



MANAGEMENT PLAN 2015
**Directorate General Internal Market, Industry,
Entrepreneurship and SMEs**
(DG Growth)

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1. Mission Statement

We aim to develop a deeper and fairer internal market and help European enterprises, in particular SMEs, and manufacturing and services industries, to be globally competitive, innovative and sustainable for the benefit of all EU companies, citizens and consumers.

To achieve this mission, we support the development of:

- *a deeper and fairer internal market for goods and services through*
 - *ensuring a level playing field for enterprises, so that they benefit from opportunities inside Europe;*
 - *devising smart regulation and policies for a range of industry and service sectors and value chains to create the right framework for enterprises and citizens; and*
 - *effectively enforcing EU internal market rules for the benefit of companies and citizens*
 - *promoting the internal market principles internationally;*
 - *fostering easy access to public procurement worldwide; and*
 - *fostering free movement of professionals in Europe;*

- *a modern, innovative and sustainable industrial base in Europe through*
 - *ensuring that intellectual property rights, standards and regulation are conducive to innovation;*
 - *supporting the digitalisation of the economy, and in particular, of the European enterprises, and the transformation to smart and clean production including via increased resource efficiency and sustainable supply of raw materials, and*
 - *developing the high potential sectors of space, satellite navigation, earth monitoring and promising technologies (including key enabling technologies and clusters in emerging industries);*

- *a business-friendly environment to help start-ups emerge and SMEs and enterprises grow, through*
 - *making full use of all smart regulation tools;*
 - *enhancing better access to finance and markets;*

- ensuring a global level playing field and supporting the internationalisation of enterprises, and

- managing EU support programmes, so that they help promote technological and non-technological innovation and entrepreneurship in Europe: COSME, Horizon 2020 (for innovation in SMEs, raw materials, space), Galileo/EGNOS and Copernicus.

- *a global level playing field through*

- encouraging regulatory convergence, promoting the internal market principles internationally while preserving them internally, and eliminating technical barriers

- facilitating access to third country markets and by supporting the internationalisation of enterprises

2. The challenges in 2015 and beyond

(A personal message from the Director General Daniel Calleja Crespo)

2015 will be a **crucial year** for the European Union. A new College entered into office on 1 November 2014. 2015 is the year when we will focus on successfully launching the actions necessary to implement the political priorities for the new mandate of the Commission, especially in the area of internal market..

2015 will be the year of a modest but tangible economic recovery. Most EU Member states are set to register positive growth in 2015 and 2016. However, the recovery is not fast enough and not as strong as in other advanced economies. **There is a need to restore confidence, foster investment and spur competitiveness.** This is necessary to deliver more jobs and growth in 2015.

On 26 November 2014, the Commission adopted an ambitious Investment Plan to leverage EUR 315 billion of additional investment over the next three years. Additional EU financing to support investment in Europe is crucial, but not sufficient. It is as important, if not more, to **improve the investment environment in Europe.** The Investment Plan has made this one of its 3 key priorities, and in this context it calls for action to deliver Better Regulation, in particular for SMEs, an integrated internal market for products and services, and a truly connected Digital Single Market.

The **first objective** of DG Growth in 2015 will be to take action to **improve the functioning of the internal market for products and services.** The internal market is not only a basic pillar of the European integration but also a **major growth engine.** Developing more integrated markets in the EU will drive competition and improve choice for over 500 million consumers. A recent study by the European Parliament on the cost of non-Europe estimated that the completion of the single market for products and services would increase the EU GDP by EUR 235 billion per year in the long term. And this is a conservative estimate, as another recent study estimated the remaining potential for services alone to be at least EUR 337 billion.

To unlock this potential, DG Growth will present an ambitious internal market package in 2015 covering services, products and public procurement. A particular focus is needed on services sectors where the potential benefits are the biggest, such as business services, professional services, retail, construction and regulated professions. 30 years after the signature of the Single European Act, trade in services accounts for only 5% of EU GDP, against 22% for products. However, the latter figure should not be interpreted as an indication that the internal market for products is complete. This is not the case, and product markets are often not as open as they should be. In this context, **effective enforcement will be a key priority for DG Growth.** Before creating new rules, we first need to ensure that all existing rules work properly on the ground, in a simple, timely and efficient manner. An important

part of the internal market package will thus be devoted to new action to better enforce internal market legislation and ensure the new public procurement rules work in practice and deliver their full potential. The full benefits of the Single Market, including free movement of products and services and other rights set out in EU law, can only be felt by enterprises and consumers if the Commission pursues complaints and infringement cases and tackles all transposition deficits which are the most detrimental to single market freedoms. In parallel, we need to fully exploit existing EU tools such as SOLVIT and national tools to solve individual cases as well as develop enforcement strategies to overcome persisting obstacles.

The **second objective** of DG Growth in 2015 will be to take action towards **the development of a Digital Single Market**.¹ The potential of the digital economy is huge. It has been estimated for example that 1.5 million jobs could be created in the EU in the Internet economy if the whole EU would mirror the performance of the US or Sweden in this area. We will take steps to empower consumers online, as greater trust and transparency in the online world will increase on-line activity of consumers. We will pursue our efforts to remove restrictions, for example by improving cross-border parcel delivery. We will work to make the Digital Single Market work better for business, in particular SMEs. We will pursue our work to ensure that internal market legislation is fit for the digital age, by checking that existing rules do not prevent the digitalisation of the economy, that they are fit for both offline and online business as well as for new business models. We will also deliver a strategy to facilitate the digital transformation of enterprises in Europe, beyond the digital sector. Industry and SMEs, in particular, need support to uptake advanced digital technologies such as cloud computing and big data. We will also pursue our work to promote the skills needed for the digital age, including e-skills and skills related to key enabling technologies.

Our **third objective** will be to **strengthen the competitiveness of the industrial base in Europe**. High economic performance can only be achieved with a highly-performing industrial base, where manufacturing and related services work closely together along the value chain. To remain competitive in the global economy, business and industry in Europe need to fully integrate the most advanced technologies. They also need to be highly resilient to external constraints which can significantly undermine their competitiveness, such as scarce and expensive energy and raw materials and stricter requirements on greenhouse gas emissions, while they require a sustainable supply of necessary raw materials. A European Energy Union² will ensure that Europe has secure, affordable and climate-friendly energy. wiser energy use while fighting climate change is both a spur for new jobs and growth and an investment in Europe's future. Within the Energy Union, the measures will include action to support the cost-efficient transformation towards a low-carbon, resource-efficient industrial base, including in energy intensive sectors.

¹ Commission Communication "A Digital Single Market Strategy for Europe" of 06.05.2015 (COM(2015) 192 final)

² Commission Communication "A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy" of 25.02.2015(COM(2015) 080 final)

The DG will also take action to foster the market uptake for cutting-edge space technologies and data services, in particular applications from EGNOS and Galileo. The target is to ensure that by 2020 Galileo is fully deployed, recognised and adopted by the widest user communities as an independent civilian infrastructure delivering robust positioning, navigation and timing services; and EGNOS continues delivering high performance services to GPS and Galileo over the Member States' territories in Europe.

Our fourth objective will be to **improve the overall business environment, in particular for SMEs and entrepreneurs**. SMEs are smaller on average in Europe than in the US or other advanced economies. This makes it harder for them to innovate, internationalise and invest.

DG GROW is committed to sustaining the competitiveness of enterprises through a growth-friendly business environment. **Better regulation is an overarching, cross-cutting objective** which we will pursue in all our activities. In 2015, we will continue our work to decrease the administrative burden and costs stemming from EU regulation. Priority will be given to reducing the administrative burden and costs for enterprises in the application of REACH and to developing new measures to mitigate the burden from the 10 most burdensome pieces of EU legislation. The DG will implement 14 actions under the regulatory fitness programme (**REFIT**) of the Commission over the next 2 years and pursue its efforts to promote competitiveness proofing, the SME test and the Internal Market test in impact assessments.

In 2015, the EU will continue to progress on its ambitious trade agenda, not least with the negotiations on the Transatlantic Trade and Investment Partnership with the US. The Commission will also pursue its work related to enlargement negotiations and the European Neighbourhood Policy. DG GROW's objective is to ensure that **the international dimension of the internal market, the international aspects of industrial competitiveness and the internationalisation of enterprises** are an integral part of the EU external agenda and trade policy. In particular, services and procurement are some of the most untapped sources of growth in trade, and this potential can be better exploited in trade negotiations and by promoting EU standards globally.

3. Key Performance Indicators

The following 5 key performance indicators have been selected as the most relevant to measure progress for the years to come. They may be adapted and/or replaced in line with new priority work areas.

Result indicator: Number of firms benefiting from debt financing Source: EIF (European Investment Fund) reports		
Baseline	Milestone	Target
As of 30 June 2014, €25 billion in financing mobilised, reaching 346,000 SMEs (SME Guarantee Facility under CIP) As of 31 December 2012, €13.4 billion in financing mobilised, reaching 219,000 SMEs (SMEG) ³	End of 2017: Value of financing mobilised ranging from €7 billion to €10.5 billion; number of firms receiving financing which benefit from guarantees from the programme ranging from 108,000 to 161,000	Value of financing mobilised ranging from €14 billion to €21 billion; number of firms receiving financing which benefit from guarantees from the programme ranging from 220,000 to 330,000 (COSME Loan Guarantee Facility ⁴ targets)
Result indicator: Delivery of the actions announced in the Regulatory Fitness Communication possibly leading to amendments in the legislation Source: COM(2014)368		
<u>Delivered in 2014:</u> 3 Evaluations 1 Legislative initiative 2 Withdrawals <u>Delivered in 2013:</u> 1 Fitness Check 2 Cumulative Cost Assessments 1 Review 1 Legislative initiative	<u>2015:</u> 1 Repeal 2 Fitness Checks 4 Evaluations 1 Cumulative Cost Assessment <u>2016:</u> 1 Fitness Check 3 Evaluations 2 Cumulative Cost Assessments	25 Fitness Check, Evaluations, Cumulative Cost Assessments and Repeals to be delivered by 2016
Result indicator: Cumulative number of operational satellites (Galileo and Copernicus) Source: Public announcements		
Galileo: 4 in 2013	8 by end 2015	30 by 2020
Copernicus: 1 in 2014	3 by 2015	8 by 2020
Result indicator: Share of Horizon 2020 projects with activities close to the market or to developing applications measured by the Technology Readiness Level (TRL) indicator⁵, measured for the space part of Horizon 2020 under DG Growth responsibility Source: Internal monitoring		

³ Latest EIF quarterly report issued on 30 September 2014 for the SME Guarantee Facility (SMEG) under the 2007-2013 Competitiveness and Innovation Programme (CIP)

⁴ The programme will run from 2014 until 2020

⁵ The TRL index ranges from 1 (basic research) to 9 (market ready application). The target of 4 is to demonstrate that the aim of the programme is to finance projects which intend to innovate. This should not be seen as underrating the value of basic research projects, which actually create pre-conditions for innovation.

<p>This indicator is a new approach, therefore no baseline</p>	<p>55% of the 2014 budget to be devoted to projects with a TRL of at least 4 (= demonstration through a trial and/or external input)</p>	<p>End 2015: 60% of the budget for the biannual work programme will be devoted to projects with a TRL of at least 4 (= demonstration through a trial and/or external input)</p>
<p>Result indicator relating to Internal Control: Multiannual residual error rate for the DG Growth activities Sources: DG Growth control results</p>		
<p>The residual error rate is below the materiality threshold of 2%</p>	<p>Yearly quantifiable error per ABB activity below materiality level of 2%</p>	<p>Reasonable assurance that the DG Growth Internal Control System is effective to ensure that the error rate is in acceptable limits (below materiality level of 2%)</p>

4. General Objectives and Indicators

The general objectives of the European Commission's services are accompanied by impact indicators, which measure long-term changes in EU society. Thus, the achievement of the targets for the impact indicators below is mainly the responsibility of the Member States, with the Commission playing the role of catalyst and facilitator.

For DG Growth, the general objectives relate to four financial programmes:

- Competitiveness of Enterprises and SMEs (**COSME**)
- **Horizon 2020** – research relating to enterprises
- European Satellite Navigation Programmes (**Galileo and EGNOS**), and.
- **Copernicus**.

Furthermore, this DG has a general objective for the **internal market**. The activities in this area are mainly managed through legislative action and subsequent enforcement of internal market legislation so that it can deliver its full potential and benefits for individuals and companies in the EU.

COSME

To strengthen the competitiveness and sustainability of the Union's enterprises, particularly SMEs		
<i>Baseline</i>	<i>Milestone</i>	<i>Target</i>
1. Performance of SMEs as regards sustainability		
Share of EU SMEs producing green products (goods and services): 2013 = 26%; 2012 = 26% (source: Flash Eurobarometer on SMEs and green markets) Next update by November 2015 (2015 Flash Eurobarometer on SMEs and green markets)	30% by 2017	Increase the share of Union SME producing green products
2. Changes in unnecessary administrative and regulatory burden on both new and existing SMEs		
Number of days to set up new SME in 2012 = 5.4 working days	4 days by 2017 2013 = 4.2 days	Marked reduction of number of days to set-up a new SME ⁶
Cost of start-up in 2012: €372	€300 by 2017	Marked reduction in the average start-up costs in the Union ⁷

⁶ A 2020 target of 3 days is mentioned in the recent Industrial Policy Communication COM(2014)14 of 22 January 2014.

⁷ A 2020 target of €100 is mentioned in the recent Industrial Policy Communication COM(2014)14 of

2011: €397; 2010: €399; 2009: €417	2013: €315	
Number of Member States where the time needed to get licences and permits (incl. environmental permits) to take up and perform the specific activity of an enterprise ⁸ is one month = 2	4 Member States by 2017 2014: study ongoing to assess present situation	Marked increase in the number of Member States where the time needed to get licences and permits to take up and perform the specific activity of an enterprise is one month
3. Changes in share of SMEs exporting within or outside the Union		
Number of SMEs exporting within the EU is 25% in 2009 Number of SMEs exporting outside the EU is 13% in 2009	Number of SMEs exporting within the EU is 29% in 2018 Number of SMEs exporting outside the EU is 17.5% in 2018	Increase in the share of SMEs exporting and increase in the share of SMEs exporting outside the Union

To encourage an entrepreneurial culture and promote the creation and growth of SMEs		
1. Changes in SME growth		
In 2010 SMEs provided more than 58% of total EU gross value added 2013 estimates around 58%	Annual increase of 4% in SMEs Gross Value-Added	Increase of SME output (value added) and employees
Total number of employees in SMEs in 2010 = 87.5 million (67% of private sector jobs in the EU) 2013 estimates 88.8 million (around 67%)	Annual growth of employees in SMEs of 1%	
2. Changes in share of Union citizens who wish to be self-employed (Source: Eurobarometer survey)		
2012 = 37%	50% by 2017 Next Eurobarometer proposed for the COSME 2015 WP	Increase in share of EU citizens that would like to be self-employed

Internal Market

To ensure an open internal market for goods and services conducive to growth and jobs		
<i>Baseline</i>	<i>Milestone</i>	<i>Target</i>
Trade in goods in the internal market as % of GDP		
Mar 2014: 21.8% Mar 2013: 21.7%	23% by 2017	25% by 2020
Intra-EU trade in services measured by the average of intra-EU imports and exports of services related to GDP Source: Eurostat (last data update on 26.06.13, extracted on 15.11.13)		

22 January 2014.

⁸ For 5 model companies

2012: 4.5%		Long-term increase in intra-EU trade of services (consolidate the positive trend)
2011: 4.3%		
2010: 4.2%		

Horizon 2020: research relating to enterprises

To build a society and an economy based on knowledge and innovation across the whole Union by leveraging additional research, development and innovation funding and contributing to attaining R&D targets		
<i>Baseline</i>	<i>Milestone</i>	<i>Target</i>
Business enterprise R&D expenditure as percentage of GDP		
1.3% in 2013 1.3% in 2011	1.5% in 2017	2% in 2020
Innovation indicator (Index with reference 100 in 2010)		
101.6 in 2012 104.4 in 2011	Pending decision in the context of the European Semester	

European satellite navigation programmes (EGNOS and Galileo)

Supporting European presence in space and the development of satellite-based positioning, navigation and timing services		
<i>Baseline</i>	<i>Milestone</i>	<i>Target</i>
Market share of EGNOS and Galileo-enabled receiver models globally ⁹ Source: GSA		
EGNOS present in number of receiver models in 2012: 73%	2016: 75% EGNOS	2020: 85% EGNOS
Galileo present in number of receiver models in 2012: 25%	2016: 45% Galileo	2020: 70% Galileo

⁹ Total number of receiver models in the GPS survey in 2012: 483

Copernicus

Monitoring the Earth to support the protection of the environment and efforts of civil protection and civil security		
<i>Baseline</i>	<i>Milestone</i>	<i>Target</i>
Specific service components corresponding to users' service-level requirements to realise that Copernicus data and Copernicus information is made available for the environment, civil protection and civil security Source: Entities responsible for each service		
The number of service components operational in 2015 = 6	2016 = 5 2017 = 2 2018 = 0 2019 = 1	To increase the number of service components operational to 14
Maximising socio-economic benefits, thus supporting of the Europe 2020 strategy and its objectives of smart, sustainable and inclusive growth by promoting the use of Earth observation in applications and services		
Growth in downstream EO-sector directly benefiting from Copernicus, as a result of progression in number of users, available access to volume of data and added-value information, increased number of downstream services, across Member States and the Union Source: Service activities		
Expected growth in downstream EO-sector directly benefiting from Copernicus, 2012 employment = 1, representing ~5000 jobs ¹⁰	2017 = 1.4	Increase growth from 2012 of 1 to 1.8, representing ~9000 jobs
Fostering the development of a competitive European space and services industry and maximising opportunities for European enterprises to develop and provide innovative Earth observation systems and services		
Market penetration, including expansion of the existing markets and creation of new markets and competitiveness of the European downstream operators Source: Service activities		
2013 Index=100, representing 5 main fields (agriculture, non-life insurance, oil and gas, water transport, electricity generation from renewable sources) ¹¹	2015 = 105 2017 = 116 2019 = 128	Increase the market penetration from 100 to 140, representing 7 main fields (agriculture, non-life insurance, oil and gas, water transport, electricity generation from renewable sources, coastal zone management, IT)
Ensuring autonomous access to environmental knowledge and key technologies for Earth observation and geo-information services, thereby enabling Europe to achieve independent decision-making and action		
Use of Copernicus data and Copernicus information by Union institutions and bodies for autonomous decision-making Source: Service activities		
Number of directives and decisions directly invoking the use of Copernicus	2017 = 15	Increase the number of directives and

¹⁰ Based on EARSC study of 2012.

¹¹ Based on SpaceTec study of 2012.

data in 2013 = 5		decisions to 30
Supporting and contributing to European policies and fostering global initiatives, such as GEOSS		
Provision of Copernicus global Earth Observation data to Global Earth Observation System of Systems (GEOSS) Source: Service activities		
Percentage of Copernicus global EO data available through GEOSS in 2016 = 40% (~10% for 2014)	2018 = 75%	Increase the percentage to 100%

A) COMPETITIVENESS OF ENTERPRISES AND SMALL AND MEDIUM-SIZED ENTERPRISES (COSME)

EU Competence and added value

The additional value for action with the COSME programme at the Union level relies on the following five main sources:

- Strengthening the Single Market, by overcoming market fragmentation in areas such as venture capital investment, cross-border lending and credit enhancement as well as informational and organizational constraints which prevent SMEs from taking advantage of the opportunities that the Single Market offers.
- Demonstration and catalytic effects through the dissemination of industrial and policy best practices
- Economies of scale in areas where it would be difficult for individual Member States to achieve the required critical mass. For instance, in the field of support to SMEs abroad, European added value is created by the bundling of national efforts and, by establishing services that would lack critical mass if provided at national level (for example, through support to IPR enforcement). Union intervention can also contribute to avoid duplication of effort, promote cooperation between Member States and coordination with relevant non-Member States.
- Coherence and consistency in national measures through the exchange of best practices at European level and benchmarking.
- The European Investment Bank (EIB) and the European Investment Fund (EIF) have gained experience in designing and implementing SME-friendly financing schemes. The Enterprise Europe Network has achieved tangible results by putting emphasis on promoting the internationalisation of SMEs (in the Internal Market and beyond) through providing information on Union matters as well as the possibility to feed into the decision making process.

The financial envelope for implementing the COSME programme is EUR 2 298,243 million in current prices, of which no less than 60 % shall be allocated to financial instruments.

Intervention logic

Problems

- Difficulties in accessing finance for SMEs which struggle to demonstrate their creditworthiness and find it hard to gain access to risk capital;
- Weak entrepreneurial spirit -- only 37% of European citizens would like to be self-employed compared to e.g. 51% in the United States;
- A business environment not conducive to start-ups and growth, characterised by persistent regulatory fragmentation and too much red tape;

- Limited capacity of SMEs to adapt to a low-carbon, climate-resilient, energy and resource efficient economy due to limited financial means and limited expertise;
- Limited capacity of SMEs to expand to markets beyond their home country, both within the Single Market and beyond.

General objectives

- 1) To strengthen the competitiveness and sustainability of the Union's enterprises, particularly SMEs
- 2) To encourage an entrepreneurial culture and promote the creation and growth of SMEs

Specific objectives

- 1) To improve access to finance for SMEs in the form of equity and debt
- 2) To improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, including in the tourism sector
- 3) To promote entrepreneurship and entrepreneurial culture
- 4) To improve access to markets, particularly inside the Union but also at global level

Actions

1) Actions to improve access to finance for SMEs

The programme will support actions to facilitate and improve access to finance for SMEs in their start-up, growth and transfer phases, being complementary to the Member States' use of financial instruments for SMEs at national and regional level.

The financial instruments include an equity facility and a loan guarantee facility.

2) Actions to improve the framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs

Such actions include improving the evidence base and the use of ex-ante evaluation of expected impacts of policy proposals (impact assessments) with reinforced analysis on impacts on competitiveness (competitiveness proofing) and on SMEs (SME test), measuring on a regular basis the actual impact of relevant Union law on SMEs, where appropriate by means of a scoreboard, support for independent expert groups; consultation with stakeholders and especially SMEs on forthcoming policy proposals including their expected impact; and the exchange of information and good practices, including on the systematic application of competitiveness proofing and the SME test at Union and Member State level.

3) Actions to promote entrepreneurship

Such actions include reducing obstacles to the setting-up of enterprises, supporting a business environment and culture favourable to sustainable enterprises, start-ups, growth, business transfer, second chance (re-start). Other actions may include mobility programmes for entrepreneurs and support for entrepreneurial education.

4) Actions to improve access to markets

Such actions include information provision (including through digital services) in relation to Union programmes, law and standards, information on existing barriers to market entry and business opportunities, public procurement and customs procedures, and improving support services in terms of standards and intellectual property rights in priority third countries.

Beneficiaries and management modes

- **Loans and venture capital (“the financial instruments”):**

The beneficiaries are SMEs through banks and venture capital funds.

Indirect management is assured by the European Investment Fund (EIF)

- **Grants and tenders:**

The beneficiaries are SMEs, which receive help by service providers (e.g. Enterprise Europe Network, IPR Helpdesks, project consortia, SME associations, national or regional authorities).

Direct management is assured by the executive agency EASME.

Indirect management with international organisations is also envisaged for certain analytical and benchmarking activities.

Commission’s Responsibilities

The Commission is responsible for the implementation of COSME.

Main intended results

- Provision of guarantees directly to enterprises;
- Provision of information on SME-related topics;
- Identification of best practice for SMEs;
- Reduction of administrative burden.

Exogenous factors/risks

- The good implementation of the programme depends on the delegation agreement with the European Investment Fund for the financial instruments and with the EASME executive agency for the other objectives.
- An additional challenge will be the establishment of a new working method between the Commission and the EASME agency for actions directly linked to policy making.

Financial Resources (€) in commitment appropriations			Human Resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
286.603.548	3.749.000	290.352.548	318	61	379

Relevant General Objectives: To strengthen the competitiveness and sustainability of the Union's enterprises, particularly SMEs

To encourage an entrepreneurial culture and promote the creation and growth of SMEs

Specific Objective 1: To improve access to finance for SMEs in the form of equity and debt

Spending Programme

Baseline	Milestone (end of 2017) ¹²	Target (2020)
Result indicator: Number of Firms benefiting from debt financing Source: EIF (European Investment Fund) Reports		
As of 30 June 2014, €25 billion in financing mobilised, reaching 346,000 SMEs (SME Guarantee Facility under CIP) As of 31 December 2012, €13.4 billion in financing mobilised, reaching 219,000 SMEs (SMEG) ¹³	Value of financing mobilised ranging from €7 billion to €10.5 billion; number of firms receiving financing which benefit from guarantees from the programme ranging from 108,000 to 161,000	Value of financing mobilised ranging from €14 billion to €21 billions; number of firms receiving financing which benefit from guarantees from the programme ranging from 220,000 to 330,000 (COSME Loan Guarantee Facility ¹⁴ targets)
Result indicator: Number of VC investments from the Programme and overall volume invested Source: EIF (European Investment Fund) Reports		
As of 30 June 2014, €2.9 billion in VC funding mobilised to 400 SMEs (High Growth and Innovative SME Facility under CIP) ¹⁵ As of 31 December 2012, €2.3 billion in VC funding mobilised to 289 SMEs (GIF)	Overall value of VC investments ranging from €0.7 billion to €1.1 billion; number of firms receiving VC investments from the Programme ranging from 100 to 150 ¹⁶	Overall value of VC investments ranging from €2.6 billion to €3.9 billion; number of firms receiving VC investments from the Programme ranging from 360 to 540 (COSME Equity Facility for Growth ¹⁷ targets)
Result indicator: Leverage Ratio Source: EIF (European Investment Fund) Reports		

¹² End of 2017 chosen because these numbers are expected to serve as a basis for the mid-term evaluation of the Programme in 2018.

¹³ Latest EIF quarterly report issued on 30 September 2014 for the SME Guarantee Facility (SMEG) under the 2007-2013 Competitiveness and Innovation Programme (CIP)

¹⁴ The programme will run from 2014 until 2020

¹⁵ Latest EIF quarterly report issued on 30 September 2014 for the High Growth and Innovative SME Facility (GIF) under the 2007-2013 Competitiveness and Innovation Framework Programme (CIP)

¹⁶ These numbers take into account that investing by VC Funds is spread over 4-5 years after commitment.

¹⁷ The programme will run from 2014 until 2020

Leverage ratio for the SMEG facility 1:32 Leverage ratio for GIF 1:6.7	Debt instrument 1:20 – 1:30 Equity instrument 1:4- 1:6	Debt instrument 1:20 – 1:30 Equity instrument 1:4- 1:6 ¹⁸
Result indicator: Additionality of the EFG and LGF Source: Mid-term and final programme evaluations		
Additionality of the SMEG: 64% of final beneficiaries indicated that support was crucial to find the finance they needed. Additionality of the GIF: 62% of GIF final beneficiaries indicated that support was crucial to find the finance they needed	Share of final beneficiaries that consider the EFG or the LGF to provide funding that could not have been obtained by other means equal to or higher than the baseline	Increase in the share of final beneficiaries that consider the EFG or the LGF to provide funding that could not have been obtained by other means compared to baseline
Main policy outputs		
Implementation of the financial instruments Equity Facility for Growth (EFG) and Loan Guarantee Facility (LGF) Survey on SMEs access to finance		
Main expenditure-related outputs		
Organisation of workshops with SMEs, banks and other financial institutions to monitor the market situation and to facilitate SMEs' access to finance	Organise 3 to 5 events on issues relevant to policy making	4 th quarter 2015
Update and promotion of the single web portal on EU Finance	Timely carry-out of the events, campaigns and production of promotional material	4 th quarter 2015

Relevant General Objective: To strengthen the competitiveness and sustainability of the Union's enterprises, particularly SMEs		
Specific Objective 2: To improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, including in the tourism sector <input checked="" type="checkbox"/> Spending Programme		
Baseline	Milestone	Target (2020)
Result indicator: Number of simplification measures adopted Source: Internal monitoring		
3 in 2013	5 in 2014	At least 7 simplification measures per year
Result indicator: Making the regulatory framework fit for purpose Source: COM(2014)368		
<u>Delivered in 2014:</u> 3 Evaluations 1 Legislative initiative	<u>2015:</u> 1 Repeal 2 Fitness Checks 4 Evaluations 1 Cumulative	25 Fitness Check, Evaluations, Cumulative Cost Assessments and Repeals to be delivered by 2016

¹⁸ EUR 1 from the Union budget will result in EUR 20-30 in financing and EUR 4-6 in equity investments over the lifetime of the COSME programme.

2 Withdrawals Delivered in 2013: 1 Fitness Check 2 Cumulative Cost Assessments 1 Review 1 Legislative initiative	Cost Assessment 2016: 1 Fitness Check 3 Evaluations 2 Cumulative Cost Assessments	
Result indicator: Number of Member States using the competitiveness proofing test Source: Internal monitoring		
Number of Member States using the competitiveness proofing test: 1 Member State (November 2014)	7 Member States by end 2017	Marked increase in the number of Member States using the competitiveness proofing test
Result indicator: Resource efficiency (which may include energy, materials or water, recycling, etc) actions taken by SMEs Source: Flash Eurobarometer on SMEs		
<p>In 2013: 93% of SMEs are taking at least one action to be more resource efficient, with the most common actions being to minimise waste, save energy (both 67%) and save materials (59%). At least half are also recycling by reusing material or waste within the company, or by saving water (both 51%).</p> <p>In 2013: Eight out of ten SMEs are planning additional resource efficiency actions in the next two years, particularly saving energy (58%) and minimising waste (56%). Almost half (49%) plan to save materials, while 43% will save water and 41% will recycle within the company.</p>	A milestone will be defined following the launch of the European Resource-Efficiency Excellence Centre in 2016	<p>Increase in the share of Union SMEs that are taking at least one action to be more resource efficient (which may include energy, materials or water, recycling, etc.) compared to baseline (initial measurement)</p> <p>Increase in the share of Union SMEs that are planning to implement additional resource efficiency actions (which may include energy, materials or water, recycling, etc) every two years compared to baseline (initial measurement)</p>
Result indicator: Number of Member States using SME test¹⁹ Source: Reports from Member States		
Number of Member States using SME test: 15 Member States 2014: around 18 Member States are introducing the SME test	19 Member States by 2017	Marked increase in the number of Member States using SME test
Result indicator: Participation in transnational cooperation projects in tourism Source: Internal monitoring		
4 countries (on average) in 2014 3 countries covered per project in 2011	2017: 5 countries per project	Increase in the number of Member States participating in transnational cooperation projects funded by the Programme
Result indicator: Number of destinations adopting the sustainable tourism development models promoted by the European Destinations of Excellence Source: Internal monitoring		
Number of European Destinations of	2017: more than 150	More than 200 destinations adopting the sustainable tourism development models

¹⁹ Joint responsibility with the Secretariat-General

Excellence awarded in total 98 in 2011 119 Destinations in 2014		promoted by the European Destinations of Excellence (about 20 every year)
Result indicator: Number of new products/services in the market Source: Internal monitoring		
As this was restricted to analytical work of limited scale, the baseline will be 5 in 2017	15 in 2018	Increase in the cumulative number of new products/services (initial measurement)
Main policy outputs		
<p>Contribution to the CWP 2015 initiative Digital Single Market Package, including:</p> <ul style="list-style-type: none"> • Building trust and confidence: making the DSM work better for consumer • Removing restrictions: e.g. improving parcel delivery • Ensuring access and connectivity: e.g. developing ICT and patent-based standardisation • Making it easier for innovators to start their own company • Promoting e-society: use digital tools <p>Competitiveness Performance Scoreboard and the integrated report on Member States Competitiveness Performance and Integration</p> <p>Eurobarometer on SMEs, resource efficiency and green markets</p> <p>Smart Guide on Supporting SMEs to Take Advantage of Resource Efficiency for European Structural and Investment Funds (ESIF) Managing Authorities</p> <p>Smart Guide to Cluster Policy for European Structural and Investment Funds (ESIF) Managing Authorities</p> <p>Joint DG REGIO-GROW conference on the implementation of smart specialisation strategies through clusters – conference held 27/28 April 2015</p> <p>European Cluster Observatory: European Cluster Trends report (published in March 2015) and support to 6 model demonstrator regions</p> <p>European Service Innovation Scoreboard 2015 (published in January)</p>		
Main expenditure-related outputs		
<p>SME policy:</p> <p>Monitoring implementation of the Small Business Act (SBA) and organisation of events (SME assembly, meetings of SME envoys, etc)</p> <p>Signature of specific contract for the SME Performance Review</p> <p>Provide communication and information tools to promote SME policy using outreach tools</p>	<ul style="list-style-type: none"> • Progress achieved in the implementation and timely organisation of events • Successful signature of contract • Increase awareness 	<p>Ongoing</p> <p>4th quarter 2015</p> <p>4th quarter 2015</p>
<p>European and MS Competitiveness:</p> <p>Signature of specific contracts for the European Competitiveness Report 2016</p> <p>Providing tailored support to Member States for reforms promoting</p>	<ul style="list-style-type: none"> • Successful signature of contracts • Uptake of the facility by Member States 	<p>3rd quarter 2015</p> <p>1st quarter 2015 – 1st quarter 2016</p>

competitiveness		
<p>Corporate Social Responsibility: Call for proposal CSR Risk Check Tool and signature of grant agreements</p>	<ul style="list-style-type: none"> • Successful launch of call and signature of agreement 	1 st – 3 rd quarter 2015
<p>Social Entrepreneurship: Provide support for a European Fair of Social Enterprises in Bulgaria Call for proposal Collection for statistics in family businesses</p>	<ul style="list-style-type: none"> • Successful organisation of Fair • Successful launch of call 	<p>started in March 2015 published 15/04</p>
<p>Clusters: Call for proposals Cluster Excellence Programme Call for proposals Cluster Go International Organisation of stakeholder workshops on clusters & emerging industries, cluster internationalisation, cluster strategy for growth, and resource efficiency and circular economy</p>	<ul style="list-style-type: none"> • Successful launch of calls • Organisation of 5-6 events 	<p>3rd quarter 2015 4th quarter 2014 (combined call for 2014-2015) 4th quarter 2015</p>
<p>Key Enabling Technologies (KETs): Call for proposals Access of SMEs to KETs technological platforms</p>	<ul style="list-style-type: none"> • Successful launch of call 	3 rd quarter 2015
<p>Design-based Consumer Goods: Call for proposals Design-Based Consumer Goods</p>	<ul style="list-style-type: none"> • Successful launch of call 	launched 23/7
<p>Tourism: Launch of calls for proposals: - Encouraging tourism flows of seniors and youth target groups - Promotion of transnational thematic tourism products in the main third countries' markets and within the EU - Awareness raising of the EDEN initiative and promotion of the EDEN destination and network - Improving facilities and services for tourists with special access needs - Management, promotion and content provision for ICT and Tourism Business Support Portal - Maintenance and enhancing of the ICT register of accessible tourism facilities - Management of the Virtual Tourism Observatory</p>	<ul style="list-style-type: none"> • Successful launch of calls 	4 th quarter 2015

<p>Construction 2020: Implementation of the action plan Construction 2020 through a series of capacity building measures, roadmaps, market analyses, collection of good practices and an annual review of the results achieved.</p>	<ul style="list-style-type: none"> • Delivery of annual review 	<p>4th quarter 2015</p>
<p>Competitiveness of the Food Industry: Setting up new High Level Forum on better functioning of the food supply chain Delegated and Implementing Acts for Regulation 510/2014 FTA negotiations and regulatory dialogue concerning processed agricultural products</p>	<ul style="list-style-type: none"> • Organisation of 1st meeting • Adoption of Acts • Successful conclusion of agreements/meetings 	<p>4th quarter 2015 4th quarter 2015 4th quarter 2015</p>
<p>Competitiveness of the pharmaceutical Industry: FTA negotiations and regulatory dialogue concerning pharmaceutical products</p>	<ul style="list-style-type: none"> • Successful conclusion of agreements/meetings 	<p>4th quarter 2015</p>
<p>Bio-Based Market Products: Call for Tender Guidance Material Call for Tender Advisory Support and dissemination</p>	<ul style="list-style-type: none"> • Successful launch of tenders 	<p>Guidance material (launched 04/04) Support planned for 3rd quarter</p>
PLANNED EVALUATIONS		
<p>Evaluation of the Late Payments Directive</p>	<p>2015</p>	<p>REFIT Industrial Policy</p>
<p>Evaluation of measures in the field of tourism</p>	<p>2016</p>	<p>Evaluation in support of policy development</p>
<p>Fitness Check for the construction sector</p>	<p>2016</p>	<p>REFIT Industrial Policy</p>
<p>Evaluation of COSME pilot actions European Creative Industries and European Mobile and Mobility Industries Alliances</p>	<p>2016</p>	<p>COSME, Evaluation in support of policy development</p>

Relevant General Objective: To encourage an entrepreneurial culture and promote the creation and growth of SMEs

Specific Objective 3: To promote entrepreneurship and entrepreneurial culture

Spending Programme

Baseline	Milestone	Target (2020)
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Result indicator: Number of Member States implementing entrepreneurship solutions based on good practice identified through the programme Source: Reports from Member States		
Number of Member States implementing entrepreneurship solutions: 22 (2010)	25 in 2017	100%
Result indicator: Number of Member States implementing entrepreneurship solutions targeting potential, young, new and female entrepreneurs, as well as other specific target groups Source: Reports from Member States		
12 Member States in the European Network of Mentors for Women Entrepreneurs 6 Member States and 2 regions have a specific strategy for Entrepreneurship Education 10 Member States have incorporated national objectives related to entrepreneurship education in broader lifelong learning strategies and in 8 Member States entrepreneurship strategies are currently under discussion	By 2017: 12 Member States implementing new initiatives in this area New data on entrepreneurship education anticipated in 2015; new information on women entrepreneurs expected late 2014	Marked increase in number of Member States
Main expenditure-related outputs		
Call for tender Awareness raising and eMentoring ecosystem on Digital Entrepreneurship	<ul style="list-style-type: none"> Successful launch of call 	4 th quarter 2015
Call for proposals 'Intermediary organisations for Erasmus for Young Entrepreneurs (mobility scheme)'	<ul style="list-style-type: none"> Number of entrepreneurs registered for the programme 	launched 26/3
Call for tender e-platform for female entrepreneurs	<ul style="list-style-type: none"> Successful launch of call 	launched 8/5

Relevant General Objectives: To strengthen the competitiveness and sustainability of the Union's enterprises, particularly SMEs

To encourage an entrepreneurial culture and promote the creation and growth of SMEs

Specific Objective 4: To improve access to markets, particularly inside the Union but also at global level

Spending Programme

Baseline

Milestone

Target (2020)

Result indicator: Number of cases of improved alignment between EU and third countries' regulations for industrial products

Source: Internal monitoring

It is estimated that in regulatory cooperation with main trading partners (US, Japan, China, Brazil, Russia,

3 relevant areas by 2017

4 relevant areas of significant alignment of technical regulations with main trading partners (US, Japan, China, Brazil, Russia,

Canada, India) there is an average of 2 relevant areas of significant alignment of technical regulations		Canada, India)
Result indicator: Number of partnership agreements signed Source: Monitoring through the Europe Enterprise Network		
Partnership agreements signed: 2295 (2013) 2475 (2012)	7500 signed by 2017	Partnership agreements signed: 2500 per year
Result indicator: Recognition of the Network amongst SME populations Source: Monitoring through the Europe Enterprise Network		
Recognition of the Network amongst SME population will be measured in 2015-2016	Milestone to be determined once baseline has been set in 2015-2016	Increase in the recognition of the Network amongst SME population compared to baseline
Result indicator: Client satisfaction rate (% SMEs stating satisfaction, added-value of specific service provided by the Network) Source: Monitoring through the Europe Enterprise Network		
Client satisfaction rate (% SMEs stating satisfaction, added-value of specific service): 86% rated services as 'Good/Very good' (2013)	80% by end of 2017	Client satisfaction rate (% SME stating satisfaction, added-value of specific service): > 82%
Result indicator: Number of SMEs receiving support services Source: Monitoring through the Europe Enterprise Network		
Number of SMEs receiving support services: 435,700 (2013) 490,000 (2012) 435,000 (2011)	1.400.000 by end of 2017	Number of SMEs receiving support services 500,000/year
Result indicator: Number of SMEs using digital services (including electronic information services) provided by the Network Source: Monitoring through the Europe Enterprise Network		
2 million SMEs per year using digital services	2.2 million SMEs in 2017	2.3 million SMEs per year using digital services
Main expenditure-related outputs		
Enterprise Europe Network:		
Organisation of a launch conference for the Network	<ul style="list-style-type: none"> • • Successful conference 	conference held 8/9 June
Your Business portal: Signature of specific contract	<ul style="list-style-type: none"> • Number of unique visitors to the portal; • Number of page views; 	Increase number of visitors and page views by 5% each year
SME internationalisation: Launch of call for tender Filling the Gap	<ul style="list-style-type: none"> • Successful launch of call 	4 th quarter 2015

on SME Internationalisation		
EU-Japan Centre: Support for the EU-Japan Centre	<ul style="list-style-type: none"> • Successful signature of contract 	Signature of grant: 2 nd quarter 2015
Industrial Policy Cooperation: Implementation of all the Letters of Intent on cooperation with third countries Scoping exercise to develop industrial and regulatory cooperation with certain countries Regional dialogues within the Neighbourhood area	<ul style="list-style-type: none"> • Successful signature of contracts 	Signature of contracts: 4th quarter 2015
Exchanges of good practice in the area of compliance assistance and compliance schemes: Signature of 2 specific contracts	<ul style="list-style-type: none"> • Successful signature of contracts 	Signature of contracts: 1 st quarter 2015
<i>PLANNED EVALUATIONS</i>		
Evaluation of the Worth Pilot Project	2016	COSME, evaluation in support of policy development
Evaluation of the external IPR Helpdesks	2016	COSME, evaluation in support of policy development

B) INTERNAL MARKET FOR GOODS AND SERVICES

Description of the activity

Within this activity the Commission takes measures to ensure an open internal market for goods and services, while promoting high standards for health, safety and social, environmental and consumer protection. This is done by continually reviewing and renewing existing internal market *acquis*, proposing new legislative or non-legislative actions whenever appropriate and by ensuring a correct implementation and enforcement of EU law. A deeper and fairer internal market is central to Europe's efforts to boost growth and jobs. Furthermore, it plays a key role in delivering the objectives of the Europe 2020 strategy and of the Investment Plan for Europe. For the Internal Market to function properly, its principles must also be adequately reflected in international relations touching upon Internal Market policies: defending internal market principles internationally will support the internationalisation of EU companies and contribute to growth and jobs in the EU.

EU Competence and added value

One of DG Growth's main roles is to ensure that legislation is fit for purpose and creates a regulatory environment conducive to growth and job creation. However, internal market legislation does not deliver benefits automatically. European laws have to be adopted, written into national law and enforced in every Member State. Incorrect implementation can deprive businesses and citizens of their rights.

DG Growth monitors the correct application of the relevant Treaty provisions and the implementation of Regulations and Decisions and the timely transposition of Directives under its remit, and helps Member States transpose directives into national law.

In the context of the Europe 2020 strategy, the DG prepares a renewed, integrated annual report which aims at reviewing the way the Single Market functions within the Member States. It assesses where progress has been made since the start of the financial and economic crisis, and seeks to identify the remaining bottlenecks. On that basis, the report establishes a set of policy priorities and hence contributes to the preparation by Member States of their national reform plans and to the identification of country-specific recommendations in the context of the European Semester.

DG GROWTH manages standardisation policy at EU level. Standardisation supports market-based competition, so as to achieve objectives such as the interoperability of complementary products and services, or to provide agreed test methods and requirements for health, safety, organisational and environmental performance. Through the development of European standards and the withdrawal of conflicting national standards, standardisation has played a leading role in developing the internal market. European standards are developed through the platforms provided by one of the three European Standards Organisations, the European

Committee for Standardization (CEN), the European Committee for Electrotechnical Standardization (CENELEC) and the European Telecommunications Standards Institute (ETSI).

The Your Europe portal enables citizens, consumers and business to draw the full benefits of the Single Market by informing them in jargon free language of their rights and by guiding them to further assistance services and to rules and procedures at national level. In case they meet problems in exercising their rights, there must be easy and rapid ways to get the problems solved. This is done via SOLVIT, an on-line service to help citizens or businesses when their EU rights are breached by public authorities in another EU country. In addition, the Internal Market Information system links up more than 7000 public authorities to exchange information needed for the practical implementation of Single Market law.

DG GROWTH is responsible for several of the key Single Market policies:

- the goods sector which is crucial for a stable industrial base in Europe,
- the services sector which is the largest part of the EU economy,
- public procurement, which makes up a considerable part of public expenditure,
- protection and regulation of intellectual property which is key to innovation.

In addition, DG GROWTH plays a lead role in developing and co-ordinating policies and tools to make the Single Market work better 'on the ground' and to adequately represent and promote the principles of the European Internal Market world-wide.

DG GROWTH supports the enlargement of the single market, notably within the EU enlargement process and defends and promotes the principles of the internal market in trade negotiations, both at bilateral and multilateral levels. Promoting EU acquis and standards on the international arena facilitates the access of EU companies to international markets and therefore supports growth and jobs in the EU.

Goods

Within this activity, the DG manages both the *harmonized* and *non-harmonized* areas of the single market for goods. In the harmonized area, secondary legislation lays down requirements for around 75% of products in the single market. To ensure a flexible regulatory framework providing access to the single market while protecting essential public requirements, the DG promotes the use of the New Legislative Framework. This framework lays down common rules for market surveillance and accreditation, and promotes the use of essential requirements and conformity assessment to achieve the policy objectives.

In the non-harmonized area, as well as for elements not harmonised by the secondary legislation, free movement of goods is assured by the Treaty itself (Articles 34-36) and the “mutual recognition” principle deriving from the case-law of the Court of Justice. Ensuring

that these rules are implemented across the EU is a key challenge, for which the 98/34 notification procedure plays a central role.

The Commission's legislative work on the internal market for goods is structured around sectors as diverse as motor vehicles, chemicals, engineering industries, cosmetics, medical devices, telecommunications, toys, textiles, wood, and construction products (the list is not exhaustive).

For managing the internal market for goods, DG GROWTH relies also on the expertise of external bodies such as the European Chemicals Agency (ECHA).

Services

Services are crucial to the European Internal Market. They account for over 70% of economic activity in the EU and are the driving force behind job creation in Europe. Services are also increasingly intertwined with manufacturing industries.

Despite progress, the potential of this important sector of the European economy has not yet been fully exploited. Therefore, removing remaining obstacles to the Single Market for services is essential, in particular through a forceful implementation of the Services Directive and through a renewed strategy to address remaining barriers. Particular attention will be paid to business services, including professional services, construction, and retail, given their economic importance. Furthermore, there is a need to remove obstacles to cross-border provision of services, as well as establishment, and to promote the availability of high quality and innovative services, including tourism, retail, postal services and e-commerce, throughout the EU.

The DG will continue to make the Single Market in services more of a reality for citizens and SMEs by challenging unjustified restrictions based on nationality or residence. In the retail sector, the focus will be on improving competitiveness, including support for the adaptation of SMEs to the digital age and support for sustainable growth including dealing with unfair trading practices. The DG will continue to support national Points of Single Contact to give businesses access to user-friendly information on regulation of services across the EU.

The DG will push for an integrated parcel market to support e-commerce needs. The postal and parcels sectors are characterised by profound change: Letters are rapidly being substituted by electronic means of communication. The parcel business, by contrast, is growing rapidly, thanks to e-commerce. The DG will take stock of both developments and launch a public debate on their implications for our regulatory framework.

The DG will implement the new framework for the free movement of qualified professionals, in particular the Professional Card, to make it simpler for EU professionals to practise across Europe. Finally, in cooperation with the Member States, a mutual evaluation of regulated professions is underway with a view to enabling Member States to modernise their regulatory framework and eliminate unnecessary restrictions when accessing regulated professions.

Public procurement

The public sector is the largest consumer in the economy. Public authorities' expenditure amounts to around 19% of EU GDP. Public contracts need to be tendered fairly and openly to ensure best value for money for taxpayers. Public procurement is also used as a tool to foster the demand for innovative, environmentally friendly or socially responsible products or services. Public purchasers can have a major impact in stimulating technological development, fighting climate change and reducing social exclusion. As a result, public procurement plays an important role in the 'Europe 2020' Strategy.

A key priority for the coming years will be the implementation of a new approach to enforcement. From being primarily focused on pursuing infringement cases, the Commission will gradually move towards thorough analysis of selected sectors and countries to identify and redress the most important obstacles to open and efficient procurement. The ultimate goals of the new approach are: increased transparency and openness boosting competitiveness, reduction of corruption, and protectionism, and finally, professional administration and simplified procedures including the full take up of electronic procurement.

The Commission will assist the Member States in the correct and coherent transposition of provisions of the new legal framework on public procurement. The aims of the reform are twofold: to increase the efficiency of public procurement and accessibility of public contracts, especially for the SMEs, and to enable public authorities to use their purchasing power to attain their societal objectives (environment, social inclusion and innovation).

Intellectual property rights (IPR)

An important body of EU acquis in the area of IPR exists, for example the Community Trade Mark, the Community Design or the enforcement of IPR rights. Further, the Commission is seeking to ensure effective respect of rights by developing its acquis in the field of redress against Intellectual Property (IP) infringements more generally (notably with its proposal on civil redress against the misappropriation of confidential business information).

Pending ratification, there is still no unitary European patent available to companies, and there is also no specialised patent jurisdiction in Europe. The resulting costs and complexity hamper SME access to the patent system and create a competitive disadvantage for European inventors.

The development of the internet and new manufacturing modes (e.g. 3D printing) offer opportunities for new IP dependent business models. The IP legal framework should enable the development of such new business models, facilitate their cross-border-development and allow for more innovative products to be distributed to citizens.

The ability of SMEs and start-ups to register, apply and have their IP rights respected is a key factor in their development and may be essential for their survival. There is a need for them to be aware of the different schemes to assist them to enforce their IP rights throughout Europe.

Last but not least, legitimate IP dependent business models need to be protected from unfair competition. The ten actions in the recent Communication “towards a renewed consensus on the enforcement of IPR: An EU Action Plan”²⁰ will allow the Commission to ensure that the systems in place for respecting IP rights is fit for purpose. The European Observatory on IP infringements provides objective data to assist in achieving this task. The Commission will further evaluate and fine-tune if necessary the effectiveness of the regulatory acquis in the field of IP civil enforcement. In addition, raising awareness about infringements to IPR for consumer goods will continue, based on the success of the previous "STOP FAKES" Campaign.

External dimension of the Single Market

Completing the Internal Market is not merely an inward-looking exercise. Virtually all Internal Market policies carry to some degree an “international dimension”: intellectual property (the need for adequate protection and enforcement does not stop at the borders), public procurement (enlarged opportunities to bid for tenders in third countries), , or professional services (opening possibilities to provide professional services in third countries)– to name few examples.

All these policies, including the underlying Internal Market principles and legislation, need adequate and consistent consideration in the negotiation of international agreements, notably in the context of enlargement, in neighbourhood policies, in regulatory dialogues with third countries and in all the other international fora where the Commission takes a position on Internal Market policies, whether bilateral, plurilateral or multilateral. In all these negotiations the services of the Commission responsible for the Internal Market cooperate with the services in charge of other policies – notably the Commission departments dealing with trade and external relations – to adequately represent and promote the principles of the European Internal Market in the world.

²⁰ COM(2014) 392

Financial Resources (€) in commitment appropriations			Human Resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
57.544.760	160.000	57.704.760	380	65	445

Relevant General Objective: To ensure an open internal market for goods and services conducive to growth and jobs

Specific Objective 1: To regularly review existing internal market rules in specific sectors and propose new initiatives whenever appropriate

Non-spending Programme

Baseline

Milestone

Target (2020)

Result indicator: Timely delivery of the actions announced in the Regulatory Fitness Communication possibly leading to amendments in the legislation

Source: COM(2014)368

Delivered in 2014:

3 Evaluations
1 Legislative initiative
2 Withdrawals

Delivered in 2013:

1 Fitness Check
2 Cumulative Cost Assessments
1 Review
1 Legislative initiative

2015:

1 Repeal
2 Fitness Checks
4 Evaluationsd
1 Cumulative Cost Assessment

2016:

1 Fitness Check
3 Evaluations
2 Cumulative Cost Assessments

25 Fitness Check, Evaluations, Cumulative Cost Assessments and Repeals to be delivered by 2016

Main policy outputs

Main strategic initiative:

CWP 2015 initiative on Internal Market Strategy on goods and services – planned for adoption 21 October 2015

Sectoral initiatives

Chemicals:

Revision of the Fertilisers Regulation (EC) No 2003/2003. Creating an internal market for all fertiliser materials, including for recyclables through developing and integrating requirements for recovered wastes as part of the Internal Market Regulation – 2015 Simplification

Ecodesign requirements for professional storage cabinets, blast cabinets, condensing units and process chillers (completed 5 May)

Report pursuant to Art. 16 of the Detergents Regulation on phosphates in consumer automatic dishwasher detergents (completed 29/5)

A delegated act and an implementing act laying down implementing rules for Regulation (EC) No 273/2004 on drug precursors (completed 25 June 2015)

Agricultural products:

Amendment of Art 2(3) of Regulation EC N° 900/2008 – Analysis of Milk fat in processed agricultural products

EEA agreement with Iceland on processed agricultural products

Various technical adaptations (banning or authorisation of substances) pursuant to the Cosmetics Regulation

Automotive:

Enhancing the implementation of the internal market for motor vehicles

Setting out a procedure addressing the durability of replacement pollution control devices

Report concerning technological developments under the General Safety and Pedestrian Safety Regulations

Construction:

Delegated Regulation under the Construction Products Regulation (EU) No 305/2011 (glued laminated timber)

Delegated Regulation under the Construction Products Regulation (EU) No 305/2011 (renders and plasters)

Commission Report on the exercise of delegated powers under the Construction Products Regulation

Other sectors:

Commission implementing decision – Draft mandate on measuring instruments

Commission Directive amending the Directive 2009/43/EC as regards the list of defence-related products

Annual Union work programme for European standardisation for 2016

Aerosol Dispensers Directive – adaptation to technical progress

Commission Implementing Directive on Information on requirements for the use of radio equipment

Annual Report on Animal Testing

Main expenditure-related outputs

Technical assistance in economic/environmental modelling

Information campaign on the Construction Products Regulation (CPR)

Planned Evaluations

Evaluation of the Directive on intra-community transfers of defence related products (2009/43/EC)	2015	Support to the Review of the Implementation of the Directive (Art 17)
Fitness Check on the most relevant chemicals legislation not covered by REACH as well as related aspects of legislation applied to downstream industries	2016	REFIT, Internal Market
Evaluation of the Machinery Directive (2006/42/EC)	2016	REFIT, Internal Market
Evaluation of ECHA	2016	Evaluation in support of implementation, future REACH review
Evaluation of the lifts directive (95/16/EC)	2016	Internal Market
Evaluation of the Commercial Agent Directive	2015	REFIT, Retail Services
Evaluation of the principle of mutual recognition in the field of goods	2015	REFIT

Cumulative cost assessment on the chemicals industry	2015	REFIT Industrial Policy
Cumulative cost assessment in the areas of forest-based industries	2016	REFIT Industrial Policy
Cumulative cost assessment on the glass and ceramics industries	2016	REFIT Industrial Policy

Relevant General Objective: To ensure an open internal market for goods and services conducive to growth and jobs

Specific Objective 2: To ensure the correct application of EU law and promote the development and use of innovative European standards

Non-spending Programme

Baseline	Milestone	Target (2020)
Result indicator: Duration of infringement procedures in key areas under DG GROWTH's responsibility as defined in the Governance Communication, COM(2012)259 Source: Annual report on the Single Market integration, COM(2013)758; GROW/B3		
24.4 months on average (status: 1 October 2014) 35.2 months on average (status: 25 October 2013)	21 months on average by end 2015	18 months on average by end 2017
Result indicator: Performance in transposing DG GROW's directives in the area of internal market into the national legislation (transposition deficit) Source: On-line Single Market Scoreboard (edition January 2015), GROW/B3		
0.12% in November 2014 0.2% in May 2013		Maximum of 0.5% transposition deficit for all DG GROWTH's directives <i>Proposed target by DG GROWTH</i>
Result indicator: Number of consultations of the 98/34 and TBT notifications database measuring the awareness among stakeholders Source: Commission TRIS and TBT databases		
2008: 100 (baseline index) 2009: 100 2010: 118 2011: 141 2012: 166 2013: 177 (equalling ca. 605000 consultations/informations) 2014: 218 (equalling ca. 673000 consultation/informations p.a.) ²¹	Yearly increase of at least 5%, leading to ca. 635000 consultations/informations in 2016	Ca. 770000 consultations/informations in 2020
Result indicator: Number of substances for which a risk management option analysis (RMOA) has been		

²¹ Proportional projection on mid-November statistics up to the end of year 2014

concluded and number of substances for which risk management actions have been taken under REACH Source: Commission and ECHA websites		
<p>30 substances for which an RMOA has been concluded (5 by ECHA on request of the Commission)</p> <p>The fourth amendment of the list of substances subject to authorisation (Annex XIV) was adopted in Regulation (EU) No 895/2014 of 14 August 2014 with the inclusion of 9 substances. The list contains 31 substances</p> <p>Two authorisation decisions adopted (December 2014)</p> <p>Three Restrictions newly included or amended in Annex XVII to REACH (list of substances subject to restrictions) in the course of 2014, bringing the total number of entries in Annex XVII to 64.</p>	<p>Increase of number of substances for which RMOAs will be conducted,</p> <p>Inclusion of additional substances in Annex XIV as appropriate.</p> <p>Authorisation decisions proposed within legal deadline.</p> <p>Restrictions proposed within legal deadline..</p>	<p>All indicators are related to continuously ongoing processes and cannot be quantified in numbers to be achieved by 2020.</p>
Result indicator: Rate of national transposition of European standards (ENs in support of EU legislation & policies and other ENs) Source: Reports from European standardisation organisations		
<p>Implementation rates reported by the three European standardisation organisations</p> <p>ENs in support of EU legislation & policies:</p> <p>CEN: 99%, CENELEC: 98%, ETSI: 94% (June 2014)</p>	<p>> 95% implementation rate of European standards at national level</p> <p>End September 2014 CEN: 99%, CENELEC: 98%, ETSI: 94%</p>	<p>Close to 100% implementation rate of European standards at national level</p>
Main policy outputs		
<p><i>REACH (in co-operation with DG ENV)</i></p> <p>Commission Implementing Regulation adapting the fees and charges payable to the European Chemicals Agency to inflation – adopted 28 May 2015</p> <p>Commission Regulation amending Annex II to REACH on Safety Data Sheets – adopted 29 May 2015</p> <p>Final report of the study to develop enforcement indicators for REACH and CLP – published 24 April 2015</p> <p>Commission Regulation to insert new and/or adapt existing test methods in the Test Method Regulation – vote in the Regulatory Committee on 23 September 2014, formal adoption 2nd quarter 2015</p> <p>Commission Regulation simplifying the authorisation process under REACH for certain cases</p> <p>Commission Decisions on individual authorisation applications for substances included in Annex XIV – continuously throughout 2015</p> <p>Commission Implementing Regulation pursuant to Article 132 REACH addressing the functioning of SIEFs</p> <p>Adaptations to Technical Progress of Regulation (EC) No 1272/2008 (CLP) 7th ATP – 2nd quarter 2015, 8th ATP – 4th quarter 2015 and Poison Centres Review – 4th quarter 2015</p> <p><i>Horizontal initiatives:</i></p> <p>Implementation of the New Legislative Framework (Regulation (EC) No 765/2008 and Decision 768/2008/EC)</p>		

Implementation of the a multi-annual action plan for the surveillance of products in the EU [COM(2013)76] Promoting Union trade with third countries through a preventive control of draft WTO members' regulations Monitor the correct application of the Directive 85/374/EEC on liability for defective products		
Main expenditure-related outputs		
Translation contract for managing Directive 98/34 Financial Support for the Technical Secretariats of Notified Bodies Technical Assistance on European Assessment Documents (EAD) Maintenance and support of the Dangerous Substances database Provision of operating grant to European cooperation for Accreditation (EA) Management of the database for notifications Organisation of seminars at the request of Member States for national administrations to improve the knowledge and correct application of the 98/34 notification procedures Financial Support for the European Chemicals Agency (ECHA) Awareness raising campaign on the safe use of chemicals by general consumers Reg. (EC) No. 1272/2008 Standardisation: Provision of support for the running of the standardisation organisations CEN, CENELEC and ETSI Provision of support to organisations representing societal stakeholders in European standardisation activities Management of Eurocodes Market surveillance: Management of ICSMS (Information and Communication System on Market Surveillance) Financial support for joint actions for market surveillance for products Financial support for Administrative Coordination Groups (ADCOs) for market surveillance for products		
Planned Evaluations:		
Evaluation of the implementation of Regulation 1025/2012 and of the relevance of standardisation activities	2016	REFIT, Internal Market

Relevant General Objective: To ensure an open internal market for goods and services conducive to growth and jobs		
Specific Objective 3: Citizens and businesses know about and can exercise their Single Market rights swiftly in all Member States		
<input checked="" type="checkbox"/> Non-spending Programme		
Baseline	Milestone	Target (2020)
Result indicator: Performance of Your Europe public information website in terms of language coverage and number of visits		
Source: Your Europe web portal		
End 2012	End 2014	By end 2015:
7 out of 8 sections in the citizens part	EU content of all 8 sections	Full multilingual coverage of sections

fully operational in 22 languages 4,3 million visits/year	complete in 23 languages; 9 million visits/year	dedicated to all EU rights for citizens and businesses, including all relevant national information on rules and procedures; 11 million visits/year
Result indicator: Performance of the SOLVIT on-line problem solving network in terms of number of cases received Source: SOLVIT/ IMI application		
End 2012 1238 cases received (within SOLVIT remit) Average case handling time: 69 days	Milestone for end 2014: 2300 (85% increase) Average case handling time: 74 days	70% more SOLVIT cases per year while maintaining the speed and quality of case handling by end 2015
Result indicator: Performance of the Internal Market Information System (IMI) online application tool in terms of policy areas covered Source: IMI application		
End 2012 4 policy areas (professional qualifications, services, posting of workers, euro cash-in transit)	End 2014 9 modules/policy areas (added : train drivers licences, e-commerce, services notifications, patients' rights, SOLVIT)	Expansion to 15 modules/policy areas by end 2015 (already agreed : public procurement, cultural goods, European Professional card; pending, inter alia, : public documents, non-road mobile machinery and non-harmonised goods)
Main outputs		
Two editions of the On-line Single Market Scoreboard, a comprehensive tool to monitor performance of Member States regarding governance of the Single Market (1st and 3rd quarter 2015 - 1st edition published in April)		

Relevant General Objective: To ensure an open internal market for goods and services

Specific Objective 4: EU businesses benefit from a regulatory level playing field and consistent market access at international level

Non-spending Programme

Baseline	Milestone	Target (2020)
Result indicator: Number of on-going trade and investment negotiations between the EU and third countries Source: GROW/B4		
14 on-going negotiations at different stages with third countries/ regions. In all of them, regulatory aspects particularly for services are becoming more important. (November 2014)		Continue and conclude negotiations for FTAs with some of our main trading partners
Result Indicator: Extent of partner countries' legislative alignment with EU product single market regulations Source: GROW/C.1		
On-going preparations for Agreements on Conformity Assessment and Acceptance of industrial products (ACAAs) with Southern Mediterranean and Eastern Partner countries to	Further legislative alignment allowing the opening of ACAA negotiations to extend existing agreements or conclude new	Continue and conclude ACAA negotiations with several partner countries to extend the EU single market in industrial products to neighbouring countries

eliminate 'behind the border' barriers	agreements	
Result indicator: Level of services exchanges (import & exports) with our key trading partners and their number of liberalised sectors Source: Eurostat		
<p>Trade in services EU27 with Extra EU-27</p> <p>Commercial services (million euro)</p> <p>2004 2005 2006 2007 2008 2009 2010 2011 2012 e)</p> <p>Source: Eurostat (BOP_ITS_DET) 7 June 2013 Prepared by DG Trade - Chief Economist Unit - Statistics sector</p>		Maintain growth in trade in services Significant increase in the number of liberalised sectors and depth of liberalisation
Commitments undertaken by WTO members in the context of the GATS (General Agreement Trade in Services)		

Relevant General Objective: To ensure an open internal market for goods and services conducive to growth and jobs		
Specific Objective 5: An open, transparent and efficient public procurement in the EU helps tackling corruption, ensures best value for money for taxpayers, creates new opportunities for businesses and reduces bureaucracy <input checked="" type="checkbox"/> Non-spending Programme		
Baseline	Milestone	Target (2020)
Result indicator: Estimated value of tenders published in TED as a percentage of the total value of public expenditures on works, goods and services Source: TED (Tenders Electronic Daily), "Public Procurement Indicators 2011" (5 December 2012)		
17,7% in 2011 ⁱ²² (13,8% excluding utilities)	13.7% (excluding utilities)	21,4% by 2017 (16,75% excluding utilities)
Result indicator: Level of development of e-procurement, i.e. value of public procurement for which companies submitted offers electronically, divided by the total value of procurement Source: TED (Tenders Electronic Daily), study carried out by IDC Italia and Capgemini		
10.6% in 2011	20% in 2015	100 % in 2018 <i>A legal requirement is introduced by the new Directive of the European Parliament</i>

²² Because of the methodological difficulties to obtain reliable data for public procurement carried out by utilities, it has been decided to use from now on an indicator of public procurement on GDP excluding utilities. The target has been adjusted proportionally.

		<i>and of the Council on public procurement (transposition deadline concerning e-procurement expires in 2018)</i>
Result indicator: Direct and indirect cross-border public procurement above EU Threshold, i.e. percentage of contracts (in number of awards and in values) awarded to bidders registered in a member state different from the one of the contracting authority. Indirect public procurement includes contracts awarded to foreign operators through their affiliates. Source: TED (Tenders Electronic Daily), study "Cross-Border Procurement above EU Thresholds" May 2011i		
<u>Average over a period of 3 years 2007-2009</u> Direct cross-border procurement: 1.6 % of the number of awards and 3.5% of total contract values (TCV) Indirect cross-border procurement through affiliates: 11.4 % of the number of awards and 13.4% of total contract values (TCV)	No data available in the TED and/or Eurostat statistics (study on cross-border procurement to be carried out in 2015)	Regular increases aiming at a 20% increase by 2020 compared to the baseline
Main outputs		
Contribution on smart procurement to the CWP 2015 initiative on Internal Market Strategy on goods and services <i>Legislative action:</i> Commission Implementing Regulation – update to the standard forms for public procurement** Commission Implementing Regulation on the European Single Procurement Document <i>Non-legislative action:</i> Control of implementation and application of procurement law within the EU – Complaints and Infringements procedure Accession of new countries to the WTO Government Procurement Agreement (New Zealand and Montenegro joined until July 2015) Guidance for contracting authorities on how to use green procurement, how to include social considerations in public procurement, how to buy innovative goods and services Code of Best Practices for SMEs Development of a sectoral and geographically selective enforcement policy including preparation of specific country strategies Development of relevant indicators for detecting possible corruption practices in public procurement Commission contribution to the June May 2015 European Council on Defence including a Roadmap on security of supply (issue discussed at the May Council on Defence) Set up an interactive web platform/Wiki for Multistakeholders forum on end-to-end e-procurement Set up of interactive web/platform for exchanges between national authorities related to the transposition of EU public procurement directives and its adequate implementation Development of e-procurement national strategic action plans, inserted in the relevant national country strategies		
Planned Evaluations		
Evaluation of Remedies Directive (Dir.	2015	REFIT, Public Procurement

2007/66/EC)		
Evaluation of Defence Procurement Directive (Dir. 2009/81/EC)	2016	Public Procurement

Relevant General Objective: To ensure an open internal market for goods and services conducive to growth and jobs

Specific Objective 6: A smoothly functioning Intellectual Property (IP) infrastructure in the EU stimulates growth and job creation as well as dissemination of innovative products and services in the Single Market

Non-spending Programme

Baseline	Milestone	Target (2020)
Result indicator: Contribution of IP intensive industries to EU GDP Source: OHIM/Eurostat/EPO		
39% of EU GDP during the period 2008-2010	No milestone to be fixed since the aim is to increase the proportion of the relevant EU GDP over time. New figures expected in 2015 to be supplied by OHIM	Increase the contribution of IP intensive industries to EU GDP
Result indicator: Contribution of IP intensive industries to EU employment Source: OHIM/EPO/GROW		
35% of EU employment (direct or indirect) during the period 2008-2010	No milestone to be fixed since the aim is to increase the proportion of the relevant EU employment over time. New figures expected in 2015 to be supplied by OHIM	Increase the contribution of IP intensive industries to EU employment
Main outputs		
Staff Working Document on better valorisation of IPRs in the Internal Market First biennial Commission Report on the contribution of IP to the EU economy Establishment of a guide of best practice to help public authorities avoid purchasing counterfeit products		
Planned Evaluations		
Evaluation of the Design System in EU Completion	2016	REFIT, Industrial Property

Relevant General Objective: To ensure an open internal market for goods and services conducive to growth and jobs

Specific Objective 7: The EU's regulatory framework fosters growth and jobs, including through mobility in the EU, and supports delivery of quality services for all consumers at affordable prices, regardless of the technology used in their

delivery		
<input checked="" type="checkbox"/> Non-spending Programme		
Baseline	Milestone	Target (2020)
Result indicator: Performance of Points of Single Contact (PSCs) by majority of Member States (as measured in the Single Market Scoreboard) Source: Single Market Scoreboard		
2013: - number of Member States in low performance category: 2 - number Member States in high performance category: 7 Number of Member States in middle performance category: 18		By 2015: - no Member State in the low performance category - increase the number of MS in high performance category (to at least 10)
Result indicator: Market Performance Indicator for retail markets Source: Commission, Consumer Markets Scoreboard		
2012: 77.51		Annual increase of the MPI
Result indicator: Share of business and consumers engaged in cross-border e-commerce Source: Eurostat		
Consumers: 12% in 2013 Enterprises: 15% in 2013		Annual increase of the indicator Annual increase of the indicator
Result indicator: Quality standard for intra-EU cross-border mail Source: International Post Corporation, IPC		
In 2012, 19 (out of 28) Member States reached the 85% target for more than half of their outbound mail flows		Year on year, increase the number of Member States reaching this target (two additional MS every year)
Result indicator: IMI usage (i.e. requests for information) between Member State authorities in the context of recognition of professional qualifications Source: IMI data		
End September 2013: 3196 exchanges of information recorded for the 3 first quarters between Member States in the context of professional qualifications (3091 were recorded for the whole of 2012)		By end 2015: Increase by least 10% in the number of exchanges of information. <i>Projections based on historical data</i>
Main outputs		
Legislative action: Commission Implementing Regulation on the European Professional Card for certain professions and the Alert mechanism (completed 25 June) Preparation and publication of an update of Annex V of Directive 2005/36 (regular update of the list of relevant Member States' diplomas eligible for mutual recognition in certain professions)		
Non-legislative action:		

Implementation Report on the Postal Services Directive

High Level Group (HLG) on Retail Competitiveness: Report on the implementation of the European Retail Action Plan (ERAP) including a progress report on the HLG Retail Competitiveness (The Retail Competitiveness HLG published its recommendations in July 2015)

Co-operation with CEN on the Commission's mandate on horizontal service standards: Identify the potential of horizontal service standards to improve market integration and competitiveness in service sector

Facilitate further administrative co-operation between gambling regulators

Preparatory work on developing Common Training Frameworks

Planned Evaluations

Evaluation of the Commercial Agent Directive	2015	REFIT, Retail Services
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C) HORIZON 2020: RESEARCH RELATING TO ENTERPRISES

EU Competence and added value

Horizon 2020 shall maximise Union added value and impact, focusing on objectives and activities that cannot be efficiently realised by Member States acting alone. Horizon 2020 shall play a central role in the delivery of the Europe 2020 strategy for smart, sustainable and inclusive growth by providing a common strategic framework for the Union's funding of excellent research and innovation, thus acting as a vehicle for leveraging private and public investment, creating new job opportunities and ensuring Europe's long-term sustainability, growth, economic development, social inclusion and industrial competitiveness, as well as addressing societal challenges across the Union.

Horizon 2020 is the biggest ever support programme for research and innovation in the world. The financial envelope for the implementation of Horizon 2020 shall be EUR 82 387 446 638 million, of which a maximum of EUR 77 028 278 638 million shall be allocated to activities under Title XIX of the Treaty on the Functioning of the European Union (TFEU).

Commission's Responsibilities

Horizon 2020 shall be implemented by the Commission. The Commission may entrust part of the implementation of Horizon 2020 to funding bodies.

DG GROWTH Responsibilities

The management of the Horizon 2020 programme is shared among a number of Directorates General. DG Research and Innovation is coordinating service. DG GROWTH manages the following:

Industrial Leadership:

- Innovation in SMEs (50% Growth, 50% RTD). The Growth budget primarily supports the development and provision of innovation related services to SMEs, whereas the RTD budget is dedicated to support SME projects by the EUREKA / Eurostars programme.
- Enabling and industrial technologies (32.22% RTD, 56.88% CNECT, 10.91% Growth): Space (100% Growth management). Particularly relevant for Growth are the Key enabling technologies (KETs) and SILC II (Sustainable Industry Low Carbon - a call is considered related to this initiative).

Societal Challenges:

- Challenge 5: 79.12% RTD, 20.88% (raw materials)

Furthermore, initially a minimum of 5% of the combined budgets for the specific objective "Leadership in enabling and industrial technologies" and the priority "Societal Challenges"

will be allocated to the SME instrument. A minimum of 7% of these combined budgets will be allocated to the dedicated SME instrument averaged over the duration of Horizon 2020.

DG GROWTH does not have its own budget line for Challenge 6, Inclusive, innovative and reflective societies, but via a cross-delegation to Growth from the RTD budget line, Growth manages four actions to foster innovation policies.

As regards access to risk finance, DG GROWTH will not be in charge of managing the budget for early-stage equity financing under Horizon 2020. However, coordination between DG GROWTH and DG RTD remains necessary. The legal bases of COSME and Horizon 2020 require coordination and complementarity.

Finally, DG GROWTH has provided input on various issues related to industrial policy, such as green cars and shipbuilding.

Intervention logic (related to the Growth part of Horizon 2020)

Problems

- Business enterprise R&D expenditures in percentage of GDP are still lower than the 2020 target (1.3% in 2011 against 2% by 2020)
- Compared to other economies such as the US, Korea or China, research in the EU is more focused on basic research than applied or 'close-to-market' research
- SME participation in the EU research programme (14.3% in FP7) is still insufficient and the innovation capacity of SMEs in the EU is not sufficiently exploited.
- While the United States spends around 25% of its space budget on research and development, the EU spends less than 10%.
- Natural resources (raw materials) are increasingly under pressure due to the combined impacts of climate change and current production and consumption patterns

General objective

- To build a society and an economy based on knowledge and innovation across the whole Union by leveraging additional research, development and innovation funding and contributing to attaining R&D targets.

Specific objectives

- 1) To maintain and build global leadership through research and innovation in enabling technologies and space
 - 1a) To foster a cost-effective competitive and innovative space industry (including SMEs) and research community to develop and exploit space infrastructure to meet future Union policy and societal needs
- 2) To stimulate sustainable economic growth by means of increasing the levels of innovation in SMEs, covering their different innovation needs over the whole

innovation cycle for all types of innovation, thereby creating more fast-growing, internationally active SMEs.

- 3) To achieve a resource - and water - efficient and climate change resilient economy and society, the protection and sustainable management of natural resources and ecosystems, and a sustainable supply and use of raw materials, in order to meet the needs of a growing global population within the sustainable limits of the planet's natural resources and eco-systems

Activities

Horizon 2020 supports indirect actions through several of the forms of funding provided for by Regulation (EU, Euratom) No 966/2012 in particular grants, prizes, procurement and financial instruments. The latter shall be the main form of funding for activities close to market, supported under Horizon 2020.

Horizon 2020 also supports direct actions undertaken by the Joint Research Centre.

Industrial Leadership aims to speed up development of the technologies and innovations that will underpin tomorrow's businesses and help innovative European SMEs to grow into world-leading companies. It consists of three specific objectives:

- (a) Leadership in enabling and industrial technologies shall provide support for research, development and demonstration and standardisation and certification where appropriate, on ICT, nanotechnology, advanced materials, biotechnology, advanced manufacturing and processing and space.

Emphasis will be placed on interactions and convergence across and between the different technologies and their relations to societal challenges. Proper consideration of user needs shall be taken into account in all these fields.

- (b) Access to risk finance shall aim to overcome deficits in the availability of debt and equity finance for R&D and innovation-driven companies and projects at all stages of development. Together with the equity instrument of the Programme for the Competitiveness of Enterprises and SMEs, it shall support the development of Union-level venture capital.
- (c) Innovation in SMEs shall provide SME-tailored support to stimulate all forms of innovation in SMEs, targeting those with the potential to grow and internationalise across the single market and beyond.

The activities shall follow a business-driven agenda. The budgets for the specific objectives 'Access to risk finance' and 'Innovation in SMEs' will follow a demand-driven, bottom-up logic. These shall be complemented by the use of financial instruments. A dedicated SME instrument shall be implemented primarily in a bottom-up manner, tailored to the needs of SMEs, taking account of the priorities within the Part on 'Societal challenges' and the specific objective 'Leadership in enabling and industrial technologies'.

The specific objective 'Leadership in enabling and industrial technologies' shall follow a technology-driven approach to develop enabling technologies that can be used in multiple areas, industries and services. Applications of these technologies to meet societal challenges shall be supported together with the Societal challenges. The priority should be given to

innovative projects which are close to the market.

Societal Challenges responds directly to the policy priorities and societal challenges identified in the Europe 2020 strategy and aiming to stimulate the critical mass of research and innovation efforts needed to achieve Union's policy goals. Funding shall be focused on the following specific objectives:

- (a) Health, demographic change and well-being;
- (b) Food security, sustainable agriculture and forestry, marine and maritime and inland water research, and the bioeconomy;
- (c) Secure, clean and efficient energy;
- (d) Smart, green and integrated transport;
- (e) Climate action, environment, resource efficiency and raw materials;
- (f) Europe in a changing world - Inclusive, innovative and reflective societies;
- (g) Secure societies - Protecting freedom and security of Europe and its citizens.

All the activities shall take a challenge-based approach, which may include basic research, applied research, knowledge transfer or innovation, focusing on policy priorities without predetermining the precise choice of technologies or solutions that should be developed. Non-technological, organisational, systems innovation and public sector innovation will be given attention in addition to technology driven solutions.

The emphasis shall be on bringing together a critical mass of resources and knowledge across different fields, technologies and scientific disciplines and research infrastructures in order to address the challenges. The activities shall cover the full cycle from basic research to market, with a new focus on innovation-related activities, such as piloting, demonstration activities, test-beds, support for public procurement, design, end-user driven innovation, social innovation, knowledge transfer and market take-up of innovations and standardisation.

Horizon 2020 will take an integrated approach to the participation of SMEs, taking into account, inter alia, their knowledge and technology transfer needs, which should lead to a minimum of 20% of the total combined budgets for all specific objectives on societal challenges and the specific objective 'Leadership in enabling and industrial technologies' being devoted to SMEs.

Financial Resources (€) in commitment appropriations			Human Resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts ²³	Estimates of external personnel (in FTEs)	Total
440.593.262	17.773.189	458.366.451	43	26	69

Relevant General Objective: To build a society and an economy based on knowledge and innovation across the whole Union by leveraging additional research, development and innovation funding and contributing to attaining R&D targets

Specific Objective 1: To maintain and build global leadership through research and innovation in enabling technologies and space

Specific Objective 1a: To foster a *cost-effective* competitive and innovative space industry (*including SMEs*) and research community to develop and exploit space infrastructure to meet future Union policy and societal needs

Spending Programme

Baseline	Milestone	Target (2020)
Result indicator: Patent applications in the different enabling and industrial technologies for Space Projects Source: Internal monitoring		
This indicator is a new approach, therefore no baseline	2015: 40% of the budget is allocated to activities potentially generating patents	3 patent applications per €10 million funding
Result indicator: Share of projects with activities on the road to innovation measured by the Technology Readiness Level (TRL) indicator²⁴, measured Source: Internal monitoring		
This indicator is a new approach, therefore no baseline	55% of the 2014 budget to be devoted to projects with a TRL of at least 4 (= demonstration through a trial and/or external input)	End 2015: 60% of the budget for the biannual work programme will be devoted to projects with a TRL of at least 4 (= demonstration through a trial and/or external input)
Main policy outputs for SPACE		
Monitoring of FP7/H2020 contracts managed by the Executive Agency REA Commission Implementing Decision on H2020 Work Programme 2016/2017/Space part		
Main expenditure-related outputs for SPACE		
	<i>Indicator</i>	<i>Target</i>

²³ Excluding a technical temporary surcharge of 20 posts to avoid double-counting of 20 posts which are shifted from Fonctionnement to Research on 1/1/2014 due to the change of MFF

²⁴ The TRL index ranges from 1 (basic research) to 9 (market ready application). The target of 4 is to demonstrate that the aim of the programme is to finance projects which intend to innovate. This should not be seen as underrating the value of basic research projects, which actually create pre-conditions for innovation.

<p><i>Launch of calls for proposals:</i></p> <ul style="list-style-type: none"> • Applications in Satellite Navigation – Galileo • Earth Observation • Protection of European assets in and from space • Competitiveness of the European Space Sector: Technology and Science • SME Instrument 	<p>Successful management of call</p>	<p>Projects to start</p>
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Relevant General Objective: To build a society and an economy based on knowledge and innovation across the whole Union by leveraging additional research, development and innovation funding and contributing to attaining R&D targets

Specific Objective 2: To stimulate sustainable economic growth by means of increasing the levels of innovation in SMEs, covering their different innovation needs over the whole innovation cycle for all types of innovation, thereby creating more fast-growing, internationally active SMEs

Spending Programme

Result indicator: Number of SME receiving directly innovation support services from the activities financed by 'Innovation in SME'
Source: EASME monitoring

Baseline	Milestone	Target (2020)
This indicator is a new approach, therefore no baseline	2000 in 2014 6000 in 2015 7500 further on	By 2020: 45.500

Main policy outputs

European Social Innovation Competition 2015 launched in March. Awards to be presented in November 2015 accompanied by a communication campaign and a mentoring scheme proposed to the best applicants in order to maximise the impact on social innovators in the EU

Implementation and monitoring of the Action Plan on Design-Driven Innovation

Annual opinion poll of businesses or general public on attitudes and activities related to innovation policy

Public Procurement of Innovation Award 2015 to recognise successful public procurement practices that have been used to purchase innovative, more effective and efficient products or services and the appointment of Public Procurement of Innovation Ambassadors

Publication of the Innovation Union Scoreboard 2015 (published in July) and European Public Sector Innovation Scoreboard

Business Innovation Observatory: delivery of ca. 20 case studies on novel business and industrial innovation trends, practices and models; two analytical trend reports based on the evidence from case studies, other analytical sources and business innovation workshops; the organisation of business innovation workshops across Europe with participation of business community, relevant policy makers and other experts

Regional Innovation Monitor monitors innovation policy developments in EU regions – organisation of thematic workshops during 2015

Organisation of a conference and workshops on demand-side innovation policy to showcase what demand-side policies can achieve and to develop orientations for Member States and regions on how to implement and evaluate demand-side policy measures

<i>Main expenditure-related outputs</i>		
	<i>Indicator</i>	<i>Target</i>
<p><i>Launch of call for proposals:</i></p> <ul style="list-style-type: none"> Creating a performing ecosystem for SME innovation support with actions resulting in grants: INNOSUP Cluster facilitated projects for new industrial value chains, Peer learning of innovation agencies, Online collaboration <p>Other actions: Financial support for the Enterprise Europe Network partners and IMP3rove (European innovation management Academy) Development of a toolbox and methodologies to support SMEs in capturing innovation impulses from emerging economies</p>	Successful management of call	Projects to start

Relevant General Objective: To build a society and an economy based on knowledge and innovation across the whole Union by leveraging additional research, development and innovation funding and contributing to attaining R&D targets

Specific Objective 3: To achieve a resource - and water - efficient and climate change resilient economy and society, the protection and sustainable management of natural resources and ecosystems, and a sustainable supply and use of raw materials, in order to meet the needs of a growing global population within the sustainable limits of the planet's natural resources and ecosystems

Spending Programme

Baseline	Milestone	Target (2020)
<p>Result indicator: Patent applications in the area of the different Societal Challenges (climate action, resource efficiency and raw materials) Source: Internal monitoring</p>		
New activity under the Horizon 2020, therefore no baseline	2015: 80% of the budget is allocated to activities potentially generating patents	On average 2 patent applications per EUR 10 million funding
<p>Result indicator: Share of projects with activities on the road to innovation measured by the Technology Readiness Level (TRL) indicator²⁵ Source: Internal monitoring</p>		
This indicator is a new approach, therefore no baseline	80% of the 2015 budget to be devoted to projects with a TRL of at least 4 (=	End 2015: 80% of the budget for the annual work programme will be devoted to projects with a TRL of at least 4 (= demonstration

²⁵ The TRL index ranges from 1 (basic research) to 9 (market ready application). The target of 4 is to demonstrate that the aim of the programme is to finance projects which intend to innovate. This should not be seen as underrating the value of basic research projects, which actually create pre-conditions for innovation.

	demonstration through a trial and/or external input)	through a trial and/or external input)
Main policy outputs		
Implementation of the European Innovation Partnership for Raw Materials including studies, reports, conferences, raise awareness, promote skills and employment in the raw materials sector and website to promote the visibility, provide stakeholders involved in the EIP with an interactive platform to facilitate exchange of ideas and cooperation of partners		
Main expenditure-related outputs		
	<i>Indicator</i>	<i>Target</i>
<p><i>Launch of call for proposals:</i></p> <ul style="list-style-type: none"> • A resource to recycle, reuse and recover raw materials: towards a zero waste society • Growing a low carbon, resource efficient economy with a sustainable supply of raw materials <p>Other actions: Public procurement - Support to EU's raw materials policy</p>	Successful management of call	Projects to start 3 rd quarter 2015

D) EUROPEAN SATELLITE NAVIGATION PROGRAMMES (GALILEO AND EGNOS)

EU competence and added value

The EU right to act is based on article 172 of the Treaty on the functioning of the European Union and the GNSS Regulation (EU) No 1285/2013 of the European Parliament and of the Council on the implementation and exploitation of European satellite navigation systems.

Galileo and EGNOS are complex projects which exceed the financial and technical capacities of a single Member State; as such they fully fall within EU competence. Moreover, considering their requirements in terms of security, all Member States must be involved in those programmes.

The Galileo and EGNOS programmes are flagship projects of the Union. Promotion of this technology, which is a powerful driver for emerging from the crisis, fits in with the Europe 2020 strategy and policies for sustainable development. The new generations of high-performance satellite navigation services provide considerable opportunities for all fields of activity with many new jobs bound up with the expansion of markets, which have grown at an annual rate of 30% over the past few years.

In this context, the Commission is working to develop an ecosystem of applications to optimise the use of services provided by the systems and maximise the socio-economic benefits. Accordingly, it is implementing the 24 measures referred to in its the Action Plan on GNSS applications of 14 June 2010 (COM(2010) 308). But this Action Plan now needs to be updated and further measures to be prepared for securing the market uptake of Galileo and EGNOS services in specific sectors of the economy.

The European satellite navigation programmes do not only concern the Member States with the greatest involvement in the space field: they concern all the Member States of the Union directly. All citizens of the Union will benefit from a range of services provided by the infrastructures in place. Moreover, small and medium enterprises everywhere in Europe play an important role in the programmes since one of the objectives of the Union is to promote the widest and most open participation possible for all businesses in public procurement procedures.

The maximum amount allocated by the European Union to the implementation of the GNSS activities and to cover risks associated with these activities shall be EUR 7,072 million at current prices for the period from 1 January 2014 to 31 December 2020. The indicative commitment appropriations for 2014 are EUR 1,339 million.

Intervention logic

Problems

- Europe is dependent on satellite navigation of third countries: Today close to 7% of the EU's GDP, i.e. about € 800 billion, rely on satellite navigation and thus currently on GPS.
- The satellite navigation programmes of third countries are designed for military purposes. Galileo is also the only Global Navigation Satellite System (GNSS) specifically designed for civil purposes, i.e. it aims to satisfy the requirements and the needs of the civil sector.
- The performance of the existing satellite navigation systems is not optimal. EGNOS and Galileo will provide additional benefits in combination with other GNSS.

General objective

- Supporting European presence in space and the development of satellite-based positioning, navigation and timing services.

Specific objectives

- To develop and provide global satellite-based radio navigation infrastructures and services²⁶ (Galileo) by 2020.
- To maintain provision of satellite-based services²⁷ improving the performance of GPS (EGNOS) and to gradually extend its coverage in accordance with Regulation 1285/2013²⁸

Actions

Main budgetary modes: Grants and procurement

The budget for the period 2014-2020 will be used to finance activities relating to:

- the completion of the deployment phase of the Galileo programme;
- the exploitation phase of the Galileo programme;
- the exploitation phase of the EGNOS programme;
- the management and monitoring of the Galileo and EGNOS programmes.

²⁶ According to the legal base (GNSS Regulation (EU) No 1285/2013) the specific objectives of Galileo cover the following services: Open Service (OS), Commercial Service (CS), Public Regulated Service (PRS) and contribution to integrity-monitoring services aimed at users of safety-of-life and to the Search and Rescue support Service (SAR) of the COSPAS-SARSAT system

²⁷ According to the legal base (Regulation (EU) No 1285/2013) the specific objectives of EGNOS cover the following 3 services. Open Service (OS), EGNOS Data Access Service (EDAS) and Safety-of-Life Service (SoL).

²⁸ Extend its coverage as priority to the area of the Member States' territories geographically located in Europe as soon as possible and to other regions of the world, in particular to the territories of candidate countries, of third countries belonging to the Single European Sky and of countries of the European Neighbourhood Policy, subject to technical feasibility and on the basis of international agreements

Also, budget will be used:

- to finance activities relating to research and development of fundamental elements, such as Galileo-enabled chipsets and receivers,
- for preparation, monitoring, inspection, audit and assessment activities, in particular for studies and meetings with experts; information and communication activities, IT technology networks, and any other technical or administrative assistance given to the Commission for the management of the programmes.

Beneficiaries and management mode

- The payment appropriations will be requested annually through the Commission budget process based on the forecasted needs of the different stakeholders (industry, European GNSS Agency, European Space Agency).
- The main part of the payment appropriations is related to the obligations coming from contract signed with industry.
- Indirect management will be provided mainly by the European Space Agency (ESA) and the European GNSS Agency (GSA)

Commission responsibilities

The Commission has the overall responsibility for the Galileo and EGNOS programmes. It shall manage the funds allocated under the GNSS Regulation and oversee the implementation of all programme activities, in particular with respect to their cost, schedule and performance.

In addition, the Commission:

- ensures a clear division of tasks between the entities involved in the programme;
- ensures the timely implementation of the Galileo and EGNOS programmes within the resources allocated to the programmes;
- manages relationships with third countries and international organisations;
- provides all relevant information pertaining to the Galileo and EGNOS programmes,
- assesses the possibilities for promoting and ensuring the use of the European satellite navigation systems across the various sectors of the economy.

Main intended results

- The EU manages an independent satellite navigation programme.
- Galileo and EGNOS generate return on investments for the European Union
- Economic activity and technological innovation is strengthened in Europe: The cumulative benefits are forecasted to be up to € 130 billion over the period of the next 20 years.
- Traffic management will be optimised whether on road, waterborne or aerial. Better managed traffic will improve safety and reduces pollution since travel is more efficient.

- Satellite navigation also enables emergency services to better carry out their duties (e.g. in case of fires, road accidents, mountain rescue).
- The combined use of GPS and Galileo signals will allow for better precision and availability and opens the door to new applications which are not possible by using GPS alone.

Exogenous factors/risks

- Technical failures could lead to delays in the timing and increase the costs.
- The negotiation with third countries could become unsuccessful.
- The management of the projects depends on the proper working of the European Space Agency (ESA) and the European GNSS Agency.

Financial Resources (€) in commitment appropriations			Human Resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
1.083.990.000 ²⁹	3.400.000	1.087.390.000	54	22	76

Relevant General Objective: Supporting European presence in space and the development of satellite-based positioning, navigation and timing services

Specific Objective 1: To develop and provide global satellite-based radio navigation infrastructures and services³⁰ (Galileo) by 2020

Spending Programme

Baseline	Milestone	Target (2020)
Result indicator: Cumulative number of operational satellites Source: ESA's launch calendar		
2013: 4	8 by end 2015	30 satellites by 2020
Result indicator: Terrestrial infrastructure deployed version Source: WP2 and WP3 contracts		
Version 1 in June 2011	Version 2 by 2015	No target yet foreseen after 2015
Result indicator: Number of services implemented Source: Early service task force		
Deploy enough operational satellites in orbit to declare early services if possible in 2015, and at any rate at the latest in 2016	Deploy enough operational satellites in orbit to declare early services if possible in 2015, and at any rate at the latest in 2016	4 full services by 2020
Main policy outputs		
Delegation Agreement with the European Space Agency (ESA) about GNSS infrastructure-related research and development activities under Horizon 2020		
Working arrangement between the European Space Agency (ESA) and the European GNSS Agency (GSA) on Galileo exploitation		
Transfer of ownership of all tangible and intangible assets of the In Orbit Validation (IOV) phase from the European Space Agency to the European Union		
Start negotiations with US and with Norway on PRS access after getting the mandate for negotiation from the Council, subject to the entry into force of the Common Minimum Standards (CMS) for PRS		

²⁹ Excluding GSA outturn (approximately 49 000€)

³⁰ According to the legal base (GNSS Regulation (EU) No 1285/2013) the specific objectives of Galileo cover the following 5 services: Open Service (OS), Integrity monitoring Service, Commercial Service (CS), Public Regulated Service (PRS) and contribution to integrity-monitoring services aimed at users of safety-of-life and to the Search and Rescue support Service (SAR) of the COSPAS-SARSAT system.

Annual Report on the implementation of the programmes 2014 – April 2015		
<i>Main expenditure-related outputs</i>		
<i>These outputs will be performed by the Commission, ESA & GSA</i>	<i>Indicator</i>	<i>Target</i>
<p>Provide Galileo services:</p> <ol style="list-style-type: none"> 1. Deploy infrastructure 2. Provide early services for Open Service (OS), Public Regulated Service (PRS) and Search and Rescue Service (SAR) 3. Ensure compatibility and interoperability with relevant systems 4. Ensure the security of the Galileo programme 	<ol style="list-style-type: none"> 1. Timely delivery of space and ground infrastructure 2. Early services declaration 3. Successful discussions 4. Maintain security accreditation for operations and for site infrastructure. Improve the cyber security of the system 	<ol style="list-style-type: none"> 1. By December 2015 2. As soon as possible in the course of 2016 3. By December 2015 4. By December 2015 and throughout its life time
<p>Secure return on investment:</p> <ol style="list-style-type: none"> 1. Raise awareness 2. Reinforce market uptake, and standardisation, worldwide 3. Support the development of EU industry 4. Protect frequencies 	<ol style="list-style-type: none"> 1. Successful provision of events, audio visual materials, publications 2. Publication of a new Action Plan on GNSS Applications 3. Successful management of H2020 projects 4. Conclude ITU agreements and preparation of action plan for WRC 2015 	<ol style="list-style-type: none"> 1. By December 2015 2. By September 2015 3. By December 2015 4. By December 2015
<p>Implement European GNSS evolutions:</p> <ol style="list-style-type: none"> 1. Ensure Galileo evolution 	<ol style="list-style-type: none"> 1. Conclude ESA's European GNSS Evolution Programme (EGEP) to Horizon 2020 transition. Preparation of a consolidated Mission Evolution roadmap, a final System Evolution roadmap 	<ol style="list-style-type: none"> 1. By December 2015

Relevant General Objective: Supporting European presence in space and the development of satellite-based positioning, navigation and timing services		
Specific Objective 2: To maintain provision of satellite-based services³¹ improving the performance of GPS (EGNOS) and to gradually extend its coverage in accordance with Regulation 1285/2013³² <input checked="" type="checkbox"/> Spending Programme		
Baseline	Milestone	Target (2020)
Result indicator: Progress of the EGNOS coverage extension versus agreed coverage extension Source: GSA		
No baseline established yet	Establishment of an updated EU coverage extension plan for EU-28 in December 2015	Coverage of EU-28 with EGNOS
Result indicator: EGNOS service availability index based on the number of airports with EGNOS-based approach procedures with an operational status³³ versus the total number of airports with EGNOS –based approach procedures Source: GSA		
Service availability index: 100% Total number of airports with EGNOS procedures: 119 (September 2014) Total number of airports with operational status: 119 (September 2014)	Continue EGNOS Safety-of-Life service provision and gradually increase the total number of airports with EGNOS-based approach procedures	Maintain the service availability index constantly at least on 99%
Main policy outputs		
Working arrangement between the European Space Agency (ESA) and the European GNSS Agency (GSA) on EGNOS exploitation Ensure the continuation of provision of EGNOS services Conclude the deployment of EGNOS system release v2.4.1M Recommendation for a Council decision authorising the opening of negotiations on an agreement between the EU and Ukraine on the terms and conditions for the provision of satellite-based Augmentation Services in Ukraine based on the European satellite Navigation Programmes EGNOS Recommendation for a Council decision authorising the opening of negotiations on an agreement between the EU and Switzerland on the participation of Switzerland in the European GNSS Agency Full title of the agenda item Full title of the agenda item Commission delegated Decision on common minimum standards on rules to PRS provided by GNSS		
Main expenditure-related outputs		

³¹ According to the legal base (GNSS Regulation (EU) No 1285/2013) the specific objectives of EGNOS cover the following 3 services. Open Service (OS), EGNOS Data Access Service (EDAS) and Safety-of-Life Service (SoL).

³² Extend its coverage as priority to the area of the Member States' territories geographically located in Europe as soon as possible and to other regions of the world, in particular to the territories of candidate countries, of third countries belonging to the Single European Sky and of countries of the European Neighbourhood Policy, subject to technical feasibility and on the basis of international agreements

³³ An airport with operational status is that one with EGNOS APV-I availability over 99% for the related month

<i>These outputs will be delivered by the EU, ESA & GSA</i>	<i>Indicator</i>	<i>Target</i>
Provide EGNOS services: 1. Improve EGNOS Services 2. Enlarge EGNOS Coverage 3. Ensure the security of the EGNOS programme	1. Declare improved EGNOS . upgrade and deploy EGNOS system 2. Update EGNOS coverage extension plan for EU-28 3. Implement security risk reducing measures	1. By December 2015 2. By December 2015 3. By December 2015
Implement European GNSS evolutions: 1. Ensure EGNOS evolution	1. Prepare the new EGNOS generation (EGNOS V3)	1. By December 2015

E) COPERNICUS

EU Competence and added value

Copernicus is the new name of the European Earth Observation Programme, GMES (Global Monitoring for Environment and Security). The predecessor of Copernicus was established as an EU programme by the GMES Regulation (EU) No 911/2010. It covers all the activities for ensuring an uninterrupted provision of accurate and reliable data and information on environmental issues and security matters to users in charge of policy making, implementation and monitoring, in the EU and its Member States.

Copernicus is structured in six services: Marine, Atmosphere, Land and Climate change monitoring as well as support to Emergency and Security. Copernicus uses data from satellites and in-situ sensors such as buoys, balloons or air sensors to provide timely and reliable added-value information and forecasting to support for example, agriculture and fisheries, land use and urban planning, the fight against forest fires, disaster response, maritime transport or air pollution monitoring.

Copernicus also contributes to economic stability and growth by boosting commercial applications (the so-called downstream services) in many different sectors through a full and open access to Copernicus observation data and information products. It is one of the programmes to be delivered under the Europe 2020 strategy for smart, sustainable and inclusive growth and it was included in the industrial policy initiative of Europe 2020, given its benefits to a wide range of Union policies.

Responsibility for funding the exploitation and the renewal of space infrastructure developed with EU and intergovernmental funds cannot be optimally achieved by individual Member States because of the costs incurred. In the field of space-based observation for operational meteorology, European States have pooled their resources to develop and exploit meteorological satellites in the framework of the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT). European States also developed demonstrators of environmental satellites either through the European Space Agency (ESA) or through national space agencies. They could not, however, find a way to co-operate with regard to the funding of sustained operational programmes in the field of environmental monitoring. The need for continuing such observations is becoming critical, considering the increasing political pressure on public authorities to take informed decisions in the field of environment, security and climate change and the need to respect international agreements.

For the services with a pan-European and a global coverage, Member States cannot sufficiently achieve the objectives of the proposed action, as the inputs from different Member States have to be aggregated at EU level. The provision of other services (e.g. emergency maps or thematic land monitoring maps of a more limited geographical scope) can be better achieved at EU level as a more coherent and centralised management of input data, from space based or in-situ sensors will allow for economies of scale.

A coordinated provision of Earth monitoring services at Member State level helps to avoid duplications and enhances the monitoring of the implementation of EU environmental legislation on the basis of transparent and objective criteria. Only comparable information produced at Member State level will make it possible to ascertain an effective implementation

of environmental legislation which in many cases addresses truly borderless and therefore international problems.

The financial envelope allocated to the Copernicus programme for the period 2014 – 2020 has a maximum amount of EUR 3 786 million in 2011 prices.

Intervention logic

Problems

- Europe needs a long-term commitment to the development of space-based environmental monitoring services
- Public authorities and enterprises need accurate and reliable information in the field of the environment and security, tailored to the needs of users and supporting other Union's policies, in particular relating to the internal market, transport, environment, energy, civil protection, cooperation with third countries and humanitarian aid.
- Individual Member States cannot develop such an observation system on their own because of the costs incurred.

General objectives

- Monitoring the Earth to support the protection of the environment and the efforts of civil protection and civil security
- Maximising socio-economic benefits , thus supporting the Europe 2020 strategy and its objectives of smart, sustainable and inclusive growth by promoting the use of Earth observation in applications and services
- Fostering the development of a competitive European space and services industry and maximising opportunities for European enterprises to develop and provide innovative Earth observation systems and services
- Ensuring autonomous access to environmental knowledge and key technologies for Earth observation and geoinformation services, thus enabling Europe with independent decision-making and action
- Supporting and contributing to European policies and fostering global initiatives, such as GEOSS

Specific objectives

- 1) Delivering accurate and reliable data and information to Copernicus users, supplied by the following operational services: (a) atmosphere monitoring; (b) marine monitoring; (c) climate change monitoring; (d) land monitoring; (e) emergency management; (d) security control
- 2) Providing sustainable and reliable access to spaceborne data and information from an autonomous European Earth observation capacity with consistent technical specifications and building on existing European and national assets and capabilities, complementing them whenever necessary

- 3) Providing a sustainable and reliable access to in-situ data, relying, in particular, on existing capacities operated at European and national levels, and on global observation systems and networks.

Actions

Main modes of spending: Grants and public procurement.

Beneficiaries and Management modes

The Commission may entrust tasks to competent Union or European bodies, eg.:

- the European Space Agency (ESA) and the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT) for the development of the space component
- the European Environment Agency (EEA);
- the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (FRONTEX);
- the European Maritime Safety Agency (EMSA);
- the European Union Satellite Centre (EUSC).

Commission responsibilities

- overall responsibility for the programme; defining the priorities and objectives of the programme and overseeing its implementation, in particular with respect to the cost, schedule and performance
- managing relationships with third countries and international organisations, ensuring the coordination of Copernicus with activities at national, Union and international levels.
- coordinating the contributions of Member States aiming at the operational delivery of services and the long-term availability of the data from observation infrastructures needed to operate the services.
- ensuring the complementarity and consistency of the Copernicus programme with other relevant Union policies, instruments, programmes and actions.
- maintaining a transparent and regular user involvement and consultation, enabling identification of user requirements at Union and national levels.
- adopting delegated acts concerning the establishment of the data requirements necessary for the operational services, making provision for their evolution.
- making the financial resources available for the funding of the Copernicus programme.

Main intended results

- Europe is provided with a continuous, independent and reliable access to observation data.
- All Copernicus services are operational by 2020.
- Commercial applications are available and generate economic benefits

Exogenous factors/risks

- Technical failures could lead to delays in the timing of the programme and increase the costs.
- The management of the programme depends on the proper working of the “operators”.

Financial Resources (€) in commitment appropriations			Human Resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
553.870.000	2.500.000	556.370.000	The human resources for Copernicus are included in the ABB Horizon 2020		

Relevant General Objective: Monitoring the Earth to support the protection of the environment and the efforts of civil protection and civil security

Specific Objective 1: Delivering accurate and reliable data and information to Copernicus users, supplied on a long term and sustainable basis enabling the services referred to in Article 4(1) and responding to the requirements of Copernicus Core Users

Spending Programme

Baseline	Milestone	Target (2020)
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Result indicator: Number of engaged users showing sustained uptake through registered data download
Source: Copernicus Delegations

Recognised users served during pre-operational phase = 1	2015	2016	2017	2018	2019	2
			1.5			

Result indicator: Progression in number of satisfied users³⁴
Source:

Percentage of returning & engaged users	2015	2016	2017	2018	2019	65%
	20%			40%		

Main policy outputs

Delegation agreements for the:

- Land Monitoring Service (Pan EU and local)
- Atmosphere Monitoring Service and Climate Change Service
- Marine Environment Monitoring Service
- Border Surveillance Component for the Security Service
- Maritime Surveillance Component for the Security Service

Main expenditure-related outputs

Output	Indicator	Target
Emergency Management Service: 1. Mapping - Ensure the continuity of the operational mechanism for delivering emergency	Timely provision of information;	By end 2015

³⁴ User satisfaction being expressed as percentage of Copernicus users which integrate the service products regularly into their workflows

<p>mapping products during the emergency response phase.</p> <p>2. European Flood Awareness System - operational flood forecast activities for European rivers.</p> <p>3. European Forest Fire Information System - near real-time and historical information on forest fires and forest fires regimes in the European, Middle Eastern and North African regions.</p>	<p>Timely provision of processed data</p>	
<p>Land Monitoring Service:</p> <p>1. Pan-European Land coverage</p> <p>2. European Local Land - Provision of more detailed information on specific areas of interest (eg urban areas, riparian zones, coastal areas, Natura2000)</p> <p>3. Global land coverage – production of a set of biophysical parameters relevant for crop monitoring, crop production forecast, carbon budget, biodiversity and climate change monitoring at global level, as well as additional biophysical parameters relevant for environmental monitoring purposes in non-EU countries.</p> <p>4. Global Land Hot spot monitoring – provision of land cover and thematic information related to environmental EU projects outside EU territory</p> <p>5. Sentinel-2 Pre-Processing - processing of Sentinel-2 data at Level 2 (atmospherically corrected) and Level 3 (spatial/temporal cloud-free composites) will allow the provision of data ready for end user applications</p>	<p>Timely provision of information; Provision of parameters; Timely provision of data; Timely provision of reference data</p>	<p>By end 2015</p>
<p>Marine Environment Monitoring Service:</p> <p>Provision of regular and systematic information on ocean and marine eco-systems</p>	<p>Provision of data and information according to user requirements</p>	<p>By end 2015</p>
<p>Atmosphere Service:</p> <p>Generating geophysical products and information on the atmosphere</p>	<p>Provision of data and information according to user requirements</p>	<p>By end 2015</p>
<p>Climate Change:</p> <p>Provision of information about the current state of the climate</p>	<p>Provision of information according to user requirements</p>	<p>By end 2015</p>
<p>Security Service:</p> <p>1. The build-up of capacities in FRONTEX to operate border surveillance services</p> <p>2. The build-up of capacities in the European Maritime Safety Agency (EMSA) to operate maritime surveillance services</p>	<p>1. Establishment of capacities</p> <p>2. Establishment of capacities</p>	<p>1. Capacities operational from December 2015 onwards</p> <p>2. Capacities operational from December 2015 onwards</p>

Relevant General Objective: Fostering the development of a competitive European space and services industry and maximising opportunities for European enterprises to develop and provide innovative Earth observation systems and services						
Specific Objective 2: Providing sustainable and reliable access to spaceborne data and information from an autonomous European Earth observation capacity						
<input checked="" type="checkbox"/> Spending Programme						
Baseline		Milestone			Target (2020)	
Result indicator: The accomplishment of the space infrastructure in terms of satellites deployed and data it produces						
Source: Quarterly and Annual implementation reports received from ESA and EUMETSAT						
2014 = 1 satellite 2013 = 0 satellites	2015	2016	2017	2018	2019	8
	3	6	7	7	7	
Main policy output						
Support to the Copernicus space component via the Delegation Agreements with ESA and EUMETSAT for the continued development of the dedicated Copernicus satellites (Sentinels)						
Main expenditure-related outputs						
Data dissemination to end users			Number of end-users		Increase number	
Provision of Copernicus Contributing Missions (CCM) data to Copernicus Services and other users			Volume of data provided		Increase volume	
Contribution to the Space Surveillance and Tracking (SST) Programme			Provision of contribution		By end 2015	

Relevant General Objective: Ensuring autonomous access to environmental knowledge and key technologies for Earth observation and geoinformation services						
Specific Objective 3: Providing a sustainable and reliable access to in-situ data, relying, in particular, on existing capacities operated at European and national levels, and on global observation systems and networks						
<input checked="" type="checkbox"/> Spending Programme						
Baseline		Milestone			Target (2020)	
Result indicator: Sustained availability of in-situ data for supporting Copernicus services						
Source: EEA						
Services receiving in-situ data	2014	2015	2016	2018	2019	6
	2	4 ³⁵	6	6	6	

³⁵ The in-situ sensors are already deployed, as soon as the remaining 4 Copernicus services become operational, in-situ data will be fed into

<i>Main policy output</i>									
Delegation agreement with the European Environment Agency									
<i>Main expenditure-related outputs</i>									
	Year	2014	2015	2016	2017	2018	2019	2020	
	Commitment appropriations in Mio EUR	0.6	2.2	2.25	2.25	2.25	2.25	2	

them.

F) POLICY STRATEGY AND COORDINATION

Communicating the Priorities

DG GROW communication will focus on two of President Juncker's priority policy areas: **a new boost for jobs, growth and investment**, and **a deeper and fairer internal market with a strengthened industrial base**, and the five areas Commissioner Bieńkowska has been asked to focus on.

The communication actions of DG GROW contribute mainly to the **“Europe’s competitiveness and employment” corporate theme**, and partially to the “Europe working for citizens” and “Europe’s global role” theme. The majority of our actions fall under the “Jobs, Growth, Investment and Competitiveness”, “Better Regulation”, “Connected Digital Single Market” and into “Energy Union” project teams.

- **Policy priority – developing the full potential of the internal market**

The 2015 communication efforts will accompany main policy initiatives such as a renewed and **integrated Internal Market Strategy** for goods and services building on the existing legislative framework such as the Services Directive. The challenge to overcome is to change the perception that protectionism saves jobs: a single, open, internal market creates jobs and drives growth. We will continue to inform the citizens about the rights they have in the existing Single Market and how they can exercise their rights. A communication will clarify for stakeholders how to interpret certain provisions of the Unitary Patent. We will communicate collegially on the Digital Single Market Package.

- **Policy priority – raising the profile of industry in the economy**

The policy challenge is to find ways to stimulate investment in new technologies, improve the business environment and to ease access to markets and to finance.

Innobarometer, the 2015 survey on **drivers and barriers for innovation in EU enterprises** will be widely disseminated as a foundation of policy-making at all levels from the EU institutions down to regional and local authorities.

In keeping with our "go local" approach, and reaching out to the Europeans of the future, **Raw Material University Days** will be held to encourage young people into the raw material sector.

In 2015 DG ENTR will continue to communicate on **space**, to make citizens aware of the benefits to be expected in return for the large sums invested. The **European Space Expo** will continue to tour Europe bringing the message directly to citizens. As the **Galileo** and **Copernicus** services approach commercial operation, a major effort will be made to ensure take-up by service operators and manufacturers.

- **Policy priority – new sources of growth, easing the bottlenecks**

An integrated campaign is planned, to promote the **benefits** of the **COSME** framework programme for **small and medium enterprises** (improvement of access to finance and markets, promotion of entrepreneurship), focused on five countries whose economies are likely to grow only moderately throughout 2015, where the framework conditions for SMEs are difficult and where the positive image of the EU is in decline (Cyprus, Italy, Spain, France, and Greece). The campaign will be reinforced by the **2015 European SME Week and SME Assembly** in November. To raise awareness about social innovation and its

potential DG ENTR will launch for the third time a very successful **European Social Innovation Competition**.

- **Policy priority - delivering on the better regulation agenda:**

In the better regulation field our communication efforts will focus on **encouraging stakeholders to participate in consultations** and informing citizens when results are achieved, to counter the negative image of the institutions. Highlights in 2015 are expected to include: fit-for-purpose evaluation of the EU legislation on pre-packaging, holistic reviews of the regulations affecting the chemical, oil refining and glass and ceramics sectors; evaluations of the relevance of standardisation and of the mutual recognition regulation affecting goods; repeal of legislation on the classification, packaging and labelling of dangerous preparations.

- **Policy priority - synergies and stronger cooperation in defence procurement:**

Communication in this area will be restricted to announcing steps forward and achievements. The stakeholders are **not susceptible to communication via media**.

The right approach to maximise impact

Communication will follow the same way of working as policy making- we will communicate **collegially, overcoming silo mentalities, across portfolios and in an integrated and planned way**. We aim to show the most important and **relevant** benefits and impacts which the EU has for real people.

For direct, programme-related communication with stakeholders, the DG will use the **Enterprise Europe Network** which has a widespread network of local offices that can adapt our messages to local conditions.

The DG will maximise its **use of social media** to attract interest to announcements (e.g. via the GROW Newsroom) and will continue to develop the use of social media seeding companies, whose thorough knowledge of the potential audience allow us to target our messages to maximum effect.

Classical press relations, through the mechanism of the one-off press release will continue according to the directions of the SPP, and the DG will continue to **work closely with press agencies** to ensure that important events receive coverage.

More **direct on-line channels** will be used: the newsletter will be used **when there is news**, rather than according to a fixed schedule, so that it is genuinely interesting to the reader. The classic, paper-based magazine will disappear, to be replaced by a continuously updated news gallery, which can be drawn upon to produce paper publications whenever appropriate.

Financial Resources (€) in commitment appropriations			Human Resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
/	/	/	95	17	112

Specific Objective 1: To ensure an effective management of the organisation and ensure that all policies and measures undertaken by the DG are done in pursuit of its overall mission		
Baseline	Milestone	Target (2020)
Result indicator: Degree of achievement of the DG's CWP Items Source: internal monitoring		
100% in 2014	100% each year	100%
Result indicator: Percentage of positive opinions by the Impact Assessment Board on first submission by DG GROWTH Source: Impact Assessment Board Report		
67% in 2014 (62% for the Commission in average) 83% in 2013 (41% for the Commission in average)	Significantly higher percentage of positive opinions on first submission than Commission average each year	
Specific Objective 2: To maintain dialogue and cooperation with other EU institutions, Member States, Third Countries and other stakeholders in order to advance the objectives of the DG		
Baseline	Milestone	Target (2020)
Result indicator: Number of questions/queries from EU institutions, Member States, Third Countries and other stakeholders that were replied to within a good timeframe by the DG Source: Inter-institutional database BASIL		
1.250 in 2013	100% each year	100%
Result indicator: Proportion of requests for access to documents coordinated and handled according to the provisions of Regulation 1049/2001 and the Secretariat-General's guidelines in relation to the total number received Source: Gestdem database		
100%	100% each year	100%
Specific Objective 3: To develop, implement, monitor and adapt the most suitable external and internal communication strategies for the DG		
Baseline	Milestone	Target (2020)
Result indicator: Number of newsroom items Source: Internal monitoring		
500 (2014 total)	Approximately 500 each	Steady state (newsroom items normally coincide with policy initiatives and there is no

	year	reason to suspect a significant variance in the volume of work carried out in the DG)
Result indicator: Number of media enquiries Source: Internal monitoring		
850 in 2014	Reduction of 2-5% each year	750 (enquiries should reduce as the quality of our communications continues to improve)
Result indicator: Number of unique visitors on Europa Source: Internal monitoring		
6.7 million in 2014	5% growth each year	9 million
Result indicator: Number of visits on Europa Source: Internal monitoring		
18 million in 2014	15% growth each year	48 million
Result indicator: Number of visits on the GROWTH Intranet site Source: Internal monitoring		
290.269 in 2013	15% growth each year	750,000 (heavily dependent on future geometry of the DG)
Result indicator: Number of followers on Facebook (<i>target: growth rate of followers exceeds growth rate of total number of users of the medium</i>) Source: Internal monitoring		
11.900 (GROWTH only) in 2014	15.000 by 2017	20,000 (alternative platforms may well be in favour by 2020)
Result indicator: Number of followers on Twitter (<i>target: growth rate of followers exceeds growth rate of total number of users of the medium</i>) Source: Internal monitoring		
21.200 in 2014	30.000 by 2017	50,000 (alternative alert-type services may well be used by 2020)
Result Indicator: Number of ex-ante evaluations of decentralised communication actions that are assessed by Unit R4 Source: Internal Monitoring		
20 in 2014	30 in 2015	All important communication actions of the DG
Result Indicator: Number of annual contacts made through COSME communication campaign Source: Internal Monitoring		
20 million in 2014	35 million in 2015	60 million

G) MANAGEMENT OF THE DG

The DG GROWTH budget is implemented in compliance with effective and efficient internal controls that can provide reasonable assurance of achieving effectiveness, economy, and efficiency of the operations, reliability of reporting, safeguarding assets, fraud prevention and detection and legality and regularity of the underlying transactions. Fraud undermines the effective functioning of the DG and diverts scarce and valuable resources from the DG's mission and performance objectives. DG GROWTH addresses this fraud risk by preventive and detective control measures. (Specific objectives 1, 4, 5 and 6)

Beside the five internal control objectives outlined above, this section covers the human and IT resources management, which remain sensitive areas in view of the continuous resource pressure. The specific objectives outlined in this section aim at supporting the organization and its staff members so as to enable them to realise their potential and so achieve their objectives. (Specific objectives 2 and 3)

DG GROWTH's Human Resources Strategy

The overall objective of an HR strategy is to ensure that the HR factor contributes to reach the overall objectives of the organization. To respond to the need of structuring in a more coherent way the strategic planning of human resources, as well as to respond to an action implemented in a co-ordinated manner by all Commission services, DG GROWTH has elaborated in October 2014 a "Strategic HR Plan". This document intends to:

- analyse our current workforce , identify any shortcomings and future needs in term of competences and skills and define the HR needs;
- propose strategic objectives in the form of recommendations and targeted actions, linked to identified performance indicators.

The document recommends areas of intervention so as to ensure correspondence between the needs of the DG, which are currently undergoing a major change given the reorganisaion of the Commission services, and its general objectives/priorities.

ICT Technologies

During 2015 the ICT activities in DG GROWTH will be confronted with the following challenges:

- A merged DG in which different ICT activities/practices/cultures need to be integrated.
- A growing information systems portfolio requiring rationalisation.
- A rethinking of ICT activities for the future decade.
- A Business focus on an internal market for products and services to be completed, effective, efficient and timely enforcement measures, the development of a Digital

Single Market, the strengthening of the competitiveness of the industrial base inwards and outwards Europe, and improving the business environment for SMEs.

- Supporting evidence based policy making through data asset management and advanced knowledge extraction.
- Start of Galileo and Satellite Navigation operations requiring improved security measures for ICT and non-ICT domains.

During the first half of the year the challenge will be to make the merged team working together, to guarantee continuity of service from the point of view of the ongoing projects and to deliver as initially foreseen. Simultaneously the security management of the DG will be reshaped and the DG's Information Systems unit will take the lead in this ICT and non-ICT security management structure culminating in the start of the operation of an accredited secure room after summer. During the second half of the year, the focus will be on rationalisation of the portfolio of information systems. The architecture framework will be reviewed and improved where necessary. Analysis will take place to gradually phase out systems being rarely used, replace useful systems but redesign them making use of corporate components made available by DG DIGIT, and finally redevelop specific functions and building blocks to be contributed to the framework of corporate reusable components managed Commission wide.

The rationalisation will focus on intensity of use and should also be very data centric. The data asset inventory will demonstrate where overlaps should be avoided having an impact on the Information System portfolio. In order to develop a European industrial policy and increasing in this way the competitiveness of the European Industry it is essential that all facets of a wide range of industrial sectors is well understood. During 2015 the Information Systems unit will take the initiative to launch the reflection about data asset management, first inside the DG but swiftly followed by opening up to the rest of the Commission and even opening up to the general public and Member State Administrations. It will be key to clarify which data is required, available and missing. At Commission level a strategy and distribution of tasks should be organised allowing filling the gaps. This data-centric approach will justify efficient investments in the development of modern information and communication instruments. The resulting systems will be used more efficiently than in the past. Data assets should be used for building models and extracting indicators on which policies will be developed. This activity will make extensive use of the available robust, powerful and well-managed local infrastructure remaining orphan after the ITIC consolidation exercise. Very soon it will be discovered how far this local infrastructure will help to develop this targeted knowledge extraction technology at the service of evidence based policy making. Probably very soon more modern facilities and resources such as cloud services will need to be used. From the side of the infrastructure needed for the ICT activities of the next decade it would be a critical mistake not to keep an eye on these new emerging services provided by the market.

Interoperability between Commission systems should become a priority and should even go beyond not forgetting National Administrations. Discussions should start up in order to select

and develop interoperability standards for information systems but also compatibility standards for data assets and their management.

Beside the pure ICT related activities, in a complex and highly externalised working environment there is a growing need for coordination. A non-negligible amount of resources needs to be invested in this coordination activity in order to make all entities work seamlessly together.

Special attention needs to be paid, during the rationalisation activity in 2015, to efficiency of the development process. Methodologies have been implemented since years but cannot be the justification for inefficient practices. The current pressure on resources especially in horizontal activities does not leave margin anymore for inefficiencies caused by methodologies being un-adapted to the specificities of the local entity in question. Together with the corporate services, the practices in the ICT domain needs to be thoroughly revised aiming for important efficiency gains.

Financial Resources (€) in commitment appropriations			Human Resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
/	/	/	115	26	141

Specific Objective 1: To ensure an effective management of the organisation on the basis of the 16 internal control standards

Result indicator: Degree of compliance with and effectiveness of the implementation of the 16 internal control standards

Source: Management assessment and opinion of the IAC

The target is set at 100% achievement for each year

Result indicator: Degree of implementation of mitigating measures for critical risks by the end of the year

Source: DG GROWTH Risk register

The target is set at 100% achievement for each year

Result indicator: Degree of implementation of the evaluation plan (target: 100%)

Source: Internal monitoring

The target is set at 100% achievement for each year

Result indicator: Filing rate in ARES

Source: Internal monitoring

The target is set at 100% achievement for each year

Result indicator: Degree of implementation of audit recommendations (critical, very important and important), respecting the deadlines

Source: GRC Issue Track

The target is set at 100% achievement for each year

Specific Objective 2: To anticipate needs and to plan, execute, monitor and report on the management of human resources so that the DG is managed in an efficient, effective, sound and accountable manner thus allowing it to meet the expectations of its staff and the Commission

Result indicator: Average vacancy rate

Source: Internal monitoring

The target is set at 5% achievement for each year

Result indicator: Average length of time taken to fill a vacant post

Source: Internal monitoring

The target is set at 4 months

Result indicator: Percentage of women recruited as Administrators (non-management)

Source: Internal monitoring			
The target is designed to be in compliance with Commission target of 50% of new recruitment for each year			
Result indicator: Percentage of women recruited to middle management positions Source: Internal monitoring			
The target will be in full compliance with DG GROWTH's target as set in the new Commission Equal Opportunities plan that will be finalised in the course of 2015r			
Result indicator: Average number of training days per staff member Source: Internal monitoring			
The target is ≥ 7.5 days of formal training per staff per year			
Result indicator: Ensure that staff in the financial workflow have undergone mandatory financial training Source: Internal monitoring			
The target is set coherently with the recommended one indicated by the central L&D departments (to be noted that there are no more mandatory training targets in this respect)			
Result indicator: Staff redeployment Source: Internal monitoring			
The target is full compliance with Commission-wide and DG internal targets each year			
Result indicator: Reduction of overheads Source: Internal monitoring			
The target is less than 20% difference with the family DG average for each year			
Specific Objective 3: To anticipate needs and to plan, execute, monitor and report on the management of IT resources so that the DG is managed in an efficient, effective, sound and accountable manner			
Baseline		Milestone	Target (2020)
Result indicator: Degree of implementation of the DG's IT Master Plan Source: IT Steering Committee meeting			
IT Master Plan and IT projects reported in the GOVIS repository	Mid-year review (June)	Final Review (December)	95%, subject to mid-year review by the IT Steering Committee
Result indicator: Testing of the IT Disaster Recovery Plan (DRP) Source: IT Disaster Recovery test report			
Annual testing of the DRP	August each year	at least once a year	
Specific Objective 4: To anticipate needs and to plan, execute, monitor and report on the management financial resources so that the DG is managed in an efficient, effective, sound and accountable manner thus allowing it to meet the expectations of its staff and the Commission			
Result indicator: Percentage of budget execution (commitments) with respect to annual and final voted budgets Source: ABAC			
The target is 99% execution each year			

Result indicator: Percentage of budget execution (payments) with respect to annual and final voted budgets Source: ABAC		
The target is 98% execution each year		
Result indicator: Ratio between budget value implemented and budget allocated (commitments compared to the value of call for proposals) (grant effectiveness) on a yearly basis Source: Internal monitoring		
The target is > 95% each year		
Result indicator: Forecasts of Revenue closed within 9 months Source: ABAC		
The target is 100% each year		
Result indicator: Amount of potentially abnormal RAL (> 3 years) Source: ABAC		
The target is minus 10% compared to previous year		
Result indicator: Payment times (time-to-pay) with breakdown for grants, procurement and delegated budget Source: ABAC		
The target is 96% of invoices paid on time each year		
Result indicator: Specific financial control strategies in place for the DG's financial activities Source: Manuel of Budgetary and Financial Procedures of DG GROWTH		
The target is all areas covered each year		
Result indicator: Number of reservations in the AAR Source: AAR		
The target is decrease in comparison with previous years		
Specific Objective 5: To contribute to the protection of the EU's financial interests by preventing and detecting fraud and by achieving adequate reparation and deterrence, with proportionate and dissuasive sanctions and respecting the due process, especially by introducing an anti-fraud policy and strategy at DG level and by clarifying the different responsibilities of the various stakeholders		
Baseline	Milestone	Target (2020)
Result indicator: Number of contracts/grant agreements subject to close monitoring or additional controls due to an assessed high risk of fraud Source: Internal statistics		
This indicator will be reported in the GROWTH Annual Activity Report. DG GROWTH does not aim at placing certain number of files under reinforced monitoring but applies the mechanism when needed.		
Result indicator: Number of files sent to OLAF for investigation Source: Report to the Commissioner		
This indicator will be reported in the GROWTH Annual Activity Report. DG GROWTH informs OLAF whenever deemed necessary.		

Result indicator: Number of visits on intranet pages dedicated to fraud prevention
Source: Intranet

The target is 5% higher than in previous year

Result indicator: Degree of DG GROWTH staff covered by fraud awareness trainings
Source: DG GROWTH own statistics

The target is 10 % each year

SOUND MANAGEMENT OF FINANCIAL RESOURCES AND LEGALITY AND REGULARITY OF OPERATIONS

Specific Objective 6: To implement and maintain an effective internal financial control system so that reasonable assurance can be given that resources assigned to the activities are used in accordance with the principles of sound financial management and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions

Direct management modes

Public procurement

- Overall cost of control yearly (source: DG Growth own statistics and ABAC)
- Ratio cost of controls of the evaluation and selection procedure / value contracted yearly (source: DG Growth own statistics and ABAC)
- Ratio cost of operational and financial transaction management control / amount paid yearly (source: DG Growth own statistics and ABAC)
- Ratio cost of control of the supervisory measures / value of transactions checked yearly (source: DG Growth own statistics)
- Number of Tenders per control FTE yearly (source: DG Growth own statistics)
- Number and amount of contracts financed (source: ABAC)
- Coverage of first level financial *ex ante verification* (source: DG Growth own statistics)
- Number of complaints received from unsuccessful economic providers (source: DG Growth own statistics; target: *no complaints concerning internal errors in the procedure*)
- Number of Ombudsman complaints concerning procurement (source: DG Growth own statistics; target: *no complaints concerning internal errors in the procedure*)
- Number of legal proceedings initiated by contractors or economic providers against the Commission on the outcome of procurement procedures (source: DG Growth own statistics; target: *no legal proceeding*)
- Number of delayed very important and critical recommendations from ECA, IAS and IAC related to procurement (sources: DG Growth own statistics, GRC and RAD; target: *no delays*)
- Value of errors detected by ex-ante systems (difference between invoice and amount paid) (sources: DG Growth own statistics and ABAC)

Grant

- Ratio overall cost of control yearly / total expenditure (source: DG Growth own statistics and ABAC)
- Ratio cost of control ex post audits / value of grants audited yearly (source: DG Growth own statistics)
- Ratio between value of errors detected through the ex-ante desk checks and total value of cost claims (source: DG Growth own statistics and ABAC)
- Value of corrections 'made' by recoveries and offsetting (source: DG Growth own statistics and ABAC)

- Average time to inform applicants (source: DG Growth own statistics and ABAC)
- Average time to grant (source: DG Growth own statistics and ABAC)
- Average time to pay (source: DG Growth own statistics and ABAC)
- Average days of suspension (% of payments suspended) (source: DG Growth own statistics and ABAC)
- Average time to recovery/offset (source: DG Growth own statistics and ABAC)
- Number (and value) of recoveries 'pending' implementation (FoR > RO) (source: DG Growth own statistics)
- European Court of Auditors' overall assessment of supervisory and financial control systems (source: RAD)

Indirect management mode

- Overall supervision cost yearly per (type of) entrusted entity (source: DG Growth own statistics and ABAC)
- Cost of remuneration fees paid yearly to entrusted entity (source: DG Growth own statistics and ABAC)-
- Coverage of the verification missions (source: DG Growth own statistics)
- Number of delegated acts completed in the year (source: DG Growth own statistics)
- Ratio between (i) value of errors detected by ex-ante systems (difference between invoice and paid) and (ii) total payments (source: DG Growth own statistics and ABAC)
- Value total detected error compared with total expenditure checked during verification missions (source: DG Growth own statistics)
- Number of delayed very important or critical recommendations from ECA, IAS and IAC related indirect management (source: DG Growth own statistics, GRC and RAD; target: *no delayed recommendations*)
- Assessment by the European Court of Auditors (source: RAD; target: *positive assessment*)
- Delegation act objectives achieved by each Directorate (source: DG Growth own statistics; target: *100 % achieved*)

ⁱⁱ Because of the methodological difficulties to obtain reliable data for public procurement carried out by utilities, it has been decided to use from now on an indicator of public procurement on GDP excluding utilities. The target has been adjusted proportionally.