

## Management Plan 2023

Directorate-General for Trade

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#### Introduction

An open, assertive and sustainable EU trade policy is needed more than ever given the current geopolitical situation. Trade policy is an exclusive EU competence allowing the EU to act with one voice on the global stage and effectively pursue its interests. The European Commission's Directorate-General for Trade (DG Trade) develops and implements the EU's trade policy with the aim of ensuring prosperity, solidarity, security, as well as a resilient and competitive EU economy and promoting the green and digital transitions. It does so in line with the principles and objectives of the Union's external action and consistently with EU internal policies and values, such as social, climate and environmental objectives.

The international context in which trade policy is operating continues to be challenging. It is affected by several trends such as the rise of geo-strategic rivalries between the United States and China, the increased "weaponization" of trade, resort to unilateral measures and economic nationalism, and the crisis of the multilateral rules based order. These trends, already apparent in the recent past, are further being exacerbated by Russia's brutal and illegal aggression against Ukraine. Trade policy is playing an important role in supporting Ukraine's economy as it struggles to maintain access to export markets while facing Russia's aggression to its territory. Since 4 June 2022 all Ukrainian exports can enter the EU duty and quota free for one year.

Trade policy will continue to have a decisive role to play in the economic recovery and in strengthening the EU's resilience. As such, trade policy will continue supporting the objective of building the EU's open strategic autonomy. As outlined in the *Trade Policy Review - An Open, Sustainable and Assertive Trade Policy*<sup>1</sup> the Commission adopted in February 2021, the EU's trade policy will focus on three core objectives: **supporting the recovery** and fundamental transformation of the EU economy in line with its **green and digital objectives**; shaping global rules for a **more sustainable and fairer globalisation**; and increasing the **EU's capacity to pursue its interests and enforce its rights**, including autonomously where needed.

Following a successful 12<sup>th</sup> WTO Ministerial Conference in June 2022, the European Commission will continue its efforts to strengthen the rules-based multilateral trading system and to reform the WTO, recognising that this is necessary for a stable and predictable trading environment.

The EU is the world trade's biggest market, being the first exporting block for 80 countries and has the largest network of trade agreements with 46 agreements with 78 countries. EU trade policy opens up opportunities and access for EU companies to sell their goods and services around the world and ensures access to raw materials. It is essential for the European economy as it supports growth and employment. Trade is more important for EU employment than ever: 38 million jobs in the EU are supported by EU exports to third

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<sup>&</sup>lt;sup>1</sup> https://trade.ec.europa.eu/doclib/docs/20/february/tradoc\_159438.pdf

countries. That is an increase of 11 million jobs in one decade<sup>2</sup>. However, trade is more than simply the exchange of goods and services. It is also a strategic asset for Europe. EU trade policy allows the EU to build partnerships, protect the EU market from unfair practices and promote EU values and standards and to contribute to the EU's efforts to pursue its top priorities - the green and digital transitions.

The EU will continue to enlarge these partnerships in 2023. As reflected in the 2023 Commission Work Programme, the European Commission will put forward for ratification the agreements with Chile, Mexico and New Zealand and continue negotiations with other important partners, such as Australia, India and Indonesia. Likewise, it will consider the relaunch of negotiations with key partners in South-East Asia, including Thailand. It will also continue to work towards the ratification of other outstanding agreements, such as the agreement with Canada, which celebrated its fifth anniversary of provisional application in 2022. The Commission will continue to integrate the digital transition into trade policy, through advancing negotiations on data flows with Japan, as well as at the WTO level through the e-commerce plurilateral negotiations.

President Ursula von der Leyen in her 2022 State of the Union (SOTEU) speech emphasised that "New partnerships will advance not only our vital interests – but also our values. Trade that embraces workers' rights and the highest environmental standards is possible with like-minded partners. We need to update our links to reliable countries and key growth regions."

The European Commission presented in June 2022 its Communication on "The power of trade partnerships: together for green and just economic growth", putting forward how to further strengthen the implementation and enforcement of Trade and Sustainable Development (TSD) chapters of the EU's trade agreements. The EU will work more closely with its trade partners to enforce and implement core sustainability criteria, notably the Paris Agreement and core labour conventions of the International Labour Organization.

This management plan sets out how DG Trade will implement an ambitious agenda in 2023. As stated in its Strategic Plan 2020-2024, DG Trade will pursue its specific objectives mainly under two of the Commission's general objectives: *An economy that works for people* and *A stronger Europe in the world*. These specific objectives, together with their link to the general objectives, are further explained in the graph below.

<sup>&</sup>lt;sup>2</sup> https://publications.irc.ec.europa.eu/repository/handle/JRC126043

#### A stronger Europe in the world

Specific objective 1: Lead the reform of the World Trade Organization to preserve rulesbased trade

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

#### An economy that works for people

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

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

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

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

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

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

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

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

#### **Acronyms**

ACP African, Caribbean and Pacific

AfCFTA African Continental Free Trade Agreement

CBAM Carbon Border Adjustment Mechanism

CETA Comprehensive Economic and Trade Agreement

CSR Corporate Social Responsibility

DAGs Domestic Advisory Groups

DCFTA Deep and Comprehensive FTAs

DG INTPA European Commission's department for International Partnerships

EBA Everything But Arms

ECT Energy Charter Treaty

EEAS European External Action Service

EP European Parliament

EPA Economic Partnership Agreements

EPCA Enhanced Partnership and Cooperation Agreement

ESA Eastern and Southern African

FAO Food and Agriculture Organization

FDI Foreign Direct Investment screening

FTA Free Trade Agreement

GRC Governance, Risk and Compliance

GSP Generalised Scheme of Preferences

ILO International Labour Organization

IP Intellectual Property

IPPC International Plant Protection Convention

IPR Intellectual Property Rights

LDCs Least Developed Countries

MC12 WTO's 12<sup>th</sup> Ministerial Conference

MC13 WTO's 13<sup>th</sup> Ministerial Conference

MPIA Multi-party Interim Appeal Arbitration Arrangement

OECD Organization for Economic Co-operation and Development

OIE World Organization for Animal Health

RBC Responsible Business Conduct

ROSA Rules of Origin Self Assessment Tool

SACU South African Customs Union

SADC Southern African Development Community

SIA Sustainability Impact Assessment

SMEs Small and Medium Enterprises

TRIPS Trade-Related Aspects of Intellectual Property Rights

TSD Trade and Sustainable Development

TTC Trade and Technology Council

UNCITRAL United Nations Commission on International Trade Law

WHO World Health Organization

WTO World Trade Organization

## PART 1. Delivering on the Commission's priorities: main outputs for 2023

As reflected in the Commission Work Programme 2023, trade policy will contribute to delivering on the Commission's priorities in 2023:

- Revising the EU's **FDI screening regulation** in light of two years experience, with a view to identifying, in line with Better Regulation principles, necessary amendments that would strengthen its functioning and effectiveness.
- Strengthening our strategic export controls, drawing on experience of the current EU export control regime and of the implementation of sanctions in the context of Russia's aggression against Ukraine, working closely with Member States and our international partners;
- Maintaining strong economic pressure on Russia and undermining its ability to wage war on Ukraine. We will also continue to coordinate, including with our allies, to ensure the effective enforcement of sanctions;
- Examining whether additional tools in respect of outbound strategic investments controls are necessary;
- Continuing our cooperation with candidate countries in the Western Balkans, along with Ukraine, Moldova, Georgia, in view of their future accession to the Union, maintaining our support for the Eastern Partnership and Southern Neighbourhood;
- Putting forward the ratification of the trade agreements with Chile, New Zealand,
   Mexico (once the legal architecture is confirmed by Mexico), as well as Mercosur (once commitments on trade and sustainable development are clarified);
- Continuing negotiations with other important partners, such as **Australia** (with the aim of conclusion in 2023), **India** and **Indonesia**.

DG Trade will also contribute to other Commission priorities in support of the green and digital transitions. Trade policy helps ensure access to energy goods and raw materials needed for the energy transition, spread green goods and services by facilitating market access for our green tech industry, and encourages the adoption of climate-friendly policies by others. Multilateral, bilateral and autonomous trade tools will all be used for this purpose. Similarly, trade policy will support a Europe fit for the digital age with a particular focus on helping develop global rules for digital trade through WTO negotiations as well as bilateral engagements.

To achieve this, DG Trade will seek to deliver in a number of key areas in 2023.

DG Trade will continue pursuing the six key areas set out in the Trade Policy Review Communication:

- Reform the WTO;
- Support the green transition and promote responsible and sustainable value chains;

- Support the digital transition and trade in services;
- Strengthen the EU's regulatory impact;
- Strengthen the EU's partnerships with neighbouring and enlargement countries, and Africa:
- Strengthen the EU's focus on implementation and enforcement of trade agreements, and ensure a level playing field.

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

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

**The World Trade Organization (WTO)** has provided a stable and predictable trading environment since its establishment in 1995, allowing for a massive expansion of global trade, whilst providing a framework for settling trade disputes through adjudication. However, the WTO remains in need for a reform to be able to deal with the current challenges of global trade.

The WTO's 12<sup>th</sup> Ministerial Conference (MC12) that took place in June 2022 was very successful, with positive outcomes on WTO reform, the response to the pandemic (including the TRIPS waiver), an agreement on fisheries subsidies, food security, the World Food Program exemption from export restrictions, and the extension of the e-commerce moratorium. In 2023, the EU will continue to play a leadership role in the WTO reform debate, focusing on dispute settlement reform in particular, as well as on reinvigorating the deliberative function of the WTO. This is in line with Commissioner Dombrovskis' Mission letter requesting him "to lead the reform of the World Trade Organization".

In 2023 the Commission will work to drive reform of the WTO across all its functions with the aims of

- re-activating by 2024 a fully and well-functioning WTO dispute settlement system with its core characteristics intact, in particular binding, two-tier and independent adjudication;
- improving the capacity of the WTO to negotiate and conclude new agreements to respond to the important trade issues relevant to today's economies such as on investment facilitation and e-commerce, notably through the increased use of open plurilateral agreements when a multilateral solution is not attainable;
- making the WTO's monitoring of its members' trade policies more effective by increasing transparency of members' trade practices and improving how the WTO's bodies and committees work;
- reinvigorating the WTO's deliberative function by stimulating meaningful policy debates on key critical challenges for the global trading system, including climate and the environment.

The discussions on these topics will continue to intensify, including in the lead-up to the WTO's 13<sup>th</sup> Ministerial Conference (MC13), which will be hosted by the United Arab Emirates in Abu Dhabi during the week of 26 February 2024.

DG Trade will continue to provide impetus to WTO reform also in other international organisations and fora, such as the Organization for Economic Co-operation and Development (OECD), the G20 and the G7.

Since December 2019, the WTO Appellate Body has been unable to hear appeals, due to a blockage on appointments. Finding a lasting multilateral solution to this situation is among the EU's top priorities, one on which DG Trade will continue play a leading role in 2023. In line with the "outcomes document" agreed at MC12, the objective is to see multilateral talks on WTO dispute settlement reform advance in 2023 and reach results by 2024. For as long as such a solution is not in place, DG Trade will work in parallel on fostering the continued success and smooth operation of the Multi-party interim appeal arbitration arrangement, known as the "MPIA". The MPIA is open to all WTO Members for as long as the WTO Appellate Body is unable to function fully. It safeguards, in any disputes among MPIA participants, the right to a functioning two-tier and independent dispute settlement mechanism under WTO rules.

Specific objective 1 contributes to the Commission's general objective A stronger Europe in the world.

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

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

In line with the Commission's general objective *An economy that works for people*, the EU opens markets by making, implementing and enforcing trade deals with partner countries or regions. Securing the EU's supply chains, diversifying its trade relations, including as regards the sources of supply of critical raw materials, and creating new export opportunities has become critical in today's increasingly hostile international environment. Building on the multilateral trading system and the EU's broad network of trade and investment agreements with countries outside the Union, the EU creates opportunities for EU businesses and workers, including for Small and Medium-sized Enterprises (SMEs), and enhances the resilience and robustness of the EU's economy. EU exports supported almost 38 million jobs in the EU in 2019, up from 29 million in 2010. The EU economy equally relies on imports, providing access to critical raw materials and other inputs to EU companies, and access to innovative and diverse products at competitive prices to EU consumers.

The EU must significantly increase and diversify its critical raw materials supply, strengthen circularity and support research and innovation. In 2023, DG Trade will contribute as coresponsible DG to the preparation and adoption of the European Critical Raw Materials Act<sup>3</sup>, a Commission proposal to ensure an adequate and diversified supply of raw materials for Europe's green and digital transitions – and prioritise their re-use and recycling. In particular, DG Trade will lead the preparation of the Commission communication accompanying the Act, setting out the important external trade policy dimension to secure supply of critical raw materials.

As part of its efforts to strengthen the EU's resilience and diversify our supply chains, and the EU's wish to strengthen its ties with the region, DG Trade will contribute to the **EU's new Agenda for Latin American and the Caribbean**.

Executive Vice-President and Commissioner for Trade, Valdis Dombrovskis, said: "Our focus now is on growing the EU's broad network of trade agreements, which play a crucial role in helping our economies to grow at this time of economic uncertainty, securing privileged access to key markets for our exports, as well as access to key inputs and raw materials via diversified and resilient supply chains. Cooperation with reliable global partners matters more than ever in this changing geopolitical landscape."

#### The multilateral and plurilateral agenda

DG Trade will continue to actively participate and shape the plurilateral WTO **e-commerce** negotiations that currently cover more than 80 WTO Members. The aim is to agree on modern, global rules for digital trade. Such plurilateral agreement would help to harness the full potential of data, tackle trade barriers, improve market access in goods and services and enhance consumer and business trust in the online environment, in full respect of the EU's personal data protection framework.

Following the successful conclusion of the plurilateral negotiations on **domestic regulation in services** on 2 December 2021 among a group of 67 WTO Members, the EU has finalised its internal procedure to conclude the agreement. In 2023, DG Trade will work with the now 70 WTO participants to incorporate the outcome of the negotiations in their respective schedules of specific commitments.

Following the commitment by currently 105 WTO Members to work towards a multilateral Agreement on **Investment Facilitation for Development**, DG Trade will continue its efforts to achieve this objective ahead of MC13.

DG Trade will work on EU acceptance of the new landmark WTO Agreement on **fisheries subsidies** reached at MC12. The WTO negotiations will continue on the outstanding issues

<sup>&</sup>lt;sup>3</sup> 2023 Commission Work Programme

to achieve a comprehensive agreement in line with UN Sustainable Development Goal 14.6<sup>4</sup>.

Following the outcome at MC12 on the WTO response to the COVID-19 pandemic and preparedness for future pandemics, DG Trade will continue to share its experience and to work with other WTO members on best practices and recommendations in areas such as transparency, export restrictions, trade facilitation, and international collaboration of the WTO with other organizations. Following the Ministerial Decision on the Agreement on Trade-related Aspects of Intellectual Property Rights agreed at MC12 on 17 June 2022, DG Trade will continue negotiations in the WTO on the potential extension of the Decision to cover COVID-19 therapeutics and diagnostics.

DG Trade will continue to support the implementation of the commitments taken in the three plurilateral statements relevant to advance the trade and environmental/climate agenda adopted in December 2021. The statements on Environmental Sustainability, on Fossil Fuel Subsidy Reform and on Plastics Pollution and Sustainable Plastics Trade will ensure the revitalisation of multilateral work on climate and environment issues in the WTO with a clear roadmap towards MC13.

Following the restart of work in the Trilateral process, the Commission will work jointly with representatives of the United States and Japan to tackle market-distortive policies and practices that are currently not sufficiently addressed by WTO rules. This will include work on identifying problems, coordinating domestic tools, and deliberations in view of developing new rules and norms, including regarding industrial subsidies and state-owned enterprises.

On 20 March 2018, the Council adopted the Commission's recommendation to open negotiations to set up a **Multilateral Investment Court**, which would be a permanent body to decide on investment disputes. This court would replace the Investment Court System (ICS) currently contained in the EU's bilateral agreements and the Investor-State Dispute Settlement arrangements that exist in current bilateral investment treaties to which our Member States are party. Substantive discussions will continue in 2023 in the United Nations Commission on International Trade Law (UNCITRAL), also on other aspects that are indirectly relevant for the Multilateral Investment Court including the establishment of an Advisory Centre for developing countries.

DG Trade will continue to work towards an agreement on the modernisation of the Arrangement on Officially Supported Export Credits at the OECD building on the preliminary commitments reached in 2022. The aim is to update the rules of the Arrangement in order to align them with current market practices and principles, to address competitive issues with non-Participants, especially China, and to streamline and bring greater coherence to this complex set of rules. This is essential to re-position export credits in a highly competitive international trade and finance landscape as an efficient instrument to support

<sup>&</sup>lt;sup>4</sup> Oceans - United Nations Sustainable Development

EU exporters worldwide, to mobilise the much-needed private capital to foster the green transition and also to build up infrastructure in the face of global pandemics, economic crises and in conflict-affected countries. Work on addressing climate issues in the context of export credits in 2023 will aim at expanding the scope of the Climate Change Sector Understanding and starting further discussions on the phasing-out of export credit support for fossil fuel projects.

#### **EU-US relations**

The EU and the **United States**<sup>5</sup> have the largest bilateral trade and investment relationship and enjoy the most integrated economic relationship between major players in the world. Although overtaken by China in 2021 as the largest EU import source for goods, the US remains the EU's largest overall trade and investment partner by far.

We are committed to a positive transatlantic trade agenda and pursue this objective notably via the Trade and Technology Council (TTC), which focuses on a wide range of topics at the juncture of trade, technology and security, such as technology standards, advancing supply chain security, export controls, investment screening, global trade challenges, misuse of technology or promoting SMEs' role in digital and technology trade. The TTC is a transparent and inclusive process and provides for stakeholder engagement, including via the centralised TTC platform on "Futurium" 6. Work in 2023 will focus on boosting the ambition on the trade aspects of the TTC and building strong and resilient transatlantic trade relations with strong cooperation on the green transition and on ensuring resilient supply chains. At the same time engagement with the US on addressing the EU's concerns over the Inflation Reduction Act and its implementation will continue in 2023 building on the work of the EU-US High Level Task Force started in November 2022. The EU will also seek to successfully conclude by the end of 2023 the EU-US process for a Global Steel and Aluminium Arrangement to normalise transatlantic trade in steel and aluminium and avoid the reimposition of US section 232 tariffs and corresponding EU counterbalancing measures.

The EU and the US are committed to agreeing in 2023 on a on a Global Sustainable Arrangement for Steel and Aluminium to address global steel overcapacity and to achieve the decarbonisation of the global steel and aluminium.

#### Finalising concluded bilateral and regional negotiations

Trade relations with **Mexico** are currently governed by the trade pillar of the EU-Mexico Economic Partnership, Political coordination and Cooperation Agreement of 1997 (also referred to as the "Global Agreement"). The EU and Mexico reached a political agreement in April 2018 on the update of the Global Agreement, which will bring the trade Agreement with Mexico in line with the most ambitious and progressive EU agreements, including

<sup>&</sup>lt;sup>5</sup> EU-US trade

<sup>&</sup>lt;sup>6</sup> https://futurium.ec.europa.eu/en/EU-US-TTC

comprehensive provisions on labour and environmental protection, climate change, and civil society involvement. An independent sustainability impact assessment (SIA) was published in January 2020<sup>7</sup>. DG Trade remains committed to conclude the internal procedures leading to the signature and conclusion of the agreement in 2023.

Following the adoption by the Council on 13 November 2017 of the negotiation directives<sup>8</sup>, the EU launched negotiations with **Chile** to modernise the scope of the existing Association Agreement (2002)<sup>9</sup>, including ambitious, comprehensive and progressive trade provisions. Following the conclusion of the negotiations on the EU-Chile Advanced Framework Agreement on 9 December 2022, the EU will pursue the objective to finalise the transmission of the agreement to Council and European Parliament in 2023.

In 2019, the European Union and **Mercosur States** – Argentina, Brazil, Paraguay and Uruguay – reached a political agreement on the negotiations for an ambitious, balanced and comprehensive trade agreement<sup>10</sup>. The agreement will create significant opportunities for sustainable growth in both regions, while promoting high labour and environmental standards and preserving the interests of EU consumers and sensitive economic sectors. The sustainability chapter is amongst the most progressive in any of the EU's trade deals and contains explicit commitments on deforestation and the implementation of the Paris agreement. In 2023, the EU and Mercosur States will continue the legal revision of the text, before it can be translated into all official EU languages and submitted to EU Member States and the European Parliament for approval. Moreover, the Commission will be working with Mercosur to improve the sustainability conditions on the ground including through an additional instrument to address TSD/deforestation concerns in the Amazon region. This will be a critical element on the path towards ratification of the agreement.

The EU and the **Kyrgyzstan** concluded the negotiations of an Enhanced Partnership and Cooperation Agreement (EPCA) in June 2019. This agreement represents a major improvement on the current Partnership and Cooperation Agreement, in force since 1999 and creates the conditions for a safer business environment for economic operators. After the adoption of the proposal for a Council Decision by the College in June 2022, DG Trade will work towards the EPCA's signature and ratification in 2023.

The EU and the Republic of Uzbekistan have concluded the negotiations of an Enhanced Partnership and Cooperation Agreement (EPCA) in July 2022. In 2023, DG Trade will work towards the adoption of the proposal for a Council Decision for signature of the EPCA with **Uzbekistan**.

In May 2018, the Council authorised opening negotiations for FTA between the EU and **New Zealand**. The position paper on the SIA in support of the negotiations was published in July

<sup>&</sup>lt;sup>7</sup> Sustainability Impact Assessments

<sup>&</sup>lt;sup>8</sup> EU-Chile - Negotiation Directives for Modernisation of the Agreement

<sup>&</sup>lt;sup>9</sup> EU-Chile trade

<sup>&</sup>lt;sup>10</sup> EU-Mercosur Agreement

2021. The negotiations were successfully concluded on 30 June 2022. In 2023, DG Trade will work with the Council and the European Parliament to conclude the technical work and internal procedures leading to the signature and conclusion of the agreement. The agreement will contain unprecedented provisions on sustainable trade reflecting the outcome of the 2022 Trade and Sustainable Development review, with sanctionable commitments to the Paris Climate Agreement as well as the core labour standards.

#### On-going negotiations

In May 2018, the Council authorised opening negotiations for FTA between the EU and **Australia**. The position paper on the SIA in support of the negotiations was published in July 2021. DG Trade will continue the negotiations with the aim of conclusion in 2023.

The EU remains committed to strengthening the economic partnership with **India**<sup>11</sup>. On 8 May 2021, the EU-India Leader's meeting agreed to resume negotiations for a balanced, ambitious, comprehensive and mutually beneficial trade agreement, and to launch separate negotiations for a stand-alone investment protection agreement and an agreement on geographical indications. These negotiations are linked to finding solutions to long-standing market access problems. Negotiations were launched in March 2022 and will continue in 2023 at an intense pace. In April 2022, President von der Leyen and President Modi agreed to set up an EU-India Trade and Technology Council (TTC) to tackle strategic challenges at the nexus of trade, technology and security issues. A first meeting of the TTC should be held ahead of the next EU-India Summit, after the Terms of Reference of the TTC are finalised.

The Economic Partnership Agreement (EPA) between the EU and **Japan** entered into force in February 2019. In 2023, the EU aims to finalise the negotiations started in October 2022 to include rules on data flows in the EPA so that business can benefit from free flow of data between both sides in full compliance with EU privacy and data protection rules and preserving the right to regulate for public policy objectives.

The Commission also launched negotiations for trade agreements with **Indonesia**<sup>12</sup>, **Malaysia**, the **Philippines**<sup>13</sup> and **Thailand**. Only negotiations with Indonesia are being actively pursued for the moment, while the other negotiations remain paused. However stocktaking exercises are ongoing with a view to assessing prospects for resuming them. The SIA for the negotiations with Indonesia was published in June 2020.

DG Trade will also continue contributing to building international digital partnerships with the **Indo-Pacific region**, notably with Japan, the Republic of Korea and Singapore, as set

12 EU-Indonesia trade

<sup>11</sup> EU-India trade

<sup>&</sup>lt;sup>13</sup> EU-Philippines trade

out in the Indo Pacific Strategy <sup>14</sup>. We will engage more closely on issues that are relevant for the facilitation of digital trade, including through rule making.

In the EU's Southern neighbourhood, the negotiations with **Tunisia**<sup>15</sup> and **Morocco**<sup>16</sup> on Deep and Comprehensive Free Trade Areas (DCFTAs) have been on hold since 2019 and 2014 respectively. The Commission remains available to discuss options to update and strengthen trade and investment relations, including the new sustainable investment initiative.

In 2023, DG Trade will continue working towards the conclusion of negotiations on the trade chapters of the Enhanced Partnership and Cooperation Agreement (EPCA) with **Azerbaijan**<sup>17</sup>.

Bilateral and plurilateral negotiation rounds will continue in 2023 towards a new framework agreement with **Andorra, San Marino and Monaco**, ensuring, along with the Customs Union established with Andorra and San Marino, their integration in the single market and their alignment with the EU's trade policy. Negotiations with the UK on Gibraltar will continue with the objective of finalising them in 2023.

In line with the headline actions in the Trade Policy Review Communication, DG Trade will continue working to enhance sustainable trade and investment relations between **the EU and Africa**. To this end, it will continue the implementation of the Economic Partnership Agreements (EPA) with African regions and countries, and reinforce them. This will contribute to building resilient value chains and boosting sustainable public and private investment in sectors of mutual interest. EPA continue to be the cornerstone of Africa-EU trade relations and contribute to the on-going African integration projects, including the **African Continental Free Trade Agreement (AfCFTA)**. The EU-African Union (AU) Summit held in February 2022 adopted the Africa-Europe Global Gateway Investment Package. To uphold the joint work with the AU, a high-level dialogue on trade and economic integration was launched at the European Commission-AU Commission meeting that took place in November 2022 and its first meeting will be held in 2023.

Upgrading and expanding existing partnerships are fundamental aspects of our agenda with Africa. There is good progress in the on-going negotiations to deepen the existing EPA with five **Eastern and Southern African** countries (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe). A SIA on these negotiations has been carried out and the final report will be published at the beginning of 2023. The EU-Central Africa (**Cameroon**) EPA was complemented with the finalisation of negotiations for a Protocol on rules of origin in June 2022 and a formal decision will be adopted in 2023. Negotiations to implement

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<sup>&</sup>lt;sup>14</sup> Joint Communication to the European Parliament and the Council, The EU strategy for cooperation in the Indo-Pacific, JOIN(2021) 24 final.

<sup>&</sup>lt;sup>15</sup> EU-Tunisia trade

<sup>&</sup>lt;sup>16</sup> EU trade relations with Morocco (europa.eu)

<sup>&</sup>lt;sup>17</sup> EU-Azerbaijan trade

bilaterally with **Kenya** the regional EU-East African Community (EAC) EPA are also ongoing. Kenya submitted a formal request to implement the agreement bilaterally in 2021, to which the EU responded positively. Negotiations with Kenya to conclude an interim EU-Kenya Economic Partnership Agreement, will continue in 2023. This agreement will include a trade and sustainable development chapter.

The geographic and thematic expansion of the existing Economic Partnership Agreements will continue in 2023 following the accession to the EU-Pacific EPA of Samoa in 2018 and Solomon Islands in 2020, with on-going negotiations for the accession of Tonga, Timor-Leste and Tuvalu in the EU-Pacific EPA and the expected endorsement of a Joint Declaration on trade and sustainable development, as well as with the expected launch of accession negotiations with **Angola** into the EU-SADC EPA. The final report on a SIA on the accession of Angola to the EU-SADC EPA will be published in early 2023. The Commission expects to launch negotiations with Angola in 2023 for its accession to the EU-SADC EPA.

The Commission has also launched a sustainable investment initiative in Africa that will be rolled out with African partners either in the EPA/DCFTA negotiations or as standalone investment facilitation agreements to improve the investment climate and support sustainable development. Negotiations with Angola for a Sustainable Investment Facilitation Agreement (SIFA) have been concluded at the end of 2022. In 2023, the Commission will prepare the instruments of signature and conclusion of the SIFA with Angola. This is the first-ever bilateral agreement on investment facilitation that the EU has negotiated.

#### The proposal of new bilateral negotiations

As stated in the trade policy review, the EU looks forward to the modernisation of its trade and economic relationship with **Türkiye**, provided the right conditions are met. The recommendation to open negotiations of an Enhanced Partnership and Cooperation Agreement with the Republic of **Tajikistan** was presented to the Council in June 2022 and the negotiations are expected to start in 2023.

In 2023, DG Trade will continue to work with partners in the Southern Mediterranean region to build on the existing network of Free Trade Areas of the Association Agreements, and will explore both their interest as well as study the feasibility of negotiations on Sustainable Investment Facilitation Agreements (SIFA) with Southern neighbourhood countries.

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

#### **Effective implementation**

The Commission will continue its efforts to **unlock the benefits of the EU's trade agreements**, coupled with **assertive enforcement**, of both their market access and their sustainable development commitments (in line with specific objective four). European stakeholders and businesses need to be aware of the opportunities EU trade agreements offer and be confident that they can reap the gains that the EU negotiated.

This will be a critical element of the EU's drive toward open strategic autonomy, and facilitate access to markets, particularly for SMEs. In 2023, DG Trade will focus on:

- Ensuring the full implementation of trade agreements by trading partners.
- Supporting EU stakeholders and businesses to make the best of the opportunities EU trade agreements create, e.g. further developing the Access2Markets portal and interlinking it with other important information channels<sup>18</sup>, especially for SMEs.
- Monitoring the proper implementation and enforcement of the EU's trade agreements and facilitating complaints related to market access barriers and infringements of trade and sustainable development commitments through the Single Entry Point.

DG Trade will continue to monitor the compliance of its trading partners with their commitments under the WTO and under FTAs to quickly prevent or rectify unjustified, discriminatory or disproportionate barriers to trade. Likewise, through its trade instruments, it monitors compliance with relevant international standards for labour rights, climate/environmental protection, and human rights. The enforcement of the rights stemming from preferential bilateral or plurilateral trade agreements as well as multilateral trading rules may be achieved through technical, diplomatic and political contacts, negotiation, regulatory cooperation or dispute settlement, in the WTO or through bilateral dispute settlement mechanisms. This includes comments and follow-up to notifications by trading partners under the WTO Technical Barriers to Trade and WTO Sanitary and Phytosanitary agreements.

The 2023 Commission annual **Report on EU Trade Policy implementation and enforcement** will report on the above mentioned areas.

In 2023, the Commission will continue to develop new and improved tools that provide practical information for European businesses, in particular SMEs, to make full use of the potential of the EU's trade agreements and to continue to reach out to stakeholders and the wider public to promote their use. The Commission will also extend the Access2Markets Portal online tool to include additional information, such as on services and investment, extend the Access2Procurement tool to cover more partner countries, and improve the Rules of Origin Self-Assessment Tool (ROSA) to help companies to correctly apply rules of origin when exporting to third countries.

In 2023, the Commission will continue to focus on ensuring the smooth and effective implementation of the most recent bilateral trade agreements (**the Republic of Korea, Canada, Japan, Singapore, Vietnam** and **United Kingdom**). This includes identifying

<sup>&</sup>lt;sup>18</sup> Synergies could in particular be explored in other sources of information including the Enterprise Europe Network (EEN), the EU Japan Centre for Industrial Cooperation, the EU SME Centre in China, the European Business Organization Worldwide Network, European Trade Promotion organizations and the SME IPR Helpdesks.

and following-up on implementation issues as well as ensuring that meetings of committees set up under these agreements take place on a regular basis and that their outcomes are promptly followed-up.

DG Trade will continue to monitor and ensure the effective implementation of the Agreements the EU has with Mexico, Chile, Colombia/Peru/Ecuador and Central America, including through the respective Committees set up for this purpose. DG Trade will continue to promote these Agreements, to conduct joint activities and projects to support these countries' implementation efforts and to continuously assess their impact in both regions.

With regards to the **ex-post evaluation** of the impact of the Agreements with Colombia, Peru and Ecuador and with Central America, a Staff Working Document is expected for the beginning of 2023, based on the final independent reviews.

DG Trade will also continue to monitor the implementation of the DCFTAs with **Ukraine**, **Georgia and Moldova** through the respective committees. A Staff Working Document, based on the final independent review, for the ex-post evaluation of the trade pillar of the DCFTAs with Georgia and Moldova is expected in 2023. The review related to "accelerating and broadening the scope of the elimination of customs duties" under Article 29 (4) of the EU-Ukraine Association Agreement and the assessment before launching negotiations for an Agreement on Conformity Assessment and Acceptance will continue in 2023. As announced by President Ursula von der Leyen in her speech on the State of the Union and confirmed by the conclusions of the European Council of 20-21 October, the Commission will work with Ukraine to ensure seamless access to the Single Market. Work with Moldova will continue in 2023 on their request to review the liberalisation of the remaining tariff rate quotas under the DCFTA. In the context of the granted candidate status to Moldova and Ukraine as well as the EU perspective to Georgia, work will intensify on enhancing implementation of the DCFTAs and aligning to the EU acquis (e.g. roaming).

DG Trade will continue its cooperation with the **Western Balkans**, in order to support the accession process for those countries which have candidate status and to ensure the proper enforcement of the bilateral Stabilisation and Association Agreements.

2022 was the second year of implementation of the Trade and Cooperation Agreement between the EU and the **United Kingdom**. In 2023, DG Trade will continue its active monitoring and enforcement of all of the trade aspects of the agreement, including the level playing field and sustainability chapters. DG Trade will also contribute to ensuring that all the mechanisms and instruments necessary for the effective exercise of the EU rights under the agreement are in place.

DG Trade will continue to engage with **Türkiye** to ensure the full implementation of the existing Customs Union and the removal of existing trade barriers.

With **Southern Mediterranean countries**, efforts are ongoing to improve the efficiency of the relevant committees under the Association Agreement to effectively tackle all trade-related issues. DG Trade will continue to engage with these partners to remove trade-related barriers, while also aiming to help them taking better advantage of the existing preferential market access, in particular through trade-related assistance and capacity building. DG Trade will continue its full engagement in preparations for the **12th Union for the Mediterranean (UfM) Ministerial meeting on Trade** during the last quarter of 2023 with a view to renewing the political commitment to sustainable trade and investment, and to regional integration by establishing clear priorities and follow up initiatives for continued cooperation.

Implementation work on the seven Economic Partnership Agreements (EPAs) with **African, Caribbean and Pacific countries (ACPs)** will continue in 2023, including EPAs with the Eastern and Southern African (ESA) sub-group, the Southern African Development Community (SADC) EPA group, Central Africa (Cameroon), Ghana, Cote d'Ivoire, Cariforum and Pacific EPA countries. This includes the management of the relevant joint institutions, ensuring compliance with EPA commitments, as well as monitoring and evaluation, development cooperation and joint activities and dialogues with state and non-state actors, as well as raising awareness of the partnerships.

DG Trade will continue to implement the 2019 EU strategy on **China**<sup>19</sup> and to intensify bilateral discussions on trade and investment issues covering China's agenda for economic reforms. EU concerns related to overcapacity (particularly on steel), Chinese export controls rules, level-playing field issues, including the subsidisation of the Chinese economy, Chinese investments in the EU, market access, including unjustified barriers to digital trade on grounds of data sovereignty and cybersecurity, and intellectual property rights will remain the key priorities in the EU-China trade and investment-related discussions. The EU and China agreed to hold the 10<sup>th</sup> High-Level Economic and Trade Dialogue (HEC) in 2023.

In 2023, DG Trade will continue to be involved in implementing the various actions of the 2019 strategic outlook (e.g. implementing the International Procurement Instrument (IPI), which entered into force in August 2022, the reforms to the EU's export control regime, and the EU Regulation on the screening of foreign direct investment, intensifying the bilateral investment negotiations, enhancing WTO reform efforts, addressing the distortions generated by foreign subsidies in the internal market, etc.).

Implementation of the strategy also entails following plurilateral and multilateral discussions at the level of G7, G20, the OECD and the WT0, including on issues such as digital trade, overcapacity as well as the International Working Group on export credits $^{20}$ .

<sup>19</sup> https://ec.europa.eu/info/sites/default/files/communication-eu-china-a-strategic-outlook.pdf

<sup>&</sup>lt;sup>20</sup> The technical negotiations in the IWG were suspended in 2020 for lack of consensus between China and OECD countries, and the effort now is to increase our global competitiveness, including against China, through modernisation of the OECD rules on export credits.

In reaction to **Russia**'s unjustified and unprovoked war against Ukraine, the EU has imposed a wide range of **sanctions**<sup>21</sup> against Russian individuals, entities and economic sectors. DG Trade will continue to work on the design, development and monitoring of the implementation of trade restrictive measures that target goods, technologies and services as well as entities and legal persons in Russia. Intensified efforts are deployed to prevent sanctions circumvention and evasion via certain third countries, including in close coordination with our partners. DG Trade will support the Special Envoy for the Implementation of EU Sanctions in his mandate of ensuring that EU sanctions are not circumvented and engaging in this context in continuous, high-level discussions with third countries. The design of the measures will also continue to promote a gradual general decoupling of the EU economy from dependencies on Russia while minimising impacts on critical raw materials' supply chains.

DG Trade will continue to work on removing trade barriers through our **Market Access Partnership** with Member States and industry. The removal of barriers in the period 2014 to 2021 created additional export opportunities of more than € 7 billion, helping to support hundreds of thousands of jobs in the EU − equivalent to the benefits of many of our FTAs. DG Trade remains committed to reinforcing the Partnership, with enhanced prioritisation of actions to remove barriers, strengthened coordination with stakeholders, and wider communication and outreach. For example, DG Trade will continue to organise Market Access Days in Member States with trade experts and industry representatives to identify and overcome the barriers that our companies face in third countries. DG Trade will also use Market Access Advisory Committees and sectorial dialogues with industry to help improve industry input to its implementation and enforcement work, including through ensuring efficient information flow.

DG Trade will continue to address multilaterally and bilaterally a growing number of regulatory barriers faced by EU exporters. For instance, in the WTO Committees on **Technical Barriers to Trade and Sanitary and Phytosanitary measures**, DG Trade will build on success stories to date and contribute to the withdrawal or modification of trading partners' trade restrictive measures that hamper EU exports. It will also continue to negotiate and effectively implement provisions in the EU's bilateral trade agreements aimed at minimising regulatory barriers by promoting, inter alia, the use of international standards, proportionate conformity assessment procedures as well as transparency and public consultation of proposed regulatory measures.

Phytosanitary Market Access Working Group on identifying and agreeing on a mid-to long-term strategy to tackle Sanitary and Phytosanitary measures, the constant improvement of the Market Access Database, including with the access now given to third countries, and the continued financial support to international standard setting organizations (Food and Agriculture Organization (FAO)/International Plant Protection

<sup>&</sup>lt;sup>21</sup> Council Decision 2014/512/CFSP and Council Regulation (EU) No 833/2014

Convention (IPPC), World Health Organization (WHO)/Codex Alimentarius Commission and World Organization for Animal Health (OIE)).

Well-functioning **intellectual property** systems are a key lever to promote investment in innovation and sustainable growth. Intellectual Property Rights infringements worldwide cost European firms billions of euros in lost revenue and put thousands of jobs at risk. These infringements also endanger consumers, public health and the environment and contribute to organised crime. DG Trade will continue to use a range of bilateral and multilateral trade tools to promote solid intellectual property laws and effective enforcement worldwide. It will engage with key trading partners through Intellectual Property Dialogues and Working Groups, as well as through the WTO TRIPS Council, the OECD and other organizations. DG Trade will also continue its engagement in various technical cooperation programmes such as the IP Key cooperation programmes for China, Southeast Asia and Latin America or the four-year cooperation programme for Africa. The report on the protection and enforcement of intellectual property rights in third countries will be published in 2023.

In the area of **public procurement**, DG Trade will continue to promote transparency, good governance and improved market access in third countries. In parallel with and in addition to the EU efforts in bilateral and plurilateral agreements, DG Trade will implement the **International Procurement Instrument<sup>22</sup>** (IPI), which entered into force in August 2022. This instrument seeks a level playing field in procurement by giving the EU leverage to negotiate better access for EU companies to procurement markets outside the EU. As an ultimate measure, intended to give partner countries an incentive to open their markets, it allows the EU to restrict access of companies, goods and services to the EU procurement market if they are from a country that is found (through complaints-based or ex officio investigations) to apply restrictive or discriminatory treatment against EU companies.

In the area of export controls, in 2023, the Commission will work with Member States to ensure the effective implementation of the modernised **Export Control Regulation**<sup>23</sup> on sensitive dual-use goods and technologies with a view to supporting secure supply chains, promoting international security and protecting human rights. The Commission will in particular conduct public consultations to support the preparation of Commission Recommendations on human rights due diligence guidelines and on the transparency of licensing decisions, and will promote effective enforcement of controls through the newly-created Enforcement Coordination Mechanism. It will also consider with Member States the possible introduction of EU controls on cyber and emerging technologies.

Since February 2022, some of the provisions of the Export Control Regulation, and the network and tools set up under it, have been mobilised by the EU to develop, adopt and implement export sanctions against Russia and Belarus mentioned above. In light of this

<sup>22</sup> https://eur-lex.europa.eu/eli/reg/2022/1031/oj

<sup>&</sup>lt;sup>23</sup> https://ec.europa.eu/commission/presscorner/detail/en/IP 20 2045

experience, as well as close cooperation with partners such as the US – in particular in the EU-US Trade and Technology Council -, Japan and the UK, the Commission will explore how to strengthen security-based controls in order to address new challenges associated with trade and transfers of emerging and sensitive technologies. This may also include an assessment of whether any additional tools might be necessary in respect to outbound strategic investments controls to protect further our security.

In line with the new Regulation, the Commission will support the consistent implementation of controls within the EU: it will notably support enhanced information exchange (and transparency) with Member States. Also in 2023, the Commission will adopt the regular updates of the EU Dual-Use control list, and will continue to steer the activity of the Dual-Use Coordination Group (DUCG) and related new technical expert groups. The Commission will also adopt the yearly annual report on the implementation of controls, and promote outreach to stakeholders, e.g. with the organisation of a 2023 Export Control Forum.

DG Trade will continue in 2023 to enforce where necessary the EU's multilateral and bilateral rights and obligations through the **dispute settlement mechanisms available** in the WTO or under relevant trade agreements. DG Trade has developed practical experience in bilateral dispute settlement in the EU's disputes with the Republic of Korea, Ukraine, the South African Customs Union (SACU) and Algeria. In the WTO, for as long as the current blockage of the appeal mechanism lasts, the EU's ability to obtain a binding outcome is best safeguarded in individual WTO disputes through appeal arbitration agreements concluded either on an ad hoc basis or under the umbrella of the Multi-party interim appeal arbitration arrangement (MPIA). In any event, following the amendments of the Enforcement Regulation that entered into force in February 2021, the Commission has the power to adopt trade sanctions against any WTO Members that seek to benefit from the blockage of the appeal mechanism in order to prevent a final adjudication of a dispute initiated by the EU.

DG Trade will continue to assert and defend EU interests in the relevant WTO committees and bodies. In 2023, the EU will undergo its WTO Trade Policy Review where it will present its trade policy to the WTO Membership and reply to Members' questions.

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

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

The **Chief Trade Enforcement Officer** will continue to increase the efficiency of DG Trade's work on implementation and enforcement by streamlining internal processes, strengthening coordination within the Commission and enhancing consistency and identifying leverage to address with trading partners breaches of their commitments.

Through the centralised *Single Entry Point* on the Access2Markets portal, EU-based stakeholders and civil society can bring their complaints about barriers to market access in non-EU countries or about lack of compliance with commitments they have made on workers' rights, climate change, or the environment. The Single Entry Point is the first point of contact in the complaint system who wishes to report a barrier or lack of compliance. This specific objective thus contributes to the Commission's general objective *An economy that works for people*.

The Chief Trade Enforcement Officer's role is to lead efforts across the Commission to strengthen implementation and enforcement, drawing on a range of **available tools**:

- The institutional framework under the EU' trade agreements and the WTO;
- High-level contacts with partner countries at political level;
- Dispute settlement procedures, either under a bilateral agreement or in the WTO;
- The updated Enforcement Regulation in cases where dispute settlement is blocked;
- The Trade Barriers Regulation, allowing the Commission to investigate specific problems identified by EU companies. Since the 1990s, 24 examination procedures have been initiated concerning a range of partners;
- Trade defence instruments such as anti-dumping, anti-subsidy and safeguard measures to protect EU stakeholders from unfair practices or sudden surges in trade flows. In 2022, such measures protected more than 509,000 jobs in the EU.

To strengthen the EU's ability to defend itself against coercive measures of others, DG Trade brought forward a proposal in 2021 for a new legal instrument **to enable the EU to deter and counteract coercive actions**<sup>24</sup> by trade partners that is expected to be adopted by the Council and the EP in 2023.

In 2023, DG Trade will continue to address steel excess capacity internationally, in multilateral fora, notably the OECD Steel Committee and the G20 mandated Global Forum for Steel Excess Capacity (GFSEC), and its bilateral relations, in particular the US. An EU-US technical working group was established to address, among other things, methodologies for calculating steel and aluminium carbon-intensity and share relevant data.

The Commission stands firm against unfair trade practices. In line with WTO rules, the EU has its own system of **Trade Defence Instruments** to combat unfair trade practices in international trade. The EU is an efficient user of these instruments and applies a number of conditions in addition to WTO rules to ensure their use is measured. DG Trade also actively participates in trade defence investigations by non-EU countries against EU Member States with the aim of minimising the cost for EU exporters.

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<sup>&</sup>lt;sup>24</sup> 2023 Commission Work Programme, Annex III

In 2023, the Commission will publish an update to the Commission Staff Working Document on significant distortions in the economy of the People's Republic of China for the purposes of trade defence investigations.

DG Trade will also intensify its efforts to deal with level-playing field issues such as subsidies and the role of State-Owned Enterprises across all sectors, by working closely with other trading partners, as well as in the WTO, the OECD and the G7/G20. DG Trade will contribute to the work led by the Executive Vice-President for a Europe fit for the Digital Age to put in place and implement the new instrument to address the distortive effects of **foreign subsidies** in the internal market.

To make sure the EU remains one of the world's most open investment environments and thereby a source of growth and jobs while protecting its security and public order, the EU adopted the **screening of foreign direct investment into the EU**, in force since October 2020. It enables Member States and the European Commission to identify and address security concerns related to specific investments from outside the EU. DG Trade is responsible for both (1) overseeing the cooperation mechanism between all Member States and the Commission on FDI transactions that may pose a risk to security or public order in the EU and (2) analysing notifications relating to FDI transactions received from Member States pursuant to the FDI Screening Regulation 2019/452. In 2023, the Commission will evaluate the functioning and effectiveness of this Regulation and present a report to the European Parliament and to the Council in the light of two years of experience, with a view to identifying necessary amendments that would strengthen its functioning and effectiveness.

DG Trade will, in 2023, continue to implement the commitment made in the Trade Policy Review communication to propose and work towards the implementation of a comprehensive EU strategy for export credits, including an EU export credit facility and enhanced coordination of EU financial tools in support of trade, investment and sustainable development. DG Trade will continue to support the work of the consultants undertaking a feasibility study on the way ahead.

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

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

In 2023, EU trade policy will continue to contribute to the Treaty objective of **sustainable development in its economic, social and environmental dimensions** both in Europe

and in our partner countries, to boost inclusive and sustainable growth, and reduce poverty in developing countries. The EU and its Member States are fully committed to implementing Agenda 2030 and its Sustainable Development Goals through EU policies. This specific objective is thus contributing to the Commission's general objectives *A stronger Europe in the world* and *An economy that works for people*.

DG Trade will continue to work with FTA partners to ensure the effective implementation and enforcement of relevant **trade and sustainable development** and **Energy and Raw Materials chapters**, thereby supporting decent work, sustainable management of the environment and the promotion of renewable energy and through avoiding subsidising fossil fuels by prohibiting dual pricing. In 2023, DG Trade will continue to work on the *expost* evaluation on key environmental provisions of EU's trade agreements. The Commission will also pay close attention to core labour standards and in particular to the elimination of child labour in its trading partner countries<sup>25</sup> in line with the zero-tolerance approach outlined in the political guidelines of President Ursula von der Leyen and as part of an overall effort pulling together the different policy areas.

The Commission adopted on 22 September 2021 a proposal for a new regulation **reforming the Generalised Scheme of Preferences (GSP)**, expected to be adopted by the Council and the EP in 2023. As the existing regulation expires at the end of 2023, the new regulation should be in place as from 1 January 2024. This proposal represents the continuation of actions to implement the findings of the GSP mid-term evaluation that was finalised in 2018 and strengthens the sustainability dimension of and civil society's involvement in the GSP, among other aspects.

With regard to the current scheme, this includes the Special Incentive Arrangement for Sustainable Development and Good Governance (GSP+), which offers additional preferences to vulnerable developing countries that commit themselves to the ratification and effective implementation of core international conventions on human rights, labour rights, environmental protection and good governance, and the Everything But Arms (EBA) arrangement, which provides duty and quota free access for all goods from Least Developed Countries (LDCs) except arms and ammunition. Through monitoring missions and high level engagement with the beneficiary countries, DG Trade will continue its enhanced engagement to ensure the compliance with human and labour rights' obligations in a number of EBA countries in 2023.

In 2023, DG Trade will continue monitoring the implementation of the current scheme, in particular in respect of the effective implementation of the relevant international conventions under the GSP+ arrangement. It will also keep updating the list of beneficiary countries and graduated partners and products as foreseen in the GSP Regulation. Additionally, DG Trade expects to publish the final Joint Report on the application of the

<sup>&</sup>lt;sup>25</sup> Africa component on the Trade for Decent Work project will focus on activities towards the elimination of child labour in Ivory Coast, Ghana, Madagascar, Mozambique and Cabo Verde in 2021.

GSP Regulation to the European Parliament and the Council in the first quarter of 2023. DG Trade will also engage with beneficiary countries to assist them with transitioning to the new GSP post 2023.

In June 2022, the Commission adopted its 'Communication on the power of trade partnerships: together for green and just economic growth'<sup>26</sup>. This was the result of the **Trade and Sustainable Development (TSD) review**, announced in the Trade Policy Review communication of 2021

The Communication identifies how to enhance the contribution of EU trade agreements to promoting the protection of the environment and labour rights worldwide. It fosters shared ownership by all EU institutions and Member States to achieve concrete change identifying actions across six policy priorities:

- The need to be more proactive in cooperating with partners;
- Stepping up a targeted and country-specific approach to TSD;
- Mainstreaming sustainability beyond the TSD chapter of trade agreements, in particular through the Energy and Raw Materials Chapter;
- Increasing monitoring of the implementation of TSD commitments;
- Strengthening the role of civil society, and;
- Strengthening enforcement by means of trade sanctions as a measure of last resort.

Additionally, in February 2022, the Commission published an independent study<sup>27</sup> which maps and compares the approaches to TSD adopted by a number of EU trade partners.

Efforts to implement the trade and sustainable development chapters of EU trade and investment agreements will continue to be guided by the priorities established for each partner and will rely on an enhanced partnership with Member States, the European Parliament, international organizations and civil society. Since November 2018, a  $\in$ 3 million Partnership Instrument-funded project supports civil society involvement in the implementation and monitoring of EU trade agreements.

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

<sup>&</sup>lt;sup>26</sup> Communication on the power of trade partnerships

<sup>&</sup>lt;sup>27</sup> Comparative analysis of TSD development provisions in free trade agreements

The Commission will continue to promote sustainable and responsible value chains. In 2022, the Commission put forward proposals for a Directive on corporate sustainability **due diligence**, and a Regulation on **forced labour**. The proposed regulation will effectively prohibit the placing on the EU market of products made by forced labour, whether imported or domestically produced. The proposed Regulation is expected to be adopted by the Council and the EP by the end of 2023. DG Trade is also working very closely with the OECD and the International Labour Organization on due diligence guidelines and following their implementation. In addition, the EU's trade and investment agreements include dedicated Corporate Social Responsibility/Responsible Business Conduct (CSR/RBC) provisions as well as provisions on fundamental labour rights as recognised by the International Labour Organization (ILO). DG Trade will focus in 2023 on the implementation of FTA provisions on CSR/RBC, and providing input into the legislative processes for the adoption of the forced labour regulation and the corporate sustainability due diligence directive.

DG Trade and DG INTPA will continue to work during 2023 on the **Alliance on Sustainable Cocoa** established in 2022.

The Commission will continue to actively promote **gender equality** through its trade policy in 2023. It will continue its active engagement on the issue in the WTO, including on the implementation of Buenos Aires Declaration. DG Trade will also continue its bilateral work with key trade partners on the negotiation and implementation of trade and gender provisions, for example under the CETA Joint Recommendation on Trade and Gender.

The EU cannot tackle sustainable development or climate change alone. Therefore, DG Trade will also ensure that trade and sustainable development continues to be a focus of multilateral work in key international bodies and fora.

In 2023, the Commission will continue to work on the implementation of the Regulation to ensure responsible **sourcing of tin, tantalum, tungsten and gold**, which entered into force on 1 January 2021, and will publish the first review on its functioning and effectiveness.

In terms of the **European Green Deal initiatives** and trade, DG Trade will contribute to facilitating undistorted trade and investment in all sustainable energy goods and raw materials as well as in associated, green energy technologies, including renewable energy and clean hydrogen. At the same time, the Commission will ensure that all European Green Deal initiatives are compatible with the EU's international obligations, including WTO rules, and that they achieve their objectives in the most effective and least burdensome and trade restrictive way. Under the EU's Farm to Fork Initiative and in support of the global transition to sustainable agri-food systems, the Commission will propose a chapter on sustainable food systems in ongoing and future trade negotiations, as it has been the case in the concluded modernised FTA with Chile. The Commission will work on addressing animal welfare, the use of pesticides and the fight against antimicrobial resistance in its trade relations with third countries.

DG Trade will also promote the ratification and implementation of the relevant international conventions through its FTAs and GSP instrument. The Commission will seek commitments from G20 partners on climate neutrality and propose to make the respect of the Paris agreement an essential element in future trade and investment agreements. As to autonomous EU measures, DG Trade will also continue to contribute to the work related to the preparation for the implementation of the **Carbon Border Adjustment Mechanism** (CBAM). DG Trade will also support cooperation with third countries whose trade with the EU could be affected by the mechanism.

DG Trade will, together with other relevant DGs, also explore means to achieve synergies between FTAs and autonomous tools. Particular attention should be paid to developing countries that may experience difficulties in complying with autonomous tools and/or do not have the capacity for compliance. Cooperation on autonomous tools could be channelled through FTA structures or other existing structures.

In the area of **deforestation**, the Commission adopted at the end of 2021 a legislative proposal to prohibit the placing on the EU market of products associated with deforestation or forest degradation. Any measure proposed will be compatible with the international obligations of the EU, including WTO rules. Bilaterally, we will continue to prioritise the implementation of TSD sustainable forest management measures with key FTA partners.

These actions for 2023 are in line with the proposals made during the **Conference on the Future of Europe**<sup>28</sup>, and in particular the request to define standards within and outside the EU in trade and investment relations and in environmental policies by strengthening the ethical and environmental dimension of trade and investment relations.

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

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

To enhance legitimacy and public trust, DG Trade will continue with its commitment to ensuring trade policy is transparent and inclusive. This specific objective is thus contributing to the Commission's general objectives *A stronger Europe in the world* and *An economy that works for people*.

DG Trade will maintain the highest levels of transparency and communication with the European Parliament, the Council, stakeholders and the public. In addition to the dedicated

<sup>&</sup>lt;sup>28</sup> The Conference on the Future of Europe was a citizen-led series of debates and discussions that ran from April 2021 to May 2022 and enabled people from across Europe to share their ideas and help shape our common future delivering a final report containing the 49 proposals to the Presidents of the European Parliament, the Council and Commission: Conference on the Future of Europe

institutional channels established with the European Parliament and the Council, DG Trade will publish up-to-date information about trade policy on its website in easy-to-understand language, publish press releases, news items and factsheets, to inform about and explain the EU's trade policy initiatives to different target groups and the wider public. To this end, DG Trade will continue to engage actively on Social Media, including through increased engagement of DG Trade staff. While stakeholders based in Brussels tend to be more active and present in the debate than those based in Member States, DG Trade has intensified its outreach also to stakeholders in Member States, for example through a joint high level civil society event organised during the Czech Presidency in Prague. The growing use of audio-visual material on its social media accounts also makes it easier to explain sometimes complex technical issues in a way that is accessible to a broader audience. DG Trade will continue holding regular meetings of its Civil Society Dialogue on a range of trade policy issues, including through online meetings, which allow a wider participation than physical meetings, including from beyond Brussels, with a smaller environmental footprint. DG Trade will also increase efforts to reach out to civil society organizations in Member States directly, in particular through dedicated events.

DG Trade's communication work will continue to show the benefits of an open trade agenda, including from a geopolitical, economic and sustainability perspective, as well as emphasise the implementation, enforcement and legislative aspects of EU trade policy. Particular emphasis will also be placed on informing stakeholders of the EU trade policy's role in Green and Digital Transformations, the post-pandemic recovery and in the context of the Russian invasion of Ukraine (both with regards to sanctions and helping tackle the economic fallout resulting from the crisis).

As regards the EU's trade agreements, DG Trade will continue to provide information throughout the negotiating life-cycle, through the publication on its website of documents and easy-to-understand information as well as through direct engagement with civil society and stakeholders.

Throughout 2023, more engagement and better communication will remain an important asset in better explaining what we are trying to achieve and ensuring that our trade policy responds to citizens' concerns. DG Trade will inform broad public and specialised audiences, engaging in relevant outreach and communication activities and informing and explaining EU Trade policy to the media. In 2023, DG Trade will also continue implementing the recommendations generated from the 2021 review of its Civil Society Dialogue to improve DG Trade's outreach in the EU.

These measures will further strengthen EU global leadership position in relation to shaping a transparent and inclusive trade and investment policy and are in line with the Conference on the Future of Europe that proposed that "the EU, in particular in its actions at the international level, including trade negotiations, improve its accessibility for citizens through better information, education, citizen participation, and transparency of its actions."

#### PART 2. Modernising the administration: main outputs for 2023

The internal control framework <sup>29</sup> supports sound management and decision-making. It notably ensures that risks to the achievement of objectives are taken into account and reduced to acceptable levels through cost-effective controls.

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

In 2023, while ensuring an agile and efficient human resource allocation in line with its workload assessment framework, DG Trade will continue to ensure an overall efficient and effective use of its financial and human resources allowing the DG to fulfill its objectives and priorities with the necessary flexibility.

#### A. Human resource management

As set out in the Strategic Plan 2020-2024, *DG Trade strives to employ a competent and engaged workforce and contributes to gender equality at all levels of management to deliver effectively on the Commission's priorities and core business.* 

Trade policy continues to operate in a highly political, challenging and sensitive policy context It is therefore imperative to ensure that sufficient staffing levels are deployed at the right place at the right time ready to perform in the most knowledgeable, efficient, flexible and effective way. In 2023, DG Trade will aim at ensuring a sufficient level of resources by internal redeployments, where possible, to priority areas and ad hoc priority tasks, and by putting in place a more flexible and agile internal organisation with the creation of flexible project teams and taskforces. In this respect, DG Trade has developed an internal workload management warning system as part of its workload management framework that can provide additional elements in the decision making.

At the same time, DG Trade will continue to support activities to ensure it remains an attractive workplace based on trust, staff well-being and interesting career development. These include various BE WELL activities in line with the corporate HR strategy. The increasing workload and the new 'hybrid' ways of working have shown even more the importance of this area. Furthermore, in line with DG Trade's Equality Work plan, DG Trade will continue to organise trainings on management development, equality and diversity, and will revise DG Trade's Management Charter to be endorsed by all managers and presented to all staff.

<sup>&</sup>lt;sup>29</sup> Communication C(2017)2373 - Revision of the Internal Control Framework

Finally, to ensure staff engagement, and in addition to learning and development activities, DG Trade organises regular internal communication activities both relating to policy development through regular debriefs for staff on major policy initiatives as well as human resources initiatives. This is organised in addition to regular updates on these matters on our local intranet and via e-mail distribution.

In 2023 DG Trade will focus on the following actions:

- DG Trade will continue its efforts in redeploying posts internally to priority areas and
  in parallel seek more resources when and where necessary. It will continue ensuring
  efficient and effective planning of its human resources by using in 2023 its new
  workload management warning system as part of the assessment performed in DG
  Trade's spring- and autumn review process. At the same time, work will continue in
  streamlining internal working methods and improving knowledge management.
- In our efforts to support the corporate gender targets, DG Trade will continue to implement its commitment to promote gender equality at DG level. While DG Trade has already fulfilled its target of first appointments of female middle managers, DG Trade will strive to ensure a balanced pool of AD staff in 2023 and beyond. At the same time, DG Trade will closely monitor the situation at middle and senior management level in line with corporate guidance. In addition, DG Trade will continue to offer coaching to female managers and aim to organise a specific talent management programme for Deputy Heads of Units in 2023.
- To further enhance staff engagement and career management and the possibility of further professional development, DG Trade will continue to offer in 2023 new training initiatives adapted to new policy, skills and career development. Moreover, DG Trade will continue to look at tasks and roles of AST and AST/SC officials in 2023. A similar exercise is on-going for senior AD staff.

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

#### Main outputs in 2023:

Output	Indicator	Target
Organisation of suitable training courses to ensure that the DG has the skilled, knowledgeable and competent staff required to meet its present and future needs within	Number of trade policy related training courses/lunch time sessions organised in 2023	10 trade policy related training courses/lunch time sessions
all categories of staff	Average number of participants in the WTO Law courses	On average 15 participants per WTO Law course

Output	Indicator	Target
Employ a competent and engaged workforce	DG Trade staff engagement index Baseline (30) 2021, 76%	Maintain /above baseline
	Organisation of a DG Trade Away Day in July 2023	Participation of 250 staff or above
Increase the pool of AD women, who could potentially be interested in a managerial position, to ensure gender diversity primarily at middle management level through organisation of premanagement training sessions	Number of specific training sessions and awareness raising actions organised in 2023	2 events
The organisation of health or well- being events for all DG Trade staff in line with the DG Trade's Action	Number of BE WELL [health and/or well-being] events organised in 2023	2 events
Plan	Average number of participants in the workshops organised during these events	An average of 10 participants in each workshop
Internal communication: regular debriefings for staff on major policy initiatives to ensure staff are well informed of the latest developments in trade policy and major Commission initiatives	The number of debriefings for staff on trade policy developments	4 debriefings
Issue an accessible Daily Trade Press Review to inform staff of how trade issues are reported in the media and what DG trade staff in HQ and delegations are working on with a view to reinforcing the team spirit and motivation within the DG and with staff in delegations	Number of working days on which the Daily Trade Press Review is issued	All working days except during the summer break and first days of January

#### **B.** Sound financial management

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

Although DG Trade manages a relatively small budget, it does acquire services for economic and impact assessment studies, for organising conferences and negotiation rounds, for IT support, and for legal and other services. These services are generally provided by specialised consultants or by service providers, through public procurement. In

 $<sup>^{30}</sup>$  Baseline changed in line with latest results of the Staff satisfaction survey 2021

addition, DG Trade also executes part of its operational budget by concluding Pillar Assessed Contribution with international organizations.

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

#### These include:

- An annual programming exercise and two mid-term reviews of budget implementation and human resource management;
- An up-to-date Finance Manual, complemented by hands-on guidance, local training and references to corporate guidance;
- An annual assessment of the functioning of DG Trade's Internal Control Framework;
- Financial circuits designed to ensure compliance with the Financial Regulation;
- Regular accounting controls;
- Formal reporting requirements and hand-over procedures for Authorising Officers by Sub Delegation;
- Detailed management reporting on key human and financial resource related indicators (Resources report and spring and autumn reviews);
- Weekly bulletins on payment delays sent to Administrative Coordination Assistants and Heads of Unit;
- An Administrative Coordination Assistants' network.

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

# Main outputs in 2023: Output Indicator Target Effective controls: Legal and regular transactions Risk at payment remains < 2 % of relevant expenditure</td> Estimated risk at closure remains < 2 % of relevant expenditure</td>

Output	Indicator	Target
Effective controls:	Number of exceptions and non- compliance events	Keep it stable compared to previous years
	Number of decisions overriding of controls  Source: DG Trade internal Registry	Zero
	No of legal cases following complaints in procurement procedures	Zero
	Source: DG Trade	
Efficient controls	Budget execution	remains 100% of payment appropriations
	Timely payments	remains, at least, 95% of payments (in value) made on time
	Time to pay	remains, at least, 95% of payments (in number) made on time
Economy of controls	Overall estimated cost of controls	remains below 10% of funds managed
Quality of the internal training sessions on financial procedures	Overall evaluation in the surveys of the internal training sessions on financial procedures	Above 8 (scale from 1 to 10)

#### C. Fraud risk management

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

DG Trade will continue to raise awareness about fraud, ethics and integrity and internal procedures through information events, internal communication and trainings. Furthermore, in 2023 DG Trade will update its Anti-Fraud Strategy and will monitor the implementation of the actions planned for 2023 in the Commission and local Anti-Fraud Strategies. DG Trade will continue to participate in the Fraud Prevention and Detection Network (FPDNet) and in the specific subgroup of external relations services.

**Objective:** The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CAFS) <sup>31</sup> aimed at the prevention, detection and correction <sup>32</sup> of fraud.

|--|

Output	Indicator	Target
Raising awareness about fraud and internal procedures	Events to inform about the financial rules and potential areas of fraud	At least once per year
	In TDI context: Organise regular training courses, in particular for newcomers, exchange of experience and best practices	At least once per year
Integrity and compliance	Internal communication and training on ethics, with and special emphasis on conflict of interest, relations with lobbyist, duty of discretion and whistleblowing	At least once per year
Implementation of the anti-fraud strategy as planned for 2023	% of implementation of actions planned for 2023 in the Commission and local Anti-Fraud Strategies	100%

#### D. Digital transformation and information management

#### **Digital transformation**

DG Trade's work plan for 2023 will continue implementing the three key priorities of DG Trade's IT strategy 2021-2025: (1) the digital workplace, (2) knowledge management and (3) support for the Chief Trade Enforcement Officer (CTEO). The actions undertaken within these objectives also fit with the Commission's New Digital Strategy and Digital Solutions Modernisation Plan, as illustrated below.

Under objective (1) **the digital workplace**, DG Trade contributes to improving the digital culture of its staff by regularly relaying guidelines on better collaboration, co-writing and co-editing (together with cybersecurity), in line with the corporate work on the Paperless and Collaboration clusters.

<sup>&</sup>lt;sup>31</sup> Communication from the Commission 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 196 of 29 April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'.

<sup>&</sup>lt;sup>32</sup> Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

On (2) **knowledge management**, DG Trade intends to enhance knowledge mapping and sharing but also to effectively exploit the data and information issued from its different Information Systems. The actions derived from this objective are linked to the Data Analytics cluster.

Lastly, on (3) **the support for the CTEO** covers effective implementation of our trade and investment agreements as well as enforcement of trade and investment rules, including in the area of trade defence. This objective is supported by a variety of information systems:

- Access2Markets for effective implementation, linked to the cluster Publication and promotion;
- Sherlock/Sherpa/Tron tools for trade defence, linked to the Case Management cluster:
- eLicensing, notably related to the export of dual use goods, and linked to the Paperless, Transboundary movement of goods, Cross-border & interoperability clusters;
- SUE (SECRET UE) infrastructure to enable the secure electronic transmission and management of classified information in the area of FDI screening. This falls under the Secure Exchange cluster.

DG Trade has presented the following four contributions to the Digital Transformation initiative, which is part of the European Commission Digital Strategy (ECDS):

1	Access2Markets FTA implementation (contributes to output 1, sharing information and knowledge with third parties)	Communication and knowledge management
2	Case Management Sherlock/Sherpa/Tron	The objective is to provide electronic workflows and communication between the Commission and businesses.
3	eLicensing platform	Paperless and cross-border cooperation
4	FDI screening	Electronic transmission and management of classified information

The contributions and the associated projects will abide by the EC Digital Strategy principles that include Digital by Default, ensuring security and privacy, guaranteeing openness, transparency and interoperability, while being user centric and data driven.

#### Information and IT security rules

DG Trade continues to ensure systematically that all the IT tools and IT systems developed in house incorporate the currently applicable data protection rules and principles, such as privacy by design and privacy by default and security obligations. They are covered by IT security plans that are reviewed and updated based on a defined planning communicated to DIGIT (Directorate S). The security plans include the set of security controls that cover

the IT security risk and compliance management. DG Trade will continue to work in 2023 to improve its Cybersecurity by collaborating closely with DIGIT on, for instance, awareness campaigns and trainings for its developers to keep up with developments in the digital strategy and in particular on cybersecurity and data protection.

The security of new IT systems will be reinforced by leveraging on the corporate work on the architecture. DG Trade will adhering to the new canvas and ensure compliance with the dual pillar approach and the corporate architecture principles, including security by design.

DG Trade will put in place the processes needed to achieve progress in this areas and report in the corporate Governance, Risk and Compliance (GRC), on the basis of the following indicators:

- All security controls at departmental level and IT system's priority controls will be subject to a compliance attest in GRC and in particular, ensure that the MFA/EU Login is 100% compliant.
- All IT systems are covered by a security plan not older than 2 years.

#### Data, information and knowledge management

DG Trade intends to extend the use of current and future corporate tools for information and knowledge management, taking into account its specific security needs. DG Trade is therefore developing a more strategic approach to encourage knowledge sharing and collaborative working, in line with the corporate framework, such as developing a share-by-default approach combined with a need-to-know confidentiality scheme. One of the objectives will be to identify information assets of corporate interest that could be shared with other services, notably in line with transparency obligations.

The systematic filing of documents in Ares is a prerequisite for the effective and efficient sharing and reuse of the information managed in the Commission's records management system Hermes-Ares-NomCom (HAN). It is also important for ensuring a transparent approach to policy making. DG Trade will pursue its strategy of awareness raising and promoting the active use of Ares by all staff and management, together with a systematic monitoring of the use made by all DG Trade departments.

The integration of DG Trade's IT systems with HAN is another essential area to achieve efficient sharing and reuse of information. After BASIS (corporate briefing tool) and EMT (recording and reporting meetings with external stakeholders), other applications such as the Public Procurement and Management Tool (PPMT) follow the same scheme. These initiatives continue to generate efficiency gains, make processes faster and facilitate a more comprehensive use of the HAN tools.

#### Data protection

DG Trade will maintain the objective to implement all **data protection** principles laid down in the Commission's Action Plan. The registry of data protection operations will be closely monitored by the Data Protection Coordinator (DPC). DG Trade staff will be held responsible

for the review of the records under which their data processing operations resort. High risk processing operations shall receive special attention from the DPC, who will guide the delegated data controllers through a Data Protection Impact Assessment.

In addition, DG Trade places a strong emphasis on awareness raising among its staff. To that end, the DPC will actively promote the basic data protection principles amongst all staff through hands-on specific trainings as well as tailored data protection training sessions upon request, individually, or as a part of unit meetings. Data protection is also a part of DG Trade's induction course for newcomers, which will be organised at least twice in 2023. Awareness raising activities aim to embed data protection principles in the daily routine of DG Trade staff. DG Trade will continue in 2023 its efforts in increasing awareness to reach the target of 100% of staff by disseminating the training offer on data protection and by organising targeted information sessions for newcomers and controllers.

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

#### Main outputs in 2023:

Main Suspass in 2025.		
Output	Indicator	Target
Implementation of the corporate principles for data governance for DG Trade's key data assets	Percentage of implementation of the corporate principles for data governance for DG Trade's key data assets	Interim milestone by 2023: 55%
(1) Sharing information and knowledge with third parties (continuous)	Publish an information system aggregating information supporting imports and exports to the EU with special attention to SMEs	Q4 2023
(2) Managing information and knowledge within DG Trade (continuous)	Operate a Data Warehouse integrating the statistical data supporting negotiations and trade defence cases taking into account the Data Strategy and data catalogue initiatives.	Q4 2023
(3) Managing information and knowledge within DG Trade (continuous)	Continue to operate a Service Desk supporting DG Trade's information systems which complements, in the field of information systems, the corporate service desk.	Q4 2023
(4) Managing information and knowledge within DG Trade (continuous)	Operate a One-stop Shop for collaboration spaces	Q4 2023
Using innovative, trusted digital solutions	Degree of implementation of the digital strategy principles by the most important IT solutions	55%

Output	Indicator	Target
Initiative supporting business transformation	Create at least one new wiki at Directorate or Unit level	Q4 2023
Handling email registration in Ares	Number of emails registered with AresLook	Maintaining the proportion of one- third of the total documents registered in Ares
Monitoring of the use made by all DG Trade departments	Reporting of open tasks in ARES sent to all departments	10 times/year
Better use of electronic workflows, with the reduction of errors caused by the double circulation and the reduction of paper storage	Number of Ares registered documents with a fully approved e-signatory (no paper circulation in parallel).	=/> 90% of registered documents approved in full electronic mode (without paper signatories circulation)
Awareness raising activities on data protection	Percentage of staff targeted by awareness raising activities on data protection	Targeting 100% of management
Ensuring accurate and complete record keeping of all data processing operations carried out in DG Trade with special attention for high-risk operations	Number of Data Protection Management System records compared to the number of actual data processing operations	100% coverage
Monitoring evolutions in data processing operations at DG Trade and updating records so they reflect reality	Date of the last version of the record	No records older than one year
All security controls at departmental level and IT system's priority controls will be subject to a compliance attest in GRC.	Number of attested GRC controls	100% for MFA and IT systems priority controls

#### E. Sound environmental management

The European Commission continuously reduces the environmental impact of its own activities through the Eco-Management and Audit Scheme (EMAS). DG Trade will continue to promote EMAS corporate campaigns at local level and set local environmental actions to support the Commission to reach its environmental targets in line with the EMAS Global Action Plan. DG Trade will focus on raising staff awareness on the most efficient use of resources, in particular energy, water and paper consumption, as well as smart mobility. In this respect, DG Trade continues its reflection regarding missions and, in cooperation with SCIC, has updated its video conference facilities so to cater for the smooth handling of the increased number of virtual meetings which have and will continue to replace certain missions. With the new working time decision entering into effect in April 2022, the way of working has naturally shifted to a hybrid working environment. In this respect, DG Trade will continue in 2023 to raise staff awareness on the environmental impact of digital work and will promote available trainings on reducing digital waste. DG Trade will, wherever relevant,

continue to include 'green' provisions into public procurement tenders and follow the guidance and contractual templates from EC central services.

**Objective:** DG Trade takes account of its environmental impact in their actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work, with the support their respective EMAS Correspondents/EMAS Site Coordinators.

Target

## Main outputs in 2023:

Output

## I. More efficient use of resources (energy, water, paper)

Indicator

		3		
Priority action to support the Greening the Commission Communication and action plan				
Participation in the end of the year energy saving action, by closing down DG/service's buildings during the Christmas and New Year's holiday period.	Number of staff present in the offices	0		
Other recommended actions				
Promoting corporate EMAS actions and campaigns	Number of campaigns	100% promoted		
Staff awareness actions to reduce water/paper use in the framework of EMAS corporate campaigns and/or awareness raising actions about DG's water/paper consumption in collaboration with OIB where appropriate.	Number of staff informed	100%		
II. Reducing CO <sub>2</sub> , equivalent	t CO <sub>2</sub> and other atmospheric	emissions		
Output	Indicator	Target		
Priority action to support the Greening the Commission Communication and action plan				
Analysis of DG Trade's missions trends / patterns (based on corporate EC-staff's and experts' professional trips (missions <sup>33</sup> ), optimise and gradually reduce CO2 emissions (e.g. by reducing	Signed the EC DG/service Travel Pledge	Yes		

the number of participants in the same mission, promoting more sustainable travelling options, promoting videoconferencing/virtual events as an alternative).

<sup>&</sup>lt;sup>33</sup> Data provided by PMO/MiPs.

To reduce DG Trade's impact on CO2 emissions in its professional travel	Awareness raising actions	3
Other recommended actions		
Awareness raising on sustainable commuting and promoting the corporate events such as EU Mobility week (September), VeloMai (May) and Commission's walking challenge	Number of staff informed	100%
All Senior Managers' offices in DG Trade gradually equipped with VC facilities and used for virtual meetings (in collaboration with DG SCIC)	Number of Senior and Middle Managers' offices equipped with VC device	To remain 100%
Increase staff awareness on digital pollution and waste.	Number of trainings	At least 1 training organised or promoted
III. Reducing and managem	ent of waste	
Output	Indicator	Target
Staff awareness actions about	% of staff informed	100%
waste reduction and sorting in the framework of EMAS corporate		
campaigns.		
IV. Promoting green public	procurement (GPP)	
Output	Indicator	Target
Where relevant, gradual introduction of GPP criteria in contracts and starting to monitor the process.	% of contracts with "green" provisions if relevant	60%

# F. Initiatives to improve economy and efficiency of financial and nonfinancial activities

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

# Initiative to improve resource efficiency through streamlining of working methods and the improvement of DG Trade's workload management framework

DG Trade, in its efforts to respond to the external economic and geopolitical challenges, and to further absorb the effects of the highly sensitive political environment in which DG Trade is operating, has continued its efforts, to address the resource constraints by putting in place a new workload assessment warning system to complement the qualitative

assessment in its workforce management framework. This new warning system will form the basis of the resources analysis for the first time in the spring review exercise in 2023.

In the same vein, DG Trade has also started in 2022 a review of its internal working methods. This review will continue in 2023, notably to explore the simplification of the internal validation chains for different kind of documents. This review will continue in 2023, notably to explore the simplification of internal validation chains for different kinds of documents.

#### **ANNEX 1: PERFORMANCE TABLES**

## General objective: A stronger Europe in the world

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

## Main outputs in 2023:

Other	IMPAF	tant		nute
Other		Laill	UUL	JULD

Output	Indicator	Target
WTO reform across the three pillars: rulemaking, dispute settlement and monitoring/deliberation	Advancing ongoing negotiations in Geneva	Throughout 2023
Art 218(9) decision allowing the European Union to join the consensus on the outcomes of the WTO's 13 <sup>th</sup> Ministerial Conference ('MC13')	Adoption by the Commission	End-February/early-March 2024 (preparations to start in Q4 2023)
Investment facilitation	Conclusion of negotiations and endorsement of negotiated outcome by MC13	2023
Commission proposal for a Council Decision on the accession of Bosnia and Herzegovina to the WTO	Adoption by the Commission	Q2 2023
Commission proposal for a Council Decision on the accession of Serbia to the WTO	Adoption by the Commission	Q3 2023
Commission proposal for a Council Decision on the accession of Comoros to the WTO	Adoption by the Commission	Q2 2023

## General objective: An economy that works for people

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

## Main outputs in 2023:

# New policy initiatives

Output	Indicator	Target
Commission proposal for Council Decisions on signature and conclusion of the of the Free Trade Agreement between the European Union and New Zealand	Adoption by the Commission	Q1 2023

Output	Indicator	Target
Progress in the trade negotiations with Australia	Possible Conclusion of Negotiation	2023
Progress in the trade negotiations with India	Negotiating rounds	2023
Progress in the trade negotiations with Indonesia	Negotiating rounds	2023
Commission proposal for Council Decisions on signature, and conclusion of the modernised EU- Chile Association Agreement	Adoption by the Commission	Q3 2023
Commission proposal for Council decisions on signature, and conclusion of the modernised EU-Mexico Agreement	Adoption by the Commission	Q2 2023
Commission proposal for Council Decisions on signature and conclusion of the EU-MERCOSUR Agreement	Adoption by the Commission	Q4 2023
Commission proposal for Council decisions on signature and conclusion of the EU-Japan EPA - data flows rules update pursuant to the review clause	Adoption by the Commission	Q3 2023
Commission proposal for Council Decisions on the signing and conclusion of the EU-Angola Sustainable Investment Facilitation Agreement	Adoption by the Commission	Q1 2023
Evaluations and fitness cho	ecks	
Output	Indicator	Target
Evaluation of the CARIFORUM Economic Partnership Agreement	Staff Working Document	Q1 2023
Ex post evaluation of the EU- Colombia/Ecuador/Peru Trade Agreement	Staff Working Document	Q1 2023
Evaluation of the Trade Part of the EU-Central America Association Agreement	Staff Working Document	Q4 2023
Ex post evaluation of the EU- Georgia and the EU-Moldova Deep and Comprehensive Free Trade Area	Staff Working Document	Q1 2023

Output	Indicator	Target
Evaluation of the Economic	Final report	Q1 2024
Partnership Agreement between	Staff Working Document	Q2 2024
the EU and Southern African Development Community EPA	Starr working bocument	Q2 2024
States		
Ex-post evaluation of CETA	Contract signature	Q3 2023
	Final report	Q3 2024
	Staff Working Document	Q4 2024
Public consultations		
Output	Indicator	Target
Sustainable Impact Assessment	Commission Position Paper	Q1 2023
for deepening of EU-ESA EPA		
combined with ex post evaluation		
Sustainable Impact Assessment India FTA	Commission Position Paper	Q1 2024
Enforcement actions		
Output	Indicator	Target
2023 Annual Commission Report	Adoption by the Commission	Q3 2023
on EU trade policy implementation		
and enforcement		
Other important outputs		
Output	Indicator	Target
Output  Communication from the	Indicator  Adoption by the Commission	Target Q1 2023
Communication from the Commission on the guidelines to		_
Communication from the Commission on the guidelines to facilitate the application of the		_
Communication from the Commission on the guidelines to facilitate the application of the international procurement		_
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)	Adoption by the Commission	Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI) Commission proposal for Council		_
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)	Adoption by the Commission	Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on	Adoption by the Commission	Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on public procurement of the EU- Ukraine Association Agreement	Adoption by the Commission	Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on public procurement of the EU- Ukraine Association Agreement	Adoption by the Commission  Adoption by the Commission	Q1 2023 Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on public procurement of the EU- Ukraine Association Agreement	Adoption by the Commission  Adoption by the Commission	Q1 2023 Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on public procurement of the EU- Ukraine Association Agreement  34 Joint Communication on a New Agenda for Latin America and the Caribbean  Commission proposal for Council	Adoption by the Commission  Adoption by the Commission	Q1 2023 Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on public procurement of the EU- Ukraine Association Agreement  34 Joint Communication on a New Agenda for Latin America and the Caribbean  Commission proposal for Council Decision as regards the	Adoption by the Commission  Adoption by the Commission  Adoption by the EEAS/Commission	Q1 2023 Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on public procurement of the EU- Ukraine Association Agreement  34 Joint Communication on a New Agenda for Latin America and the Caribbean  Commission proposal for Council Decision as regards the amendment of Annex I-A related	Adoption by the Commission  Adoption by the Commission  Adoption by the EEAS/Commission	Q1 2023 Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on public procurement of the EU- Ukraine Association Agreement  34 Joint Communication on a New Agenda for Latin America and the Caribbean  Commission proposal for Council Decision as regards the amendment of Annex I-A related to the elimination of customs	Adoption by the Commission  Adoption by the Commission  Adoption by the EEAS/Commission	Q1 2023 Q1 2023
Communication from the Commission on the guidelines to facilitate the application of the international procurement instrument (IPI)  Commission proposal for Council Decision on Phase 1 and 2 on public procurement of the EU- Ukraine Association Agreement  34 Joint Communication on a New Agenda for Latin America and the Caribbean  Commission proposal for Council Decision as regards the amendment of Annex I-A related	Adoption by the Commission  Adoption by the Commission  Adoption by the EEAS/Commission	Q1 2023 Q1 2023

 $<sup>^{34}</sup>$  Initiative featured in the 2023 Commission Work Programme (Annex III)

Output	Indicator	Target
Commission proposal for a European Critical Raw Materials Act, and accompanying Commission Communication	Adoption by the Commission	Q1 2023
Trade part of Association Agreement with the Micro States	Potential conclusion of negotiations	Q4 2023
Trade part of Association Agreement with Azerbaijan	Potential conclusion of negotiations	10 2023
Commission proposal for a Council Decision on Trade Title of the Comprehensive Agreement with Uzbekistan	Adoption by the Commission	Q4 2023
Report on the protection and enforcement of intellectual property rights in third countries	Commission Staff Working Document	Q2 2023
Annual Report on negotiations in the field of Export Credits in 2017	Adoption by the Commission	Q1 2023
Annual Review for the European Parliament on activity of Member States export credit agencies	Adoption by the Commission	Q2 2023
EU Annual Report on dual-use export control	Adoption by the Commission	Q3 2023
Commission proposal for Council Decision concerning the accession of Tonga to the EU-Pacific States EPA	Adoption by the Commission	Q1 2023
Commission Decision on Joint Declaration between the European Union and the Pacific States on trade and sustainable development	Commission Decision	Q3 2023

# General objective: An economy that works for people

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

#### Main outputs in 2023:

# New policy initiatives/Evaluations and fitness checks

Output	Indicator	Target
Evaluation report of the functioning and effectiveness of the FDI Screening Regulation	Adoption by the Commission	Q3 2023

Other important outputs		
Output	Indicator	Target
35 Instrument to deter and counteract coercive actions by third countries	Adoption by the EP and Council	2023
Tackling and preventing overcapacity and its trade distortions	Implementation of the G20 commitments in the Global Forum Steel Excess Capacity.	In 2023 to continue in coordination with Member States the work of GFSEC and in the OECD Steel Committee addressing steel excess capacity, including in the G20.
Commission Staff Working Document on significant distortions in the economy of the People's Republic of China for the purposes of trade defence investigations	Commission Staff Working Document	Q2 2023
Annual Report from the Commission to the European Parliament and the Council on the EU's Anti-Dumping, Anti-Subsidy and Safeguard activities and the Use of Trade Defence Instruments by Third Countries targeting the EU in 2022	Adoption by the Commission	Q2 2023
Commission Delegated Regulation amending the Annex to Regulation (EU) 2019/287 of the European Parliament and of the Council implementing bilateral safeguard clauses and other mechanisms allowing for the temporary withdrawal of preferences in certain trade agreements concluded between the European Union and third countries	Adoption by the Commission	Q4 2023
Third Annual report on the implementation of the EU FDI Screening Regulation (Regulation (EU) 2019/452)	Adoption by the Commission	Q3 2023

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 $<sup>^{35}</sup>$  Initiative featured in the 2023 Commission Work Programme (Annex III)

## General objective: A stronger Europe in the world

## An economy that works for people

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

## Main outputs in 2023:

## **Evaluations and fitness checks**

Output	Indicator	Target		
Ex-post evaluation on key	Contract signature	Q1 2023		
environmental provisions in trade	Final report	Q4 2023		
agreements	Staff Working Document	Q1 2024		
Other important outputs				
Output	Indicator	Target		
36 Proposal for a regulation towards the future Generalised Scheme of Preferences legal framework granting trade advantages to developing countries	Adoption by the EP and the Council	2023		
Joint Report to the European Parliament and the Council on the Generalised Scheme of Preferences covering the period 2020-2022	Adoption by the Commission	Q2 2023		
Commission Implementing decision on a list of global responsible smelters and refiners under Article 9(1) of Regulation (EU) 2017/821	Adoption by the Commission	Q4 2023		
First report from the Commission to the European Parliament and Council on the review of the functioning and effectiveness of	Adoption by the Commission	Q4 2023		

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Regulation (EU) 2017/821

 $<sup>^{36}</sup>$  Initiative featured in the 2023 Commission Work Programme (Annex III)

# General objective: A stronger Europe in the world

# An economy that works for people

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

## Main outputs in 2023:

# **External communication actions**

Output	Indicator	Target
Civil Society Dialogue (CSD) meetings taking place in Brussels (or online) with civil society organizations registered in DG Trade Civil Society Database	Number of meetings	At least 20 meetings, average of 40 participants representing specific civil society organizations per meeting – (either virtual or hybrid)
Meetings of Domestic Advisory Groups (DAGs) as well as Civil Society Forums in framework of existing Trade Agreements	Number of meetings	29 meetings (20 DAGs and 9 Civil Society Forum meetings), average of 40 participants per meeting
Engagement with civil society in Member States	Number of events in Member States	2 meetings on trade policy per year, average of 80 participants per meeting
Activity on social media	Engagement rate	1,5% per year
	Engagements	5000 per month
	Total impressions	4 million per year
	Total video views	300k per year

# **ANNEX 2: OVERVIEW OF ON-GOING BILATERAL NEGOTIATIONS**

Timeline Negotiations	Impact assessment completed	Scopi ng	Recommen- dations to negotiate adopted by Commission	Recommen- dations to negotiate adopted by Council	Negotiations launched	Technical conclusion/ Political agreement	Legal scrubbing completed	Translation done	Proposal to sign and conclude adopted by COM	Proposals adopted by Council	Consent by EP		
Finalisation													
West Africa	-		April 2002	June 2002	October 2003	February 2014	June 2014	September 2014	September 2014	December 2014	[ <sup>37</sup> ]		
East African Community (EAC)	-		April 2002	June 2002	February 2004	October 2014	September 2015	February 2016	February 2016	June 2016	[ <sup>38</sup> ]		
Kyrgyzstan	-		2 June 2017	9 October 2017	March 2018	June 2019	September 2021	June 2022	June 2022	Potential con	clusion in 2023		
Enhanced PCA with Uzbekistan	-	-	May 2018	16 July 2018	February 2019	June 2022	Ongoing	Legal revision of the agreement is ongoing. Once finalised, it can be translated into all official EU languages and submitted to EU Member States and the European Parliament for approval.					
Modernisation of the trade part of the EU- Mexico Global Agreement	September 2014	√	December 2015	May 2016	June 2016	April 2020	Ongoing	Legal revision of the agreement is ongoing. Once finalised, translations into all official EU languages can be finalised and submitted to EU Member States and the European Parliament for approval.					
New Zealand FTA	September 2017		13 September 2017	June 2018	June 2018	June 2022	Ongoing	Legal revision of the agreement is completed. Texts are being translated into all official EU languages and will be submitted to EU Member States and the European Parliament for approval.					
Mercosur	-	<b>√</b>	1999	-	Re-launch May 2010	June 2019	Ongoing	Legal revision of the agreement is ongoing. Once finalised, it can be translated into all official EU languages and submitted to EU Member States and the European Parliament for approval.					
China investment agreement	May 2013	<b>√</b>	May 2013	October 2013	November 2013	December 2020	The ratification	of the agreement is on hold due to the political context.					

<sup>&</sup>lt;sup>37</sup> Pending completion of signature process

<sup>&</sup>lt;sup>38</sup> Pending completion of signature process

Timeline Negotiations	Impact assessme nt complete d	Scoping	Recommen- dations to negotiate adopted by Commission	Recommen- dations to negotiate adopted by Council	Negotiations launched	Technical conclusion/ Political agreement	Legal scrubbing completed	Translatio n done	Proposal to sign and conclude adopted by COM	Proposals adopted by Council	Consent by EP		
On-going	n-going Expected outputs in 2023												
Modernisation of the trade part of the EU-Chile Association Agreement	February 2017	√	24 May 2017	November 2017	November 2017	, Legal revision of the agreement is ongoing. Once finalised, it can be translated into all official EU languages and submitted to EU Member States and the European Parliament for approval.							
Thailand FTA	-	√	April 2007	February 2013	March 2013	Contacts cont	inue to examine the b	asis for a pos	ssible resumption of r	negotiations.			
Malaysia FTA	-	√	April 2007	October 2010	November 2010	Contacts cont	inue to examine the b	asis for a pos	ssible resumption of r	negotiations.			
Indonesia FTA	-	√	April 2007	October 2010	July 2016	Negotiations with Indonesia are being pursued. We expect some acceleration in the course of 2023.							
Philippines FTA	-	√	April 2007	October 2010	December 2015	Two negotiating rounds took place in 2017, but no new round currently scheduled.							
India FTA	-	<b>√</b>	April 2007	April 2007	June 2007	The 8 May 2021 EU-India Leaders Meeting decided on the resumption of negotiations for a FTA, and the launch of negotiations for an Investment Protection Agreement and an agreement on geographical indications. Resumption and launch were done in 2022 and negotiations are being actively pursued.							
Modernisation of interim EU- Eastern and Southern Africa (ESA5) EPA	-	√		December 2019 (update of 2002 EPA negotiating directives)	October 2019	The aim of the negotiations is to deepen the iEPA towards a modern and comprehensive agreement covering all trade related issues (13 topics in total), including a TSD chapter and stronger institutional provisions with consultative bodies for civil society. In the ten rounds held so far progress was achieved on most of the topics discussed.							
Angola SIFA	-	√	March 2021	May 2021	June 2021	The negotiations on a Sustainable Investment Facilitation Agreement with Angola were concluded in November 2022. Legal revision of the agreement is ongoing. Once finalised, it can be translated into all official EU languages and submitted to EU Member States and the European Parliament for approval.							
Morocco DCFTA	-	V	October 2011	December 2011	March 2013	DCFTA negotiations with Morocco have been underway for several years. The EU is ready to discuss options with Morocco to modernise trade and investment relations, to better adapt them to today's challenges.							
Tunisia DCFTA	-	<b>√</b>	October 2011	December 2011	October 2015	challenges.  The negotiators met in Tunis in October 2015 for a first round of negotiations. The fourth round took place in April/May 2019 in Tunis. Since then, negotiations have been effectively brought to a standstill due to the change of government in Tunisia. In line with the EU Trade Policy Review, the EU is ready to discuss options to modernise trade and investment relations with Tunisia.							

Timeline Negotiations	Impact assessme nt complete d	Scoping	Recommen- dations to negotiate adopted by Commission	Recommen- dations to negotiate adopted by Council	Negotiations launched	Technical conclusion/ Political agreement	Legal scrubbing completed	Translatio n done	Proposal to sign and conclude adopted by COM	Proposals adopted by Council	Consent by EP	
GCC	-	-	-	December 1989	October 1990	Negotiations v	were suspended in 20	008.		1		
Libya	-	-	February 2008	July 2008	November2008	_	were suspended in Fe vill depend on the sec	*	in the country.			
Russia New Agreement	-	-	-	2008	-	The negotiation 2014.	ons for a New Agreem	ent have bee	n suspended by the E	European Council	on 6 March	
Azerbaijan PCA	-	March 2016	July 2016	November 2016	February 2017	Advance of th	e negotiations with p	otential concl	usion in 2023.			
Micro States (Andorra, Monaco, San Marino)	-	2013	April 2014	December 2014	March 2016	Potential conclusion of negotiations in Q4 2023.						
The UK in respect of Gibraltar	_	-	October 2021	November 2021	Potential conclusio	on of negotiations in 2023						
Japan BIA	July 2012	<b>√</b>	July 2012	November 2012	March 2013	While the substantive provisions have been agreed, the procedural ones (ICS) are still not accepted by Japan. The last discussions on the IPA took place on 20-22 March 2019 in Tokyo. For the time being, no further discussions are foreseen.						
Myanmar investment agreement	Nov 2013	√	February 2014	March 2014	March 2014	The EU made refugee crisis	good progress in neg in Myanmar.	otiations but	no conclusion expecto	ed soon given the	Rohingya	
Australia FTA	Septembe r 2017		13 September 2017	June 2018	June 2018	Negotiations will continue in 2023 with the aim for conclusion.						
In the pipeline								Ex	spected outputs in 20.	23		
Angola's accession to EU-SADC EPA	V	-	June 2020	-	-	The negotiations are expected to be launched in 2023 following the signature by the EU-SADC EPA Joint Council of a decision enabling to launch negotiations with Angola to join the EU-SADC EPA.						
Timor Leste, Tuvalu and Tonga's accessions to	-	-	April 2002	June 2002	Timor Leste: October 2020, Tonga: July 2018	The processes leading to the accessions of Tonga, Timor-Leste and Tuvalu will continue in 2023.						

Timeline	Impact	Scoping	Recommen-	Recommen-	Negotiations	Technical	Legal scrubbing	Translatio	Proposal to sign	Proposals	Consent by EP
Negotiations	assessme		dations to	dations to	launched	conclusion/	completed	n done	and conclude	adopted by	
	nt		negotiate	negotiate		Political			adopted by COM	Council	
	complete		adopted by	adopted by		agreement					
	d		Commission	Council							
interim EU-											
Pacific EPA											