issues still ongoing.
• Regulation on Securities Financing Transactions (part of the shadow banking package)**		2015Q2	Adopted November 2015

Planned evaluations:
Report on the review of EMIR under Article 82* - currently planned for adoption in 2016Q2.
Report on Crowdfunding (follow-up of Communication COM(2014) 172 of 27.3.2014)*
Commission Report on the use of empowerments in UCITS IV - adopted 3 August 2015
Commission Report on the use of empowerments in AIFMD - adopted 3 August 2015

General objective: The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.

Specific objective: Effective investor protection is ensured through strict conduct-of business and disclosure rules.	Non programme-based

An indirect strategy to contribute to the general objective of stable financial markets at the service of the EU economy is to strengthen market-based savings and investment vehicles and thereby strengthen alternatives to bank finance. As a result, the potential for the banking sector to create and amplify systemic risk should decrease. Making market-based savings and investment vehicles (UCITS and other funds) more attractive contributes to this objective.

Result indicator: Number of UCITS fund suspensions of redemption

Definition: A suspended fund/class is defined with valid underlying assets, but fails to generate a price due to market authority intervention, natural force, limited trading in an illiquid market or unusual company activity. The result is that the investors cannot redeem their money invested in the fund as initially planned.

Suspensions may last from a day to some months. The figure below takes into account all UCITS funds (above €10 million of assets under management) that have had at least one share class suspended at least once during the year. Share classes that represent less than 5 % of the fund’s size have been excluded to avoid counting share classes that would have been closed.

Source: Morningstar database

Baseline	Target	Current situation
668 funds in 2014	Decrease over the coming years	296 funds in 2015

Policy-related outputs

Description (Commission*/final output**)	Indicator	Target	Current situation
2015/FISMA/005 Delegated Act under the UCITS V Directive (numerous areas)*	Adoption	2015Q4	Adopted December 2015

Planned evaluations: UCITS V – application of Directive 2017.

General objective: The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.	
Specific objective: Banking, insurance, pension sectors and financial conglomerates are stable, resilient and at the service of the economy due to prudential and supervisory measures resolution arrangements.	Non programme-based

Result indicator: Capital Ratios of Banks measured against the new qualitative requirements introduced by CRD IV/CRR

Definition: The CRD IV package consists of a Regulation and a Directive transposing the new global standards on bank capital (the Basel III agreement) into EU law, entered into force on 17 July 2013. The new rules, which apply from 1 January 2014, tackle some of the vulnerabilities shown by the banking institutions during the crisis, namely the insufficient quantity and quality of capital, resulting in the need for unprecedented support from national authorities. They set stronger prudential requirements for banks, requiring them to keep sufficient capital reserves and liquidity. The new framework will make EU banks more solid and strengthen their capacity to manage the risks linked to their activities, and absorb any losses they may incur in doing business.

Source: Report Results of 2014 EU-wide stress test exercise

Baseline	Target	Current situation
The Core Tier 1 capital ratio for major EU banks covering 90 % of assets in the scope of the EU-wide stress test stood at 10.8 % at the end of 2012 and rose to 11.6 % by the end of 2013.	Ensure that at any time, the capital ratio of banks meets the capital requirements of CRD IV/CRR (7%)	The vast majority of banks meet their capital requirements.

Result indicator: The proportion of total assets held by European insurers and occupational pension funds that is directly invested in the long-term financing of the economy.

Definition: This is taken as the total proportion of assets indicated as being held in loans, mortgages and non-financial corporate bonds.

Improving the capacity of the economy to finance long-term is central to supporting structural economic reform and returning to the long-term trend of economic growth.

Source: EIOPA's Half-Yearly Financial Stability Report

Baseline	Target	Current situation
For insurers: 16 % (EIOPA's Half-Yearly Financial Stability Report, Spring 2013) increased to 19 % (EIOPA's Half-Yearly Financial Stability Report, Spring 2014) (Non-financial corporate bonds make up 12 % to 14 % and loans and mortgages make up 4-5 %)	Increase year on year the proportion of total assets allocated to direct long-term investment in the economy	Full data for 2015 not yet available

Policy-related outputs

Description (Commission*/final output**)	Indicator	Target	Current situation
ITS on various mandates under CRR	Adoption	2015 Q1-Q4	Seven ITS adopted on: - Forbearance and Technical Amendments to Supervisory Reporting; - Currencies with narrow CB eligibility; - Amendment Supervisory Reporting; - Closely correlated currencies; - Currencies with insufficient liquid assets; - Joint decision on approval of internal models; - Functioning of colleges

RTS on various mandates under CRR	Adoption	2015 Q1-Q4	Seven RTS adopted on: - Margin Periods of Risk; - Own funds based on fixed overheads; - Own Funds Part 4; - Own Funds Part 3; - Materiality of model extensions and changes; - Countercyclical buffer disclosures; - Grandfathering of SA approach for equity exposures
2015/FISMA/041 Report to Council and European Parliament on use of ESCB and other LTRO programmes	Adoption	2015Q3	Postponed to 2016
2015/FISMA/061 Communication to the Commission not to endorse the draft RTS on additional collateral outflows on derivatives contracts	Adoption	2015Q3	Adopted 3.12.2015
2015/FISMA/112Communication to the Commission on the intention to amend the draft ITS on additional liquidity monitoring metrics	Adoption	2015Q3	Adopted 24.7.2015
ITS on various mandates pursuant to Directive 2014/0059/EU (BRRD)		2015Q4	Postponed to 2016
Delegated Act on various mandates Directive 2014/0059/EU (BRRD) 2015/FISMA/133 Commission Delegated Regulation correcting Delegated Regulation (EU) No 2015/63 supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to ex ante contributions to resolution financing arrangements	Adoption	 2015Q4	 Adopted 14.12.2015
Solvency II: • First package of six ITSs* • Second package of ITSs* • First package of Commission Delegated Regulations on equivalence of third country's prudential regime for the insurance sector* • Second package of Commission Delegated Regulations on equivalence of third country's prudential regime for the insurance sector* • Third package of Commission Delegated Regulations on equivalence of third country's prudential regime for the insurance sector*	Adoption	2015Q1 2015Q3 2015Q2 2015Q3 2015Q4	First package of seven ITSs published on 23 March (OJ L 179), a second package on 12 November (OJ L 295) and a package of three more ITSs (reporting disclosure transparency) on 31 December (OJ L 347). On equivalence: first package adopted on 5 June (full equivalence: Switzerland; Article 227 provisional equivalence: Australia, Bermuda, Brazil, Canada, Mexico and USA). Second package adopted on 26 November: Bermuda (full equivalence, all three areas, superseding previous decision); Japan (temporary equivalence until end 2020 for reinsurance; provisional equivalence until end 2025 for group solvency calculation; Japan did not request equivalence for group supervision).
Opening of negotiations with USA for a bilateral agreement on reinsurance*	Opening negotiati	2015Q2	Obtained negotiation mandate from Council, March 2015.

	ons		US notified Congress on 20 November of intention to begin covered agreement negotiations.
IORP2 proposal: final adoption by Council and Parliament in trilogues**	Adoption by EP & Council	2015Q4	MEP Hayes' ECON report due to be adopted on 20 January 2016; trilogues expected to start in February.
Planned evaluations Report on the rules governing the levels of application of prudential requirements (July 2015) Report to Council and European Parliament on covered bonds, possibly followed by an impact assessment and policy recommendations (early 2016)* (3rd quarter 2015) Impact of CRR/CRD on long-term finance (December 2015) Report to Council and European Parliament on long-term finance (mid-2015) **New policy developments and impact assessments** Net Stable Funding Ratio(NSFR) – evaluate impact and calibration of possible EU legislation on NSFR Leverage ratio – evaluate impact and calibration of possible EU legislation on binding leverage ratio			

General objective: The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.

Specific objective: Consumers benefit from a secure access to high-quality retail financial, pension, insurance and mobile payment services throughout the EU and credit flow to the economy is unhampered.	Non programme-based

Result indicator: Complete phase-out of current niche products and smooth functioning of SEPA in euro-area Member States, including effective reachability for cross-border direct debits and complete phase-out of current niche products (e.g. *titre interbancaire de paiement* (TIP) in France, *RID finanziari* in Italy, direct-debit no-refund scheme for lotteries in the Netherlands).

Definition: SEPA for credit transfers and direct debits was fully implemented in the euro-area Member States by August 2014. Further work is needed to achieve the desired degree of integration and ensure that:

(i) consumers can actually pay their electricity or water bill via cross-border SEPA direct debit without having to open a bank account in the Member State where the service provider (e.g. a public utility) is located especially the cross-border direct debit and

(ii) the few specific national variants of credit transfers or direct debits are either dropped or migrate to SEPA by 1 February 2016.

Source: ECB

Baseline	Target	Current situation
Number of niche products: about 12 in euro-area Member States Number of complaints: 80 regarding IBAN discrimination since 1 February (original date of implementation).	0 in 2016 Reduce by 50 % (in 2015)	Complaints in 2015: 33 Official review planned for 1 February 2017 under Regulation (EU) No 260/2012.

Result indicator: Number of EU citizens without a bank account

Definition: Now that electronic payments are increasingly replacing cash, everyone needs a bank account. Those without an account find it difficult or impossible to receive a wage or social support payments, transfer money or make purchases requiring a debit or credit card. The Payments Accounts Directive (PAD) remedies this problem by granting EU residents a right to a basic bank account (with a debit card). PAD is to be implemented by September 2016 at the latest. A series of transposition workshops are planned to guide them. Member States might anticipate the application of this Directive.

Source: World Bank

Baseline	Target	Current situation
2011: 58 million EU citizens without a bank account A new survey is being conducted by the World Bank in 2014. Data should be available in 2015.	Gradual reduction in number of EU citizens without a bank account	2014: 42.7 million EU citizens without a bank account according to World Bank data (http://www.worldbank.org/en/programs/globalfindex)

Result indicator: Percentage of EU citizens expressing dissatisfaction with cross-border insurance

Definition: The Commission receives many complaints regarding the cross-border portability of insurance products and availability of cross-border insurance products. A 2015 Eurobarometer survey was to include questions aimed at gauging the degree of consumer dissatisfaction in this area.

Baseline	Target	Current situation
No baseline, as no such survey took place in 2014	Under 20 % expressing dissatisfaction	Topic specifically addressed in green paper (Q17) – consultation should provide better insight. Also, a DG JUST study on behavioural economics is under way.

Policy-related outputs			
Description (Commission*/final output)**	**Indicator**	**Target**	**Current situation**
2015/FISMA/031 Green paper on retail financial services, insurance and consumer policy*	Adoption	2015Q3	Adopted 10.12.2015
2015/FISMA/239 E-money Directive 2 (EMD2) report on evaluation and possible follow-up*	Adoption	2015Q4 (report)	Postponed to 2016
2014/FISMA/066 Recommendation for a Council decision authorising the opening of EU–US negotiations on an agreement on reinsurance*	Adoption	2015Q1	Adopted 12.2.2015
2015/FISMA/034 New calibration of the Solvency II standard formula for investments in infrastructure and ELTIF	Adoption	2015Q1	Adopted 30.9.2015 The EP has extended the scrutiny period until March 2016. Council notified intention not to object on 8 December 2015.
Finalisation of ongoing negotiations on: Insurance Distribution Directive **	Final adoption by the EP and the Council	2015Q1	Political agreement: 30 June 2015; EP vote: 24 November; Council adoption: 14 December; signature: 20 January 2016; OJ publication February 2016.
PSD2 and MIF Regulation & transposition of PSD2**	Final adoption by the EP and the Council	2015Q2	PSD2 adopted in 2015Q4; MIF adopted in 2015Q2

Planned evaluations:
Centre of expertise (today: Finance Watch and Better Finance 2015) – carried out.
SEPA what's next (December 2015) – official review planned for 1 February 2017.

General objective: The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.	
Specific objective: To support efforts to safeguard financial stability by enhancing and operating an effective, efficient and transparent EU macro-prudential framework.	Non programme-based

Definition: Macro-prudential policies in their modern form are relatively new additions to the macro-economic policy toolset. In the EU, the current macro-prudential framework is the result of a piecemeal approach, as it was established at different stages and in different regulations (i.e. the ESRB Regulations, CRD IV/CRR, the SSM Regulation). As a result, the EU macro-prudential framework presents widely acknowledged weaknesses. In 2015, the Commission intends to assess the framework, looking at both the institutional set-up and the macro-prudential rules and tools, as established by EU macro-prudential legislation and Member States' practices. It aims to identify weaknesses and inconsistencies through a comprehensive approach and by aligning the reviews of the ESRB, the CRD IV/CRR macro-prudential rules and the SSM macro-prudential tasks and tools. The ultimate goal is to make macro-prudential policy in the EU more efficient, transparent and accountable so as to protect financial stability better by minimising systemic stress and enhancing growth.

Result indicator: Composite indicator of systemic stress (CISS)

Definition: The CISS includes 15 raw, mainly market-based financial stress measures that are split equally into five categories: the financial intermediaries sector, money markets, equity markets, bond markets and foreign exchange markets. It is unit-free and constrained to lie within the interval (0, 1).

Source: ESRB Risk Dashboard, September 2014
http://www.esrb.europa.eu/pub/pdf/dashboard/140925_ESRB_risk_dashboard.pdf?fbdb16f39af216

Baseline	Target	Current situation
2012: the CISS stood at 0.45	Should tend towards 0 by end 2015	The CISS currently stands at 0.1118, in line with the target. The low level suggests currently low systemic stress corresponding to normal unstressed times. [data for 15.1.2016]

Policy-related outputs

Description (Commission*/final output**)	Indicator	Target	Current situation
ESRB/Macro-prudential framework: - Review of macro-prudential rules and tools of CRDIV/CRR under Art 513 of CRR	Completion of reports	2015Q4	Comprehensive review, covering CRD IV/CRR macro-prudential rules and tools, the ESRB's governance and role (ESRB Regulation and Council Regulation conferring specific tasks on the ECB on the functioning of the ESRB) and the ECB's macro-prudential competences (SSMR Article 5) to be undertaken in 2016.
2015/FISMA/226 First response to European Systemic Risk Board's recommendation on intermediate objectives and instruments of macro-prudential policy	Adoption	30.9.2015	Completed

Planned evaluations:
CRD IV/CRR reporting obligations to be met by 31 December 2015.

General objective: The EU financial sector is properly supervised, stable, transparent and consumer-friendly; it brings benefits for citizens and businesses and is conducive to growth and jobs.	
Specific objective: Increase the stability of the EU financial services sector as a whole, by increasing Members States' ability to mitigate and address risks in the non-bank financial sector, in a coordinated manner that could threaten financial stability and the broader economy, reducing the need for taxpayer-bailouts.	Non programme-based

Result indicator: Amount of state aid to failing non-bank financial institutions

Definition: While the EU regulatory framework governing the functioning of different types of non-bank institution is robust and minimises the risks to which their business can expose other market participants, investors, policyholders and financial stability in general, the institutions can nonetheless get into severe financial or operational difficulties that can result in their failure. Regulation can minimise the likelihood of this occurring, but it can never preclude it entirely. Depending on the entity in question, such failure could assume varying proportions, compromise financial stability or cause socially unacceptable losses. In such cases, extraordinary resolution measures are necessary to contain the fallout and avoid relying on taxpayers to bail out the institution.

Source: Commission

Baseline	Target	Current situation
Since 2008 the State aid to non-banks, essentially insurers, has amounted to €10 billion.	Decrease the amount of state aid in the medium term by improving and harmonising recovery and resolution frameworks in all Member States	No change – no legislative progress towards harmonised recovery and resolution frameworks, despite some coordination of measures at national level

Result indicator: State aid granted to financial institutions (% of GDP)

Definition: The new rules for bank recovery and resolution ensure that authorities can deal adequately with future bank crises. Also, if a bank's financial situation deteriorates beyond repair, its critical functions would be rescued while the costs of restructuring and resolution fall on its owners and creditors and not on taxpayers.

Source: COMP State Aid Scoreboard, Eurostat

Baseline	Target	Current situation
Between October 2008 and October 2011, the Commission approved €4.506 trillion (equivalent to 37% of EU GDP; 11% on annualised basis) of state aid measures to financial institutions.	State aid measures approved by the Commission decrease after transposition of the Bank Recovery and Resolution Directive into national law.	The Commission took 42 decisions in 2015 on state aid for financial institutions. Many were amendments or extensions of decisions taken in previous years, of which it took 486 in 2008-2015. Transposition of BRRD is not yet complete in all Member States.

Policy-related outputs

Description (Commission*/final output**)	Indicator	Target	Current situation
2015/FISMA/103 Communication on recovery and resolution for other non-bank institutions*	Adoption	2015Q4	Postponed to 2016 (need to take account of international (G20) work)
2015/FISMA/029 Proposal for a framework for recovery and resolution of central counterparties*	Adoption	2015Q4	Postponed to 2016 (need to take account of international (G20) work)
2015/FISMA/156 SRMR_2 - Delegated Act pursuant to Article 75(4) of Regulation (EU) No 806/2014 of SRMR	Adoption	2015Q4	Adopted 16.12.2015
2015/FISMA/001	Adoption	2015Q4	Adopted 17.12.2015

SRMR_1 - Delegated Act pursuant to Articles 69(5) and 71(3) of Regulation (EU) No 806/2014 of SRMR			
2015/FISMA/133 BRRD DA correcting DA 2015/63 to align it with Council Implementing Act 2015/81	Adoption	2015Q4	Adopted 14.12.2015
2015/FISMA/207 Commission Communication to the EBA amending the draft MREL RTS in accordance with Article 45(2) of Directive 2014/59/EC	Adoption	2015Q4	Adopted 17.12.2015
2015/FISMA/248 Communication 'Towards the completion of Banking Union'	Adoption	2015Q4	Adopted 24.11.2015

HORIZONTAL ACTIVITIES

Specific objective: In order to benefit consumers and businesses, create and enforce an effective regulatory framework that is based on sound economic rationale and robust empirical evidence		Non programme-based
Result indicator: Number of in-depth, in-house, empirical economic analyses conducted; in particular to support the IA and evaluations process. **Definition:** The in-house, empirical economic analyses are aimed at strengthening the economic underpinnings of Single Market policies, in particular their contribution to economic growth and job creation. Source: FISMA/B2		
Baseline	**Target**	**Current situation**
5 in-depth, in-house, empirical economic analyses in 2014	Additional 7 in-depth, in-house, empirical economic analyses by end of 2015	Target exceeded – 13 in-house economic analyses: – for the increased corporate tax transparency IA; – on IMH; – for the cCovered Bonds Consultation; – economic analysis for CMU Green Paper + Action Plan – clustering analysis for BSR; – for IAS evaluation; – on securitisation; – for EFSIR; – for green paper on retail finance; – for prospectus IA; – on crowdfunding; – on financial conglomerates; and – on 'financing the real economy' (for DG GROW report on Single Market Integration and Competitiveness

Specific objective: Citizens, businesses and other stakeholders are better informed on significant developments in EU policies on banking and finance.		
Result indicator: Number of visits/month on the external website managed by DG FISMA **Source:** FISMA A.4		
Baseline	**Target**	**Current situation**
290 000 visits/month on DG FISMA topics on DG MARKT's website	Same level of visits despite reduced number of pages and (probably) fewer policy proposals	179 000, reflecting the significant reduction of legislative proposals and thus less interest in DG FISMA's website

Result indicator: Coverage on DG COMM's European Media Monitoring System **Source:** European Media Monitoring System		
Baseline	**Target**	**Current situation**
Estimated daily average for 2014, based on a sample: 19 articles	Sustain good volume of media coverage: daily average no fewer than 20 articles	Target achieved, with wide variation day to day.

Main outputs in 2015

Description	Indicator	Target	Current situation
Revised 'Banking and Finance' website in line with DG COMM's user-centric approach, with creation of new thematic pages (e.g. on CMU) and reduced overall content.	Number of 'Banking and Finance' webpages 1050 (350 by language)	10 % reduction	1 165. The target was not achieved because: – the planned reduction in the number of web-pages in the framework of DG COMM's digital transformation process has not yet started; and – due to an unforeseen need to transfer certain pages from the old DG MARKT website, the number of pages on the DG FISMA website increased.
Media activities to communicate policy initiatives and entry into force of EU legislation	Action taken (e.g. press material produced)	Throughout 2015	109 actions: – 30 press releases; – 14 fact sheets & FAQs; – 8 statements; – 15 midday expresses; – 33 speeches published (of 79 delivered); – 4 press conferences; and – 5 technical briefings held
New electronic newsletter for DG FISMA	Number of subscribers	3 000 by end 2015	3 392, i.e. target achieved.

Specific objective: Citizens, business and other stakeholders engage with DG FISMA		
Result indicator: Engagement rate on Twitter (as measured by Twitter Analytics) **Source:** Twitter Analytics		
Definition: The number of engagements (clicks, retweets, replies, follows and favourites) divided by the total number of 'impressions', i.e. the number of times a tweet appears on a Twitter timeline, as computed by Twitter Analytics.		
Baseline	**Target**	**Current situation**
January-October 2014: 1.02 %	1 % - as the number of followers is growing strongly (by 100 % in 2014), even maintaining the engagement rate will involve a strong increase in the number of people	0.75 %, mainly because no tweet-chats were organised in 2015, while three were organised in 2014
Result indicator: Number of questions/comments during tweet-chats and online web-chats (reflecting the number of participants and their engagement) **Source:** FISMA A.3		
Baseline	**Target**	**Current situation**
86 questions/comments during	Increase by 50 % by end 2015	77 questions/comments. The

four sessions in 2014			target was not achieved mainly because only one online chat session was organised in 2015
Main outputs in 2015			
Description	**Indicator**	**Target**	**Current situation**
Active use of social media (especially Twitter) for targeted communication and interaction with stakeholders	Implementation	Throughout 2015	#MyMoneyEU campaign, several infographics, 242 tweets posted.
Use of online tools (e.g. tweet-chats, live web-chats) to engage with citizens, business and other stakeholders	Implementation	Throughout 2015	Live chat with Commissioner on CMU (April 20); live tweeting during press conferences and public hearings

ADMINISTRATIVE SUPPORT OBJECTIVES

Specific objective: Deliver effective HR services to promote a high-performing, balanced and stimulating working environment for all staff in DG FISMA		
Result indicator: Percentage of permanent staff leaving the DG before two years of employment in the DG. **Source:** Commission, FISMA A.1		
Baseline	**Target**	**Current situation**
1 January to 31 October 2014: 0 % 2012: 0.6 %	Maintain less than 1 %	The indicator can only be calculated after DG FISMA's first two years of existence
Result indicator: Percentage of participants satisfied with DG FISMA's courses (excluding IT courses) **Source:** Commission, Syslog statistical reports		
Baseline	**Target**	**Current situation**
2013: 86.3 %	Maintain high overall satisfaction with courses organised in DG FISMA	84.6 %
Result indicator: Overall job satisfaction (percentage of staff satisfied with their job) **Source:** DG HR's annual staff satisfaction survey		
Baseline	**Target**	**Current situation**
72 % of DG MARKT staff who replied to DG HR's 2013 staff satisfaction survey indicated that they were very satisfied or satisfied with their job.	Maintain high overall job satisfaction of staff	79 %
Result indicator: Average vacancy rate (vacant posts as a percentage of total number of establishment plan posts) **Source:** Commission, HR Dashboard		
Baseline	**Target**	**Current situation**
December 2013 to November 2014: 6.1 %	Less than 6 % vacancy rate by	Vacancy rate at end 2015: 7.6 % The higher rate was due to the

January to December 2013: 6.2 %	end 2015	unprecedented number of 25 posts (including temporary allocations, staff cut and redeployment tax) that the DG had to give back in 2015. The need to find posts to cut resulted in a temporary freeze of most recruitments.

Main outputs in 2015

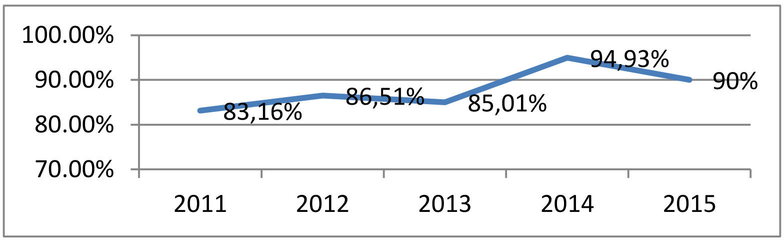
Description	Indicator	Target	Current situation
Strategic HR plan	Adoption by senior management and implementation	Adoption in 1st quarter 2015 and ongoing implementation	As DG FISMA was created only in 2015, the strategic plan was adopted by senior management in the last quarter of 2015; it is currently being implemented.

Specific objective: DG FISMA ensures sound financial management of resources and legality and regularity of its underlying transactions, and implementation of its Anti-Fraud Strategy

Result indicator: Percentage of payments executed within contractual time limits

Source: DG MARKT and DG FISMA AARs

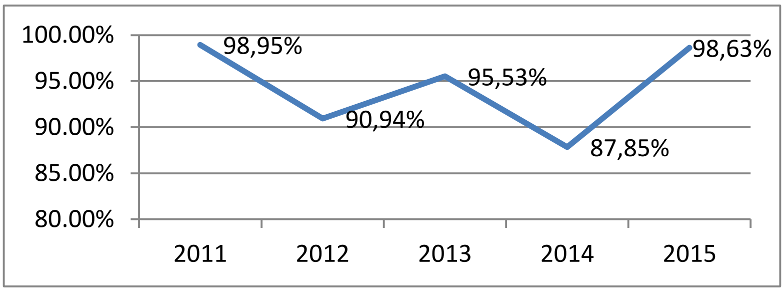
Baseline	Target	Current situation
2011: 83.16 %	90 % by 2015	90 %



Result indicator: Budget execution rate (% of commitment appropriations – administrative and operational lines)

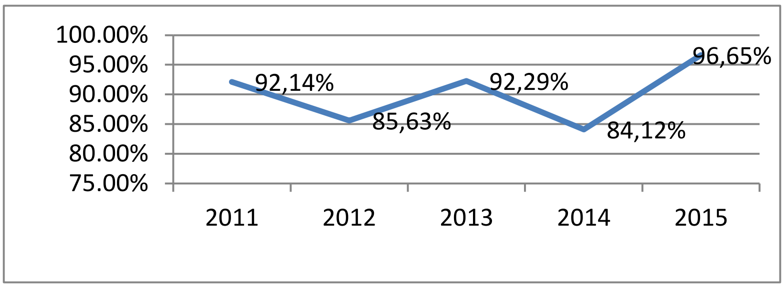
Source: DG MARKT and DG FISMA AARs

Baseline	Target	Current situation
2011: 98.95 %	95 % by 2015	98.63 %



Result indicator: Budget execution rate (% of payment appropriations – administrative and operational lines)

Source: DG MARKT and DG FISMA AARs

Baseline	Target	Current situation
2011: 92.14 % 	95 % by 2015	96.65 %

Result indicator: Number of legal proceedings following complaints in procurement procedures

Source: FISMA A.2

Baseline	Target	Current situation
2011-2014: 0	No legal proceedings following complaints in procurement procedures	zero

Result indicator: Degree of awareness of anti-fraud measures following implementation of the AFS

Source: FISMA A.2, survey in 2015 following implementation of the AFS action plan

Baseline	Target	Current situation
No data (survey to be run in 2015 following implementation of the AFS action plan)	70 % positive responses on knowledge of anti-fraud measures	> 79 %

Result indicator: Percentage of AFS actions implemented on time

Source: FISMA A.2

Baseline	Target	Current situation
80 % of the actions in the AFS action plan have been implemented on time; the outstanding actions are: • implementation of 'Event Management' (BASIS feature) to facilitate recording and monitoring of meetings with stakeholders; and • review of three of the four anti-fraud strategies/practices of the agencies under the DG's responsibility.	100 % in first half of 2015	100 % in first half of 2015

Main outputs in 2015

Description	Indicator	Target	Current situation
Survey on fraud awareness in the DG	Completion	By end 2015	Survey run in June 2015

Specific objective: Develop and maintain information systems to support FISMA's policies and administrative processes		
Output indicator: BASIS information system usage in other DGs **Source:** Commission/FISMA A.3		
Baseline	**Target**	**Current situation**
November 2014: BASIS used by seven DGs	By end 2015: BASIS used in at least 12 DGs	End of 2015: 21 DGs using BASIS
Output indicator: KOEL information system (previously YQOL) usage in other units **Source:** Commission/FISMA A.3		
Baseline	**Target**	**Current situation**
November 2014: YQOL used by five units	By end 2015: YQOL used by seven units	End of 2015: KOEL used by all business units (16) for level-2 measures (Delegated acts (DA, Implementing Acts (IA), or measures under the former comitology Regulatory Procedure with Scrutiny (RPS measures))
Result indicator: Percentage of users satisfied with the BASIS information systems **Source**: Commission/FISMA A.3 (survey to be organised by 3rd quarter 2015)		
Baseline	**Target**	**Current situation**
End of 2014: n.a.	End of 2015: 75 %	Data not available – due to the number of DGs (12) that migrated to BASIS in 2015, it was not possible to organise a survey
Result indicator: Percentage of users satisfied with the KOEL information systems **Source:** Commission/FISMA A3 (survey to be organised by 3rd quarter 2015)		
Baseline	**Target**	**Current situation**
End of 2014: n.a.	End of 2015: 75 %	Data not available – workload did not allow for the organisation of a survey

Specific objective: Maintain an effective document management system so that any document connected with the DG's official functions can be electronically registered, filed and retrieved at any time		
Result indicator: % of archives kept up to date (all files of which the *durée utile administrative* has expired must be transferred to the historical archives or destroyed) **Source**: Commission/FISMA A.3		
Baseline	**Target**	**Current situation**
December 2014: 95 % of archives up-to-date (see definition above); 5 % of active files fully paperless (gross estimate)	December 2015: 99 % of archives up-to-date; 10 % of active files fully paperless	All paper archives have been sent to the historical archives; from 2015, all official active files are electronic
Result indicator: % of e-*signataires* that are at least partly paperless **Source**: Commission/FISMA A.3		

Baseline	Target	Current situation
December 2014: 3 % of e-*signataires* are at least partly paperless (estimate, including the c*ourrier du President* and e-*signataires* in Directorate A)	End 2015: 10 % of e-*signataires* at least partly paperless *Internal workflow e-signataires should be paperless where possible and intermediary steps (before DG and DDG) should always be paperless.*	Objective not yet reached – paper *signataires* are still used in most directorates

Specific objective: Ensure a high level of security (information systems, documents, other)		
Result indicator: Number of information systems covered by an up-to-date security plan **Source:** Commission/FISMA A.3		
Baseline	**Target**	**Current situation**
November 2014: 50 % of information systems covered by an up-to-date security plan (including Business Impact Analysis and security scope annexes), i.e. BASIS	By December 2015: 100 % of information systems covered by an up-to-date security plan (including BIA and security scope annexes), i.e. BASIS, YQOL	End 2015: 50 % The BASIS security plan was reviewed, including two rounds of vulnerability tests. KOEL has to move to an extranet and the security plan will be reviewed after that migration.

Specific objective: Ensure that DG FISMA is prepared as well as possible for crises (staff, building, IT)		
Result indicator: Number of business continuity (BC) tests organised; as tests differ in nature, a subjective evaluation of the outcome will be produced **Source:** Commission/FISMA A.3		
Baseline	**Target**	**Current situation**
2014: two local tests, one corporate test: – local test 1 (DG MARKT's participation in DG DIGIT's LiDRA14 BC hosting exercise): self-assessment 'good'; – local test 2 (local BC team's 'walk-through' of NOAH and our BCP before summer break): self-assessment 'good'; – corporate test (reaction rate of BC duty officers in unplanned SG test during summer break): 100 %	2015: two local tests, one corporate test	2015: two local tests, one corporate test: – *participation* in DG *DIGIT's BC hosting exercise*; – *large-scale local communication exercise;* – SG duty officer test