



# **2017**

# **Annual Activity Report**

# **Annexes**

**Directorate  
for Trade**

**General**



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# ANNEXES

## ANNEX 1: Statement of the Resources Director

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

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

*Brussels, 31 March 2018*

*(signed)*

*Peter Sandler*

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

## ANNEX 2: Reporting – Human Resources, Better Regulation, Information Management and External Communication

### 1.1. Human Resource Management

<b>Objective : The DG deploys effectively its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.</b>		
<b>Indicator 1 : Percentage of female representation in middle management</b>		<b>Latest known result (2017)</b>
<b>Source of data: DG Trade HR Report (Sysper2 data)</b>		
Baseline 2015: 18.5%	Target: 30% female representation in middle management by 2019.	30% female representation in middle management. In addition DG Trade has reached its target of 2 newly appointed female middle managers.
<b>Indicator 2 : Percentage of staff who feel that the Commission cares about their well-being</b>		<b>Latest known result (2016)</b>
<b>Source of data:</b> Commission staff survey		
Baseline 2014 30%	Target: To reach the Commission average of the next Staff Survey. The last survey took place in 2016 and next one is foreseen for later in 2018.	26%. This is below the COM average in 2016. Therefore a specific action plan was set up in 2017 in order to improve the situation.
<b>Indicator 3 : Staff engagement index</b>		<b>Latest known result (2016)</b>
<b>Source of data:</b> Commission staff survey		
Baseline: 2014 66%	Target: Remain above the Commission average for the next Staff Survey	67% Three percentage points above the COM average. It should be noted that in the 2016 Staff Survey DG Trade had a response rate of 49% compared to 38% in the 2014 Staff Survey

#### Management Plan 2017 objective :

To ensure the most adequate use of human resources in the DG and in the EU delegations by identifying possible needs for additional staff, to respond to the cut of posts decided by the Commission and redeploying staff as necessary to match these with the priorities of the management plan/work programme.

#### Main outputs in 2017:

Description	Indicator	Target	Latest known result (2017)
Review on a regular basis the use of resources at headquarters and in EU delegations and where necessary propose redeployment of staff.	Two reviews	Spring Review - May 2017 Autumn Review – October 2017	One full review was held in May/June 2017. In addition, the HR BC is closely monitoring the use and allocation of human resources throughout the year and prepares ad hoc strategic reports to the Director General to allow continuous discussions for finding suitable solutions.

**Management Plan 2017 objective :**

**To motivate and retain highly qualified staff in order to maintain effective and efficient operation of DG Trade**

**Main outputs in 2017:**

Description	Indicator	Target	Latest known result (2017)
Suitable training courses to ensure that the DG has the skilled, knowledgeable and competent staff required to meet its present and future needs within all categories of staff.	To organise the training sessions and away days foreseen in DG Trade's training programming, including the Trade Seminar for staff at headquarters and in EU Delegations.	By end of 2017	The training sessions and teambuilding activities provided for in DG Trade's 2017 learning and development plan were implemented by December 2017.
Recruitment of more women to ensure gender diversity primarily at middle management level but also at AD level in the DG.	Percentage of women in middle management at head quarters 2016 figures 24,1% <i>[source: DG Trade HR Dashboard – 1 December 2016 version]</i>	Try to increase 2016 percentage of women in middle management in 2017.  Take measures to encourage female applications to increase number of appointments with a view of a positive increase towards the DG Trade 2019 target of 30%)	DG Trade has increased its female representation in middle management and reached its target of 30% in 2017. DG Trade has continued its work to increase in 2017 the female AD base but also at Deputy Head of Unit Level.
Ensure the DG Trade Career Management Policy is reviewed and implement suitable actions in order to ensure high degree of staff engagement and well-being	Implement two career management actions foreseen in the revised Career Management Policy in 2017	By end of 2017	DG Trade implemented new well-being activities in 2017 and in addition to a new internal mobility exercise for ADs, it also launched an internal mobility exercise for AST staff.

## 1.2. Better Regulation

**Objective: Prepare new policy initiatives and manage the EU's acquis in line with better regulation practices to ensure that EU policy objectives are achieved effectively and efficiently.**

**Indicator 1 : Percentage of Impact assessments submitted by DG Trade to the Regulatory Scrutiny Board that received a favourable opinion on first submission.**

**Explanation:** *The opinion of the RSB will take into account the better regulation practices followed for new policy initiatives. Gradual improvement of the percentage of positive opinions on first submission is an indicator of progress made by the DG in applying better regulation practices.*

**Source of data: DG Trade**

Baseline 2015	Interim Milestone 2016	Target 2020	Latest known result (2017)
68% = Commission average in 2014	<i>Above 2014 Commission average</i>	<i>Above 2016 Commission average</i>	Three draft IA reports submitted in 2017: March 2017 – comprehensive Australia and New Zealand FTAs: <i>positive with reservations</i> ; March 2017 – modernisation of Chile Association Agreement: <i>positive with reservations</i> ; July 2017 – multilateral investment court: <i>positive</i> .

### 1.3. Information management aspects

<b>Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable</b>		
<b>Indicator 1: Percentage of registered documents that are not filed (ratio)</b>		
<b>Source of data:</b> <i>Hermes-Ares-Nomcom (HAN) statistics</i>		
Baseline 2014	Target	<b>Latest known result (2017)</b>
5.6%	≤ 2 %	New result: <b>0.95%</b> 2017 results show a continuation of the positive trend based on the mandatory filing introduced in the last version of ARES and the success of the monthly monitoring system and the information and awareness campaigns.
The average of the EC services is 3.51%.		
<b>Indicator 2: Percentage of HAN files readable/accessible by all units in the DG</b>		
<b>Source of data:</b> HAN statistics		
Baseline	Target	<b>Latest known result (2017)</b>
<b>66%</b>	<b>70%</b>	New result: <b>69.08</b> There has been an improvement of the results. DG TRADE is closer to the established objective.
	The average of the EC services is 78%. Lower findings of DG Trade are mainly due to the need-to-know restrictions in the Trade Defence, the dispute settlement and the negotiations activities.	
<b>Indicator 3: Percentage of HAN files shared with other DGs</b>		
<b>Source of data:</b> HAN statistics		
Baseline	Target	<b>Latest known result (2017)</b>
<b>0.08%</b>	None	New result <b>0.72%</b> 2017 results confirm a positive trend on this indicator taking into account the elements mentioned under indicator 2.
	The baseline of the EC is 6%. The opening of files to other DGs is still rare in the Commission and DG TRADE, as most DGs, is still in an early phase.	

#### *Management Plan 2017 objective :*

**Information and knowledge in DG Trade is shared and reusable by other DGs. Important documents are registered, filed and retrievable.**

#### **Main outputs 2017:**

Description	Indicator	Target	Latest known result (2017)
Managing information and knowledge within DG Trade	Support sharing of critical policy and knowledge management through the adoption of KIOSK (AGRI).  Enable knowledge	December 2017	AGRI KIOSK has been installed and tested in a selected number of tablets.  EMT has successfully passed the pilot phase and it is now used across the DG to record meetings with

	<p>management of external stakeholders through the introduction of EMT<sup>2</sup> (Event Management Tool) and facilitate policy management through its interoperability with BASIS and the briefings management process.</p> <p>Continue to support sharing knowledge and data on trade flows and tariffs with ESTAT through ISDB.</p> <p>Continue to share knowledge on trade terms and conditions with companies and citizens through MADB and EH (Trade Export Helpdesk).</p> <p>Support preservation and coordination of corporate knowledge management on trade agreements and negotiations through the implementation of the NEST project.</p>		<p>external stakeholders.</p> <p>ISDB has continued to provide reliable statistics on trade tariffs and flows. It has evolved and complemented with QUASAR that offers dynamic dashboards and reports of trade information.</p> <p>The MADB and the renamed Trade Helpdesk continue to provide reliable information on trade terms and conditions to trade operators and exporters.</p> <p>NEST supports the planning of sessions in rounds through calendar management functions and includes policy information on trade negotiations.</p> <p>TradeTogether supports collaborative and group work in various services of DG Trade.</p>
Increase email registration in Ares	Number of emails registered with Areslook	Increase $\geq$ 20% of 2016 rates	There was a reduction of 12.5% <sup>3</sup> in the number of emails registered with Areslook in 2017 which is related to the general reduction in registered documents in Ares (6.4%) in 2017.
Better use of electronic workflows, with the reduction of errors caused by the double circulation and the reduction of paper storage	Number of registered documents with a fully approved e-signatory (no paper circulation in parallel).	60% of registered documents approved in full electronic mode (without paper signatories circulation)	Following the full implementation of the 100% electronic e-signatory in Ares launched in January 2017, DG TRADE had <b>93.6%</b> of registered documents with fully approved e-signatory in 2017.

<sup>2</sup> Credit Transfer to FISMA and Application Service Helpdesk subject to approval by the DG TRADE IT Steering Committee (meeting on 24/11)

<sup>3</sup> The reference period take is from 01/01 to 30/10 in order to be consistent with the period used in the previous year.



## 1.4. External communication activities

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

**Indicator 1: Percentage of EU citizens having a positive image of the EU's trade policy and its benefits**

*Definition: Eurobarometer and other EU-wide surveys measure the awareness for EU trade policy and the impact on citizens' lives. The positive image of citizens can be measured in terms of number of EU citizens who considered that they personally benefitted from international trade. An in depth study was conducted in 2010. Following the launch of a new Communication ("Trade for All") in October 2015, it will need to be reviewed 2-3 years after the publication of the new strategy.*

**Source of data:** Standard Eurobarometer (DG COMM budget)

Baseline: November 2010	Target: 2020	<b>Latest known result (2017)</b>
Benefited from trade: 44% Did not benefit from trade: 39%	Benefited from trade > 50%	Perception of the term "free-trade" (71% positive; 20% negative; 9% don't know).  Standard Eurobarometer 88. November 2017

**Objective 2: Citizens understand and recognise the value of external trade for the EU's economic and social model. They are aware and supportive of trade agreements, such as the agreement with the United States.**

**Indicator 2: Awareness for the trade agreement with the United States. Positive opinion about agreement.**

*Definition and context: Eurobarometer and other sources (internal reporting, surveys, national opinion polls) can measure the perception of EU citizens vis-à-vis major trade initiatives. An important starting point is awareness for these policies, which can be deducted from "no reply" answers, but also through other indicators, such as number of articles in the press etc. Support/ positive perception can be measured in respective opinion polls, mainly via the standing Eurobarometer question on the perceptions vis-à-vis the EU-US negotiations. The support/positive perception is, however, heavily influenced by factors that are out of the Commission's control and cannot be mitigated through communication activities.*

**Source of data:** DG Communications reports and monitoring; social and digital media mentions; surveys (Eurobarometer and national surveys).

Baseline: 2015 (spring wave)	Target: 2020	<b>Latest known result (2017)</b>
Awareness: 84 % Positive opinion: 56 %	Awareness: >84 % Positive opinion: >50%	The TTIP negotiations were frozen in 2017.  Accordingly, no results on this question were published in 2017 as they are no longer a relevant indicator.  A new question in line with the Commission's updated priority No.6 will be asked in 2018.

**Main outputs in 2017:**

Description	Indicator	Target	Latest known result (2017)
Implement the	Europe Direct requests	1000	371

integrated communications and outreach strategy	Publication downloads Website visits <sup>4</sup> Social media reach	2,000,000 2,000,000 12,000,000	337,451 1,754,345 12,500,000
Benefits of trade information campaign: Sourcing and development of stories, content marketing in 9 EU Member States (classical media and social media) Production of relevant material (brochures, videos, online material)	Quality of material produced  Downloads of material; online views	<b>Website:</b> - Visits - Unique visits - Number of pages visited  <b>Media:</b> - Number & tone of clippings - Coverage type  <b>Reach:</b> - Readership/circulation - Viewers, listeners, monthly unique users  <b>Third party endorsement:</b> - Number of events using visuals - Endorsements using visuals - No. of public endorsements in total  <b>Social media:</b> - Undefined as yet – waiting for the Paid Social Distribution Plan	The contract has been extended until July 2018, at which point we will gather the full set of figures.
Systematic publication of reports of negotiation rounds	Number of documents uploaded	100%	82 documents in 2017 (17 negotiation round reports + 65 negotiation text proposals)
External website: keep it reliable and up to date	Number of page views <sup>5</sup>	6,000,000	3,075,977 page views <sup>6</sup> 2,422,162 unique page views
Civil Society Dialogue	Number of meetings Number of public consultations	20-30 in 2017 5-10 in 2017	23 meetings in 2017 4 public consultations in 2017
<b>Important items from financing decisions</b>			
Integrated communication action on trade policy and FTA implementation: dialogue and outreach in member states	Contract signature	December 2017	€ 2,793,812.18

The 2017 communication budget has mainly focused on: a project targeting young

<sup>4</sup> Definition changed from *website views (visits)* to *website visits* to better reflect the meaning of the indicator. This change was already applied in the Management Plan 2018.

<sup>5</sup> Definition changed from *number of website visits* to *number of page views* to better reflect the meaning of the indicator. This change was already applied in the Management Plan 2018.

<sup>6</sup> 2017 "achieved figures" have been collected using a new web analytics software. The new software no longer uses access logs for metrics and direct calls to non-html sources (e.g. RSS feeds, documents) are no longer taken into account. Based on 2016 figures direct calls to RSS and documents is approx. of 3.000.000 views.

representatives of organisations interested in trade, the EU Trade Policy Day, audiovisual production, publications, expenses related to domestic advisory groups and civil society dialogues, the launch event in the margins of the UN General Assembly of the Global Alliance against Torture Free Trade, the supply of data for the renamed Trade Helpdesk (formerly the Export Helpdesk), and seminars for journalists.

In December 2017, we committed € 2,793,812.18 for a project focusing on communication on trade agreements towards SMEs, including outreach in member states.

<b>Annual communication spending</b> (based on estimated commitments):			
Baseline (Year n-1):	Target (Year n):	Total amount spent	Total of FTEs working on external communication
EUR 2 672 001.67	EUR 4 117 000.00	EUR 3,724,232.88	7.10

## **ANNEX 3: Draft annual accounts and financial reports**

See separate document.

## **ANNEX 4:      Materiality criteria**

In conformity with the existing guidelines, DG Trade retained the following materiality criteria:

### **Quantitative criteria**

As regards legality and regularity, the proposed standard quantitative materiality threshold of 2% of the executed payments is applied. DG Trade considers it to be an appropriate threshold above which weaknesses detected should be considered "material".

In DG Trade this applies to all non-compliance events detected throughout the year and with a quantifiable impact on legality and regularity.

### **Qualitative criteria**

DG Trade's activities are mostly of a political nature (trade negotiations, monitoring and implementation) and procedural (case-handling), involving a very modest level of financial management.

Qualitative criteria cover significant reputational risks for the DG or the Commission and significant weaknesses in the internal control systems. For assessing the significance of the weakness, the nature and scope, duration, existence of mitigating controls and/or remedial actions are taken into account.

In this respect, if a 'critical' recommendation would be issued by auditors in the context of a final audit report, provided it is accepted by the auditee, and that sufficient corrective action has not been taken to implement this recommendation, it will be considered.

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

The cost of control in DG Trade is exclusively calculated by estimating the number of FTEs dedicated to the control stages. No other expenditure is incurred in this respect. **For 2017, the overall cost of control is estimated at €1,387,100** (9.7 FTEs). This includes all the financial initiating and verifying agents (5.5 FTEs), the operational verification (20 FTEs estimated at 5%) and the Administrative Coordination Assistants (8 FTEs estimated at 40%).

### ICT N° 1 – PUBLIC PROCUREMENT IN DIRECT MANAGEMENT

#### Management mode:

*Direct management*

#### Total

**appropriations  
committed in 2017** 20.020100 (€ 11.64 mil)

#### Key figures:

#### Average value of

**contracts:** Approx.  
85K Euros, maximum  
of approx. 2,787K  
Euros

In principle the procurement procedures are implemented through open procedures. Where required, DG Trade has developed a series of framework contracts (or is using framework contracts from other DGs) to assist in operational activities, such as the organization of events and negotiating rounds, IT services, legal advice, and (sustainability) impact assessments and ex post evaluations. Economic studies are usually launched using a Vendors' list.

#### Average contract

**period:** 12 months,  
varying between 3  
month and 24 months

## Stage 1: Planning and needs assessment

MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
The procurement needs are not well defined	Procurement needs clearly defined and justified from an economic/operational view and approved by the AO(S)D	<b>Coverage:</b> 100%	<b>Benefits:</b> best offers received	Number of tenders cancelled
Inappropriate choice of procurement procedure	Ex ante support and verification	<b>Frequency:</b> At least before launch		Number of legal cases/complaints
The best offer/s are not submitted due to poor definition of the tender specifications	Trainings provided centrally and locally			Number of project officers followed training
	Selection criteria clearly defined and approved by the AOSD			Commitment rate

## Stage 2: Selection of the offer and evaluation

MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
Insufficient quality of the evaluation report, impacting the award decision	Formal evaluation process: Opening and evaluation committee	<b>Coverage:</b> 100%	<b>Benefits:</b> compliance with Financial Regulation	Number of unfavourable opinions by financial verification
Existence of conflict of interest	Opening and evaluation committee's declaration of absence of conflict of interest	<b>Depth:</b> all documents transmitted and analysed; all declarations of conflict of interest for all members		Number of non-award decisions
Non-compliance with regulatory framework (transparency, time limits...)	Opinion of Financial Verifying Agent			Number of legal cases/complaints
Over-dependency	Exclusion criteria documented			Number of cases referred to OLAF
	Standstill period, unsuccessful tenderers to put forward their concerns on the decision			

### Stage 3: Financial transactions

MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
Non-compliance with legal requirements (payment deadlines, timely closure)	Ex-ante support, including local training	<b>Coverage:</b> 100% of all procurement contracts	<b>Benefits:</b> Amounts recovered or potential overpayments detected (credit notes)	Amount of credit notes
Lack of experience and skills of operational and financial agents	DG Trade applies the financial circuit "decentralized with counterweight" for all transactions			Recovery orders
Operational monitoring - the services foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract	Monitoring and supervision mechanisms (spring and autumn reviews, Resources Report, weekly financial reporting,...)			Payment times
Financial monitoring - the amounts paid exceed those due in accordance with the applicable contractual and regulatory provisions				% Payment execution
				Outstanding RAL (Reste à liquider)
				Number of legal cases/Ombudsman
				Number of cases referred to OLAF
				Number of project officers followed training

### Stage 4: Supervisory measures

MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
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MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
An error in relation to the regulatory and /or contractual provisions or fraud is not prevented/ detected ex ante	Analysis of non-compliance events  Audits performed by IAS and ECA	<b>Coverage:</b> 100% non-compliance events; all audits  <b>Depth:</b> review procedures if weaknesses detected	<b>Benefits:</b> Amounts recovered	Recovery Orders  Number of cases referred to OLAF

## ICT N° 2 - CONTRIBUTIONS TO INTERNATIONAL ORGANISATIONS - DIRECT (GRANTS) AND INDIRECT (DELEGATION AGREEMENTS) MANAGEMENT

### Management mode:

*Direct (grants) and indirect (delegation agreements) management*

€ 5.08 mil

### Total appropriations committed in 2017

20.020300 (€ 4,500,000)  
20.020100 (€ 580,000)

### Key figures:

#### Average value of contracts:

460K Euros, varying between 50K Euros and 1000K Euros

About 34% of the overall committed projects (in value) in DG Trade are contributions to international organisations.

11 agreements with international organisations were signed in 2017.

#### Average contract period:

varying between 12 month and 36 months

All agreements were awarded in accordance with Art. 190 §1. (f) of the Rules of Application (RAP). The essential selection and award criteria are laid down in the corresponding Financing Decision. All agreements were signed with international organizations within the meaning of Art. 43. §1. of the RAP, and whose systems and procedures have been subject to an ex-ante pillar assessment in order to verify that they offer guarantees equivalent to internationally accepted standards, notably with transparent procurement and grant-award procedures, an effective internal control system for management of operations, an accounting system that enables the correct use of EU funds, an independent external audit, granting public access to information at the level provided for in the EU, issuing appropriate annual ex post publication of beneficiaries of funds deriving from the budget. Where there is no delegation of budget implementation tasks, the actions are implemented through pillar assessed grants (direct management mode). In cases where there are budget implementation tasks; the actions are implemented through pillar assessed delegation agreements (indirect management mode).

## Stage 1: Programming, evaluation and selection of proposals

MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
The agreement is not included in the Financing Decision	Inter-service consultation, including all relevant units and DGs	<b>Coverage:</b> 100% of all grant agreements	<b>Benefits :</b> Full compliance/Reach objectives of the budget line	Commitment rate
The Financing Decision does not include adequately the essential selection and award criteria	Adoption by the Commission Specific procedure	<b>Frequency:</b> during preparation Financing Decision/ each Commitment request		Number of unfavourable opinions by financial verification
The Financing Decision does not spell out the reasons for an agreement (Art. 190 RAP)	Evaluation Report/ Award Decision	<b>Depth:</b> Checklist		
The status of the International Organisation regarding the Pillar Assessment is not properly reflected in the grant agreement to be signed with the Organisation	Opinion of Financial Verifying Agent Inclusion in check-list			
The evaluation is not carried out in accordance with the Financial Regulation, established procedures and/or the criteria set out in the Financing Decision				

## Stage 2: Contracting and monitoring of the implementation of the agreements

MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
The agreement is signed late	Spring/Autumn reviews. Administrative Coordination	<b>Coverage:</b> 100% of all agreements	<b>Benefits:</b> Full compliance	Exceptions
The agreement does not contain all	Assistants meetings		<b>Depth:</b> check in detail all	Non-compliance events

MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
applicable/necessary provisions	Detailed guidance on Intranet and checklist		financial and narrative reports	Amount of credit notes
The estimated budget to the agreement does not correspond to the action proposed	Use Commission templates (PaGODA)			Recovery orders
Changes to the agreement have not been properly documented or authorised	Upstream assistance (incl. training of project officers)			Payment times
The action implemented does not correspond to the agreement	Ex-ante verification			% Payment execution
Ineligible costs are reimbursed	Verification			Outstanding RAL
Payments are made late	Accounting controls			Number of project officers followed training
Timely clearing of pre-financing				

### Stage 3: Supervisory measures

MAIN RISKS	MITIGATING CONTROLS	COVERAGE, FREQUENCY AND DEPTH	BENEFITS OF CONTROLS	CONTROL INDICATORS
An error in relation to the regulatory and /or contractual provisions or fraud is not prevented/ detected ex ante	Analysis of non-compliance events  Audits performed by IAS and ECA.	<b>Coverage:</b> 100% non-compliance events; all audits  <b>Depth:</b> review procedures if weaknesses detected	<b>Benefits:</b> Amounts recovered	Recovery orders  Number of cases referred to OLAF

## **ANNEX 6: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission**

### **Contribution to the International Trade Centre (ITC)**

#### *1. Programme concerned.*

DG Trade provides a contribution to the ITC to help to deliver on the objectives of the 'Trade for All' Communication. The contribution focuses on fair trade and other sustainability assurance schemes including on relations with partner countries as well as on the possible launch of an EU fair and ethical trade award and on gathering market data in relation to fair and ethical trade markets.

It aims to increase awareness on fair trade and other sustainability assurance schemes on both supply and demand side (e.g. small producers, consumers, companies) and support the development of more sustainable trade opportunities for small producers in trade partners.

#### *2. Annual budgetary amount entrusted.*

1,00,000 EUR total for 1 year period

#### *3. Duration of the delegation.*

12 months

#### *4. Justification of recourse to indirect centralised management.*

The action involves entrustment of budget implementation tasks to the ITC.

In line with the requirements of Regulation (EU, Euratom) No 966/2012, ITC is an international organisations that has been subject of a pillar assessment (Articles 60(2) and 38(1) of Regulation (EU, Euratom) No 966/2012) on which basis it can perform actions under this management mode.

#### *5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc.).*

ITC is an international public-sector organisation set up by inter-governmental agreements, with a specific remit in the area of trade policy. ITC is in particular focusing on expanding trade opportunities with the aim of fostering sustainable development. It has developed over the years internationally recognised independent expertise on the various sustainability assurance schemes and engaged in various activities in relation to fair and ethical trade.

Implementation take place in accordance with Article 58(c), 60 and 61 of Regulation (EU, Euratom) No 966/2012.

#### *6. Synthetic description of the implementation tasks entrusted to these bodies.*

Implementing tasks of running the public procurement, grant and financial instrument award procedures and of concluding and managing the resulting contracts

## **Contribution to the International Labour Organisation (ILO)**

### *1. Programme concerned.*

DG Trade's contribution to the ILO would aims at:

- Supporting the effective implementation of the fundamental ILO Conventions listed under the GSP Regulation (Regulation (EU) No 978/2012 of the European Parliament and of the Council of 25 October 2012 applying a scheme of generalised tariff preferences<sup>6</sup>) or included in trade and sustainable provisions of trade and investment agreements.

- Supporting sustainable trade through the promotion of labour rights in relevant trading partners. The funding will cover activities such as awareness raising and training to ensure that trade liberalisation goes hand in hand with the respect for labour rights.

### *2. Annual budgetary amount entrusted.*

850,000 EUR for 2 year period (=425,000 EUR / year)

### *3. Duration of the delegation.*

24 months

### *4. Justification of recourse to indirect centralised management.*

The action involves entrustment of budget implementation tasks to the ILO.

In line with the requirements of Regulation (EU, Euratom) No 966/2012, ILO is an international organisations that has been subject of a pillar assessment (Articles 60(2) and 38(1) of Regulation (EU, Euratom) No 966/2012) on which basis it can perform actions under this management mode.

### *5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc.).*

ILO is an international public-sector organisation set up by inter-governmental agreements, with a specific remit in the area of trade policy. It is to provide expertise and capacity building to developing countries in relation to the effective implementation of the eight fundamental Conventions of the International labour law Organisation. As a neutral international organisation it is also uniquely placed to address politically sensitive issues such as freedom of association.

Implementation take place in accordance with Article 58(c), 60 and 61 of Regulation (EU, Euratom) No 966/2012.

### *6. Synthetic description of the implementation tasks entrusted to these bodies*

Implementing tasks of running the public procurement, grant and financial instrument award procedures and of concluding and managing the resulting contracts.

**ANNEX 7: EAMR of the Union Delegations (not applicable)**

**ANNEX 8: Decentralised agencies (not applicable)**

## ANNEX 9: Evaluations and other studies finalised or cancelled during the year

No used in Annex 3 MP2 017		Title	Reason <sup>1</sup>	Scope <sup>2</sup>	Type <sup>3</sup>	Associated DGs	Costs (EUR)	Comments <sup>4</sup>	Reference <sup>5</sup>
	<b>I. Evaluations finalised or cancelled in 2017</b>								
	<b>a. Evaluations finalised in 2017</b>								
	Not applicable								
	<b>b. Evaluations cancelled in 2017</b>								
	<b>II. Other studies finalised or cancelled in 2017</b>								
	<b>a. Other studies finalised in 2017</b>								All SIAs available here: <a href="http://ec.europa.eu/trade/policy/policy-making/analysis/policy-evaluation/sustainability-impact-assessments/">http://ec.europa.eu/trade/policy/policy-making/analysis/policy-evaluation/sustainability-impact-assessments/</a>



13		Trade SIA in support of negotiations for a proposed trade in services agreement (TiSA)	O	DG Trade's policy of undertaking Trade SIA in parallel with all its major trade negotiations; EU international agreement			297,0 26		Position paper: <a href="http://trade.ec.europa.eu/doclib/html/155776.htm">http://trade.ec.europa.eu/doclib/html/155776.htm</a> Final report: <a href="http://trade.ec.europa.eu/doclib/html/155772.htm">http://trade.ec.europa.eu/doclib/html/155772.htm</a>
14		Trade SIA in support of negotiations for a proposed TTIP with USA	O	DG Trade's policy of undertaking Trade SIA in parallel with all its major trade negotiations; EU			199,6 50		Position paper: <a href="http://trade.ec.europa.eu/doclib/html/155462.htm">http://trade.ec.europa.eu/doclib/html/155462.htm</a> Final report: <a href="http://trade.ec.europa.eu/doclib/html/155464.htm">http://trade.ec.europa.eu/doclib/html/155464.htm</a>

				internati onal agreeme nt					
16		Economic analysis in support of possible EU FTAs with Australia and with New Zealand	O	Study in support of a planned impact assessm ent; EU internati onal agreeme nt			145,0 00		<a href="http://trade.ec.europa.eu/doclib/docs/2017/april/tradoc_155505.pdf">http://trade.ec.europa.eu/doclib/docs/2017/april/tradoc_155505.pdf</a>
17		Economic analysis in support of a possible modernis ation of the trade pillar of the EU- Chile associatio n	O	Study in support of a planned impact assessm ent; EU internati onal agreeme nt			144,5 00		<a href="http://trade.ec.europa.eu/doclib/docs/2017/july/tradoc_155758.pdf">http://trade.ec.europa.eu/doclib/docs/2017/july/tradoc_155758.pdf</a>

	agreement								
	<b><i>b. Other studies cancelled in 2017</i></b>								
	Not applicable								

**ANNEX 10: Specific annexes related to "Financial Management" (not applicable)**

**ANNEX 11: Specific annexes related to "Assessment of the effectiveness of the internal control systems" (not applicable)**

# ANNEX 12: Performance tables

As set out in its Strategic Plan 2016-2020, DG Trade pursues its DG specific objectives in context of three of the Commission's general objectives. These specific objectives, together with their link to the general objectives are set out in the figure below.



The below indicator the impact indicator no 24 defined centrally at Commission level.

## General objective 6 A balanced and progressive trade policy to harness globalisation

### General objective: A balanced and progressive trade policy to harness globalisation

**24. Impact indicator:** Percentage of EU trade in goods and services as well as investment covered by applied EU preferential trade and investment agreements

*Trade and investment liberalisation create conditions for increased exports, imports, and investment which have become an increasingly significant source of growth and jobs for Europeans. The higher percentage of trade and investment covered by free trade agreements, the more jobs and the more economic activity. Furthermore, broader access to cheaper imported inputs, new export opportunities as well as outward investment stimulate or even directly contribute to boosting the EU's competitiveness.*

**Source of the data:** Eurostat for the raw indicators and DG Trade for the list of countries covered by [trade and investments agreements](#)\*

Baseline	Latest known value (2017)	Milestone** (2018)	Target** (2020)
Goods average for 2014-2016, Services and FDI average for 2013-2015	Goods for 2015-2017 Services and FDI average for 2014-2016		
Goods: Imports 27% Exports 32% Total 29%  Services: Imports 10% Exports 9% Total 9%  FDI stocks: Imports 4% Exports 7% Total 6%	Goods: Imports 28% Exports 32% Total 30%  Services: Imports 10% Exports 10% Total 10%  FDI stocks: Imports 4% Exports 7% Total 6%	Goods: Imports 32% Exports 37% Total 34%  Services: Imports 15% Exports 15% Total 15%  FDI stocks: Imports 9% Exports 13% Total 11%	Goods: Imports 51% Exports 61% Total 56%  Services: Imports 54% Exports 52% Total 53%  FDI stocks: Imports 55% Exports 59% Total 57%

[Goods Bookmark to the denominator](#)

[Services bookmark to the denominator](#)

[FDI stocks bookmark to the denominator](#)

\* See agreements under "In place" and "Agreements partly in place".

\*\* The milestone and target figures are based on expectations of provisional application/entry into force of agreements that are currently under negotiation (see also result indicator 1.1 : "Number of on-going EU trade and investment negotiations and number of applied EU trade and investment agreements" of DG TRADE's Strategic Plan 2016-2020).

# Specific objective 1 Trade Negotiations

## Result indicators

Specific objective 1: Trade Negotiations			
Result indicator 1.1 : Number of on-going <sup>7</sup> EU trade and investment negotiations and number of applied <sup>8</sup> EU trade and investment agreements			
<p><i>This indicator will show the extent of the EU's negotiating agenda in terms of its potential to cover the world's trade, and how it evolves. The broader the agenda, the wider the potential coverage. It also shows the extent of the world's trade covered by EU's applied preferential trade and investment agreements and the evolution of this coverage.</i></p>			
Source of data: DG Trade			
Baseline 2015	Interim Milestone 2018	Target 2020	Latest known result (2017)
<p>28 on-going negotiations or agreements<sup>9</sup> in the process of finalisation with countries/regions in the world.</p> <p><b>In finalisation:</b> Canada, Singapore, Ecuador, West Africa, SADC, EAC, Kazakhstan, Vietnam</p> <p><b>Negotiations not yet completed:</b> US, Japan, Morocco, Tunisia, Mercosur, Azerbaijan, China investment, Myanmar investment, ITA, TISA, EGA</p> <p><b>Negotiations (formally or informally paused)</b> Thailand, Malaysia, India, Central Africa, ESA, Pacific, Libya, Gulf Cooperation Council, Russia</p>	<p>Open FTA negotiations with Australia, New Zealand and the Philippines.</p> <p>Open negotiations for modernising free trade agreements with Mexico, Chile and the Customs Union with Turkey</p>	<p>Launch a revision of the EU-Korea FTA and, in that context, negotiate a new investment chapter.</p> <p>Open negotiations with other Asian countries, if conditions right (Indonesia)</p> <p>Open negotiations for Investment agreements with Taiwan and Hong Kong</p>	<p>28 on-going negotiations or agreements in the process of finalisation with countries/regions in the world.</p> <p><b>In finalisation:</b> Singapore, West Africa, EAC, Vietnam, Armenia, Japan</p> <p><b>Negotiations not yet completed:</b> Tunisia, Mercosur, Azerbaijan, Kyrgyzstan, Mexico, Chile, Indonesia, China investment, Myanmar investment, Association agreement(s) with Andorra, San Marino and Monaco</p> <p><b>Negotiations (formally or informally paused)</b> US, Morocco, Thailand, Malaysia, Philippines, India, Central Africa, ESA, Pacific, Libya, Gulf Cooperation Council, Russia, TISA, EGA, ASEAN</p>
<p>35 Agreements (Countries and regions) in force or provisionally applied</p> <p><b>Customs Unions:</b> Andorra, Turkey, San Marino.</p> <p><b>Free Trade Agreements (FTAs):</b> Faroe Islands, Norway, Iceland, Switzerland, The former Yugoslav Republic of</p>	<p>Canada CETA</p> <p>Singapore FTA (trade and investment)</p> <p>Ecuador (integrating Colombia/Peru agreement)</p> <p>West Africa EPA</p> <p>SADC EPA</p> <p>EAC EPA</p>	<p>US</p> <p>Japan</p> <p>Morocco</p> <p>Tunisia</p> <p>China investment</p> <p>Myanmar investment</p> <p><i>If the reasons for pausing the negotiations are lifted:</i></p>	<p>2016:</p> <p>+ Ecuador (accession to EU Colombia/Peru Trade Agreement,</p> <p>+ Kazakhstan Enhanced Partnership and Cooperation Agreement (EPCA)</p> <p>+ Southern African</p>

7 "On-going trade negotiations" are here identified as negotiations from the point of launch of negotiations to provisional application of the agreement.

8 This refers to agreements that have been provisionally applied (awaiting ratification) and agreements that have entered into force.

9 This indicator does not cover the multilateral WTO negotiations and agreements within the framework of the Doha Development Agenda.

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.



<p>Macedonia (Stabilisation and Association Agreement (SAA), Albania (SAA), Montenegro (SAA), Bosnia and Herzegovina (SAA) Serbia (SAA),Algeria (Association Agreement (AA), Egypt (AA), Israel (AA), Jordan (AA), Lebanon (AA), Morocco (AA), Palestinian Authority (Interim AA), Syria (Co-operation Agreement), Tunisia (AA), Iraq (Partnership and Cooperation Agreement), Chile (Association Agreement and Additional Protocol), Mexico (Economic Partnership, Political Coordination and Cooperation Agreement, Korea (New Generation FTA) Central America (AA), Peru - Colombia FTA, Georgia (Association Agreement), Moldova (Association Agreement), South Africa (Trade, Development and Co-operation Agreement), Ukraine (DCFTA)</p> <p><b>Economic Partnership Agreements:</b> CARIFORUM States, Central Africa (Cameroon), ESA (4 countries), Pacific (Papua New Guinea, Fiji).</p>	<p>Kazakhstan PCA Vietnam FTA</p>	<p>Thailand Malaysia India Mercosur Azerbaijan</p>	<p>Development Community (SADC) Economic Partnership Agreement (Botswana, Lesotho, Namibia, South Africa, Swaziland and Mozambique) + Ivory Coast stepping stone Economic Partnership Agreement (EPA) + Ghana stepping stone  + Kosovo SAA</p> <p>2017: + Trade Facilitation Agreement + Canada CETA provisional application as of 21 September 2017</p> <p>Number of agreements in force or provisionally applied increased from 35 to 40 Agreements (41 incl. ITA) in 2016.</p> <p>Number of agreements in 2017: 43 agreements.</p>
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<b>Result indicator 1.2 : Percentage of EU trade covered by applied bi-lateral and regional agreements,<sup>10</sup></b>											
<i>This indicator will show the extent of the EU trade covered by EU's applied preferential trade and investment agreements and the evolution of this coverage.</i>											
<b>Source of data: DG Trade / Eurostat</b>											
<b>Baseline</b> 2013-15 goods / 2012-14 services			<b>Interim Milestone</b> 2018			<b>Target</b> 2020			<b>Latest known result</b> 2015-17 goods/ 2014-16 services		
<b>Percentage of trade in goods and services</b>											
Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
24%	28%	26%	31%	35%	33%	54%	62%	58%	22%	26%	24%

<b>Result indicator 1.3 : Percentage of fully liberalised imports from the world (i.e. at zero duty<sup>11</sup>)</b>							
<i>This indicator will show the extent of the EU's applied preferential treatment for imports and its evolution. The bigger the share, the better economic conditions and opportunities for EU consumers, and EU operators using imports as inputs in their businesses.</i>							
<b>Source of data: Eurostat</b>							
<b>Baseline</b> 2015		<b>Interim Milestone</b> 2018		<b>Target</b> 2020		<b>Latest known result</b> 2016	
Merchandise imports <b>EU</b>		Increase		Increase			
imports extra <b>EU</b>							

<sup>10</sup> This indicator does not cover multilateral WTO nor the plurilateral sectoral negotiations and agreements

<sup>11</sup> MFN duty free, GSP duty free and other duty free

70%			70%
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**Result indicator 1.4 : China share in total EU trade in goods, specifying also percentage of liberalised trade under the Information Technology Agreement (ITA)2**

China is the EU's largest non-preferential trading partner. Trade with China is thus not captured in any of the other indicators, This indicator will show the importance of this trading partner and will serve as an example of the impact of the plurilateral negotiations/agreement lead by DG Trade

**Source of data: Eurostat**

Baseline 2014				Interim Milestone 2018		Target 2020		Latest known result 2017			
	Imp.	Exp.	Tot.						Imp.	Exp.	Tot.
China	17%	9%	13%	Maintain or increase growth rate		Maintain or increase growth rate		2016	19%	10%	14%
								2017	20%	10%	15%
ITA2	1.7%	1.3%	1.5%	More recent figures are not available for ITA2 <sup>12</sup>							

**Result indicator 1.5 : Share of preferential and zero duty imports from ACP countries**

This indicator will illustrate the extent of EU's contribution to economic growth specifically in the ACP countries.

**Source of data: Eurostat**

Baseline		Interim Milestone 2018		Target 2020		Latest known result	
	ACP	Keep ACP share close to 100%		Keep ACP share close to 100%		2015: 96% 2016: 95%	
2012	97%						
2013	97%						
2014	97%						

**Result indicator 1.6 : Number of EU's exporting and importing SMEs**

This indicator will illustrate the level of participation of the EU SMEs in international trade and its evolution. Given the foreseen special attention to SMEs through dedicated provisions in the upcoming EU FTAs and through other means (e.g., EU level coordinated economic diplomacy efforts, regular survey and other means to receive regular feedback from SMEs representatives), this indicator will help assess the effectiveness of these EU measures in helping SMEs to reap economic opportunities provided by imports and their business internationalisation.

**Source of data: Eurostat** (The data collected for this indicator is very important and relevant in substance to the EU's trade policy. However, the collection of data is not mandatory for EU Member States and thus risks being rather unstable and coming with a considerable delay.)

Baseline Number of trading SMEs extra EU			Interim Milestone 2018		Target 2020		Latest known result	
Year	Importing	Exporting	Importing	Exporting	Importing	Exporting		
2014	791,471	637,280	Increase	Increase	Increase	Increase	More recent results not currently available	
2015	847,165	657,173						

**Planned evaluations:**

- 1/ EU Korea FTA evaluation final report is expected to be published in March 2018.
- 2/ Interim evaluation of the EU's trade agreements with Peru and Colombia and of the EU's trade pillar agreements with Central American countries.
- 3/ Interim evaluation of the EU's trade pillar agreements with Georgia and Moldova to be launched in 2019 and

<sup>12</sup> The part on ITA2 of this indicator will be dropped as it is no longer considered reliable

completed in 2020

## Specific objective 1: Output indicators

Main outputs in 2017:			
Description	Indicator	Target date	Latest known results (situation on 31/12/2017)
<b>Commission Work Programme outputs</b>			
EU-Australia and EU-New Zealand free trade agreements <i>2015/TRADE/040</i>	College adoption of recommendations to launch negotiations	Q2 2017	Commission recommendations to the Council authorising the opening of negotiations for a Free Trade Agreement with Australia ( <a href="#">COM(2017) 472 final</a> ) and with New Zealand ( <a href="#">COM(2017) 469 final</a> ) were adopted on 13 September 2017. Draft negotiating directives and recommendations published. Deliberations in Council ongoing.
Modernisation of the trade part of the EU-Chile Association Agreement <i>2015/TRADE/039</i>	College adoption of recommendations to launch negotiations	Q2 2017	Commission recommendations to the Council authorising the opening of negotiations for an agreement with Chile were adopted on 24 May 2017. Council Decision was taken on 13 November and the negotiations were launched 16 November 2017. Final negotiating directives and recommendation to launch was published in January 2018. First negotiation round in January 2018.
<b>Other important outputs</b>			
Description	Indicator	Target date	
Enhancement of the EU-Turkey bilateral trade relations and the modernisation of the Customs Union <i>2015/TRADE+/035</i>	Launch of negotiations	2017	The Recommendation for a Council Decision authorising the opening of negotiations with Turkey on an Agreement on the extension of the scope of the bilateral preferential trade relationship and on the modernisation of the Customs Union submitted on 21 December 2016 have been intensively discussed in Council during 2017. Unfortunately these discussions have not led to any decision yet.
Environmental Goods Agreement (EGA)	Completion of negotiations  College adoption of Commission proposal for Council Decision on conclusion	Q4 2017  2018	The EGA negotiations that started in July 2014, and involving 17 members of the World Trade Organization (WTO), including the EU, were stalled in December 2016. There has been no window of opportunity to relaunch negotiations during 2017.
Myanmar Investment Agreement	Completion of negotiations	Q2 2017	Last negotiation round took place on 13-16 December 2016. Since then, the Commission does not consider the current circumstances as conducive to conclude negotiations for a bilateral Investment Protection Agreement.
China Investment Agreement	Exchange of offers	Q3 2017	<a href="#">13<sup>th</sup> round</a> 15-19 May 2017 Beijing <a href="#">14<sup>th</sup> round</a> 11-14 July 2017 Brussels <a href="#">15<sup>th</sup> round</a> 9-13/10 Beijing <a href="#">16<sup>th</sup> round</a> 11-15/12 Brussels The conditions to exchange market

			access offers were not fulfilled in 2017.
Commission proposals for Council decisions on signature and conclusion of the EU-Singapore FTA <i>2015/TRADE/020</i> <i>2015/TRADE/021</i>	College adoption of proposals for Council Decisions <i>(following pending ECJ ruling on the agreement)</i>	2017	The European Court of Justice delivered its Opinion on the division of competences on 16 May 2017. Read the <a href="#">factsheet</a> <sup>13</sup> . Taking account of the reflection process which the Commission is leading with the EU Member States, the European Parliament the Commission intends to submit proposals for signing and concluding the agreements with Singapore and Vietnam during the course of 2018
Commission proposals for Council decisions on signature and conclusion of the EU-Vietnam FTA <i>2015/TRADE/046 and 047</i>	College adoption of proposals	2017	See above for Singapore.
Regulation implementing the bilateral safeguard clauses of the EU-Vietnam and EU-Singapore Agreements	College adoption	Q1 2017	The College adoption of the proposal for this Regulation has been delayed due the circumstances described above. A horizontal Regulation applicable to future agreements including those with Vietnam and Singapore will be proposed simultaneously with the above proposals.
Trade part of a Comprehensive and Enhanced Partnership Agreement with Armenia	Completion of negotiations	Q2 2017	Negotiations were concluded on 27 February 2017. At the fifth Eastern Partnership Summit in Brussels on 24 November 2017, Armenia and the EU signed a new Comprehensive and Enhanced Partnership Agreement and provisional application expected once ratification is completed in 2018.
Trade part of a Comprehensive Agreement with Azerbaijan	Launch of negotiations	Q1 2017	Based on the negotiation directives adopted by the Council on 14 November 2016, negotiations were launched on 7 February 2017 and a preparatory round was held on 15-17 May 2017. Two negotiating rounds took place on 13-14 June 2017 in Baku and on 25-29 September 2017 in Brussels
Post Nairobi Negotiations (WTO)	Submission of textual proposals in the WTO	Q1, Q2, Q3 and Q4 2017	Six proposals were tabled by the EU in the course of MC11 preparations. Despite the EU's efforts, no multilateral agreement was reached in MC11. However, a series of joint statements were endorsed by interested WTO Members which set the stage for further discussions in 2018.
Council decision on adaptation of EU-Chile Association Agreement to take account of Croatia's accession to the EU <i>2015/EEAS+/001 and 002</i>	College adoption of proposal for Council decision	Q1 2017	Adopted. EP consent given on 14.09.2017

<sup>13</sup> [http://trade.ec.europa.eu/doclib/docs/2017/september/tradoc\\_156035.pdf](http://trade.ec.europa.eu/doclib/docs/2017/september/tradoc_156035.pdf)

Council decision on adaptation of EU-Mexico Global Agreement to take account of Croatia's accession to the EU <i>2016/EEAS/018 and 019</i>	College adoption of proposal for Council decision	Q1 2017	Proposal adopted by the Commission on 1 December 2017 COM(2017) 723
Council decision on adaptation of EU-Central America Association Agreement to take account of Croatia's accession to the EU	College adoption of proposal for Council decision	Q4 2017	An agreement with Central America on the terms of the adaptation to the Agreement has not been reached to date.
Possible investment negotiations with Hong Kong	Continue working towards scoping exercise	Q1 2017	Preparatory work continues.
Possible investment negotiations with The separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu	Continue working towards scoping exercise	Q1 2017	Preparatory work continues.

#### Important items from financing decisions

Description	Indicator	Target	
Sustainability Impact Assessment (SIA) for FTA with the Philippines <i>[2016 budget]</i>	Contract signature Interim report Final report Commission Position Paper	February 2017 July 2017 December 2017 March 2018	Contract signed in December 2017. Delay due to a cancellation of the initial tender due to different interpretations of the presentation of the financial proposal in the initial submitted offers.  SIAs for Malaysia added to contract. (joint contract covering the Philippines, Indonesia and Malaysia)
SIA for FTA with Indonesia <i>[2016 budget]</i>	Contract signature Interim report Final report Commission Position Paper	February 2017 July 2017 December 2017 March 2018	Contract signed in December 2017 See above
SIA for Agreement with Mercosur <i>[2016 budget]</i>	Contract signature Interim report Final report Commission Position Paper	February 2017 July 2017 December 2017 March 2018	Contract signed on 14 July 2017 Interim report not yet finalised
SIA for FTA with India <i>[2016 budget]</i>	Contract signature Interim report Final report Commission Position Paper	March 2017 September 2017 February 2018 May 2018	Terms of reference drafted, but launch of request for services pending decision on relaunch of negotiations.
SIA for Agreement with Mexico	Contract signature Interim report Final report Commission Position Paper	March 2017 September 2017 February 2018 May 2018	Contract signed in 2017. The inception report has been validated and the interim report should be ready in February 2018.
SIA for Agreement with Turkey	Contract signature Interim report Final report Commission Position Paper	June 2017 December 2017 May 2018 September 2018	Terms of reference being drafted, but launch of request for services pending Council decision on adoption of negotiation directives.
SIA for FTA with Australia and New Zealand	Contract signature Interim report Final report	October 2017 April 2018 September 2018	SIA work not yet started pending Council adoption of negotiation directives.

	Commission Position Paper	December 2018	
SIA for Agreement with Chile	Contract signature Interim report Final report Commission Position Paper	October 2017 April 2018 September 2018 December 2018	Request for services launched December 2017. The delay for the launch of the SIA is linked to the delayed adoption of the negotiating directives by the Council.
WTO Trust Fund - LDCs participation in the 11th WTO Ministerial Conference	Contract signature	June 2017	Contract signed on 5 December 2017.

## Specific objective 2 Effective implementation

### Result indicators

<b>Result indicator 2.1 : Preference utilisation rates of EU preferential trade arrangements<sup>14</sup> for the EU and partners' side</b>						
<i>This indicator will show the extent to which operators will be making use of the EU preferential arrangements. It will give an indication how well these agreements are formulated and how the uptake is handled in the EU Member States and the partner countries.</i>						
<b>Source of data: Eurostat and national customs registrations</b>						
Baseline			Interim Milestone	Target	Latest known result	
2012			2018	2020	2015/2016	
<b>Preference utilisation EU importers</b>						
FTA	2012	2013	2014	Increase of rates	The target is to increase the percentage according to recent trend. It is difficult to predict an exact percentage at a specific moment in time. Ultimately, the desire is of course to have full coverage over time as this will have the greatest impact on the economy	
Chile	93%	93%	94%			95% - 95%
Mexico	68%	67%	61%			52% - 58%
Colombia	-	85%	96%			97% - 97%
Peru		95%	97%			98% - 97%
South Africa	90%	91%	91%			85% - 78%
South Korea	78%	82%	84%			85% - 87%
Turkey	92%	92%	93%			93% - 93%
Ukraine						- - 89%
<b>Preference utilisation EU exporters</b>						
FTA	2012	2013	2014	Increase of rates	The target is to increase the percentage according to recent trend	2015/2016
Chile	79%	78%	78%			76% - 74%
Colombia			56%			63% - 71%
Costa Rica			18%			- - 38%
Egypt		55%	57%			41% - 59%
Montenegro	76%	86%	86%			85% - 85%
South Korea			65%			68% - 71%

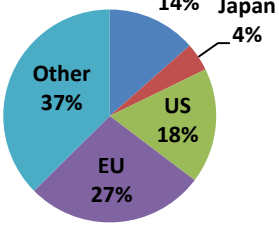
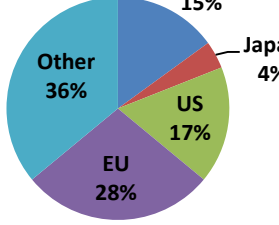
<sup>14</sup> A selection of countries is shown, where agreements have been in place for a certain time. This might be complemented in due course with more recently concluded agreements.



**Result indicator 2.2 : EU share in imports of partner countries with which the EU has a preferential trade agreement in force<sup>15</sup>**

*This indicator will demonstrate the effects of preferential access to export markets stemming from the preferential agreements. The deeper the liberalisation and the more effective its implementation, the stronger the anticipated EU's competitive position vis-à-vis other partners on the export market. This indicator may also be helpful in assessing comparative effectiveness of EU's and other partners' preferential instruments vis-à-vis selected markets.*

**Source of data: DG Trade / Eurostat**

Baseline 2014	Interim Milestone 2018	Target 2020	Latest known result 2016
	Maintain EU share	Maintain EU share	

**Result indicator 2.3 : Number of new barriers to trade identified. Number of barriers partially or fully resolved and value of trade affected/created.**

*This indicator will show, on the one hand, the number of newly identified and recorded barriers under market access partnership procedures leading to enhanced awareness by industry and member states of market conditions in specific countries. On the other hand, the indicator will estimate the number and flows of trade concerned (and when possible the flows of trade created) by the removal of identified obstacles.*

*Barrier identification, prevention and removal are evidence of an effective implementation strategy notably when such barriers are in breach of third party trade commitments. Removing key irritants will increase the level of exports from the EU. It is therefore relevant to the overall objective of more international trade opportunities boosting the economy.*

*The work of the market access partnership and the regular reports are the place to form a view on the prioritisation, prevention or resolution of market access barriers, and on the mid- to long term strategy for their resolution, for the improvement of the rules and standards framework, or for a more responsive EU set-up where necessary to better respond to real needs or concerns by trading partners.*

**Source of data: DG Trade / Eurostat**

Baseline 2015	Interim Milestone 2018	Target 2020	Latest known result 2017
No of obstacles identified per year: 35-40  Barriers solved: 15  Value of trade affected: €1,500 Mio Value of additional exports [2014 data]: €2,400 Mio	No of obstacles identified per year: 35-40  Barriers solved: 15 Value of trade affected: €1,500 Mio Value of additional exports: €2,400 Mio	No of obstacles identified per year: 35-40  Barriers solved: 15 Value of trade affected: €1,500 Mio Value of additional exports: €2,400 Mio	No of obstacles identified per year: 72  Barriers solved: 44

<sup>15</sup> This indicator will be calculated annually only in the first 10 years since the entry into force of the preferential agreement, starting after three years of implementation, and using a three year average preceding the entry into force as the benchmark for the comparison. Furthermore, it is not appropriate for our Economic Partnership Agreements with ACP countries which are without EU offensive interests and back-loaded liberalisation.

**Result indicator 2.4 : Outcome of dispute settlement cases**

*This indicator will measure whether cases are successfully defended with EU as a respondent or brought by EU as a complainant according to existing law and taking into account the initial analysis of strength of the case. Ensuring successful dispute settlement leads to maintaining the markets at the legally expected level of openness, and in turn generates opportunities for export and the inherent creation of jobs and economic growth.*

**Source of data:** DG Trade and the WTO (<http://trade.ec.europa.eu/wtodispute/search.cfm>)

<b>Baseline</b> 2015	<b>Interim Milestone</b> 2018	<b>Target</b> 2020	<b>Latest known result</b> 2017
Compliance of the EU and its trade partners to the agreement(s) in place	Successful outcome in cases up for decision and other positive developments in main ongoing disputes, including where feasible the settlement of disputes	Successful outcome in cases up for decision and other positive developments in main ongoing disputes, including where feasible the settlement of disputes  The target is not defined in time, but on a case-by-case basis	On the offensive side: victories in the disputes on pork against Russia, Light Commercial Vehicles (LCV) against Russia (under appeal) and taxes against Brazil (under appeal). On the defensive side: effective defence in Fatty Alcohols (Indonesia) and Poultry (China). Regarding implementation the disputes brought in 2016 against Colombia on spirits and against China on Raw Materials III have led to compliance. Russia implemented the panel report in the tariffs case. Other compliance efforts are under review. The EU also successfully complied with findings where it has been found to be acting inconsistently.

**Planned evaluations:**

- 1/Evaluation of Regulation 1219/2012 on transitional arrangements for BITs and other elements of the investment policy to be launched in 2018 and completed in 2019
- 2/ Evaluation of Regulation 654/2014 on the EU's rights for application and enforcement of international trade rules to be launched in 2017 and completed in 2018

## Specific objective 2: Output indicators

Main outputs in 2017:			
Description	Indicator	Target date	Latest known results (situation on 31/12/2017)
Convention to establish a multilateral court on investment <i>2016/TRADE/024</i>	Adoption of Commission recommendation to open negotiations	Q4 2017	The Recommendation for a Council Decision authorising the opening of negotiations for a Convention establishing a multilateral court for the settlement of investment disputes ( <a href="#">COM(2017)493 final</a> ) was adopted by the Commission on 13 September 2017. Discussions in the Council are ongoing. Adoption of the authorisation is expected in 2018. Discussions started in UNCITRAL in November 2017 and will continue in 2018.
WTO Trade Facilitation Agreement	Entry into force of the agreement	Q1 2017	The WTO Trade Facilitation Agreement <a href="#">entered into force</a> on 22 February 2017. The <a href="#">European Commission continued to support WTO Members in the implementation of the Agreement</a> . EU notified its transparency measures and available funding for technical assistance. EU actively contributed to the WTO meetings and to the World Customs Organisation Working Group on Trade Facilitation.
Trade and Investment Barriers Report <i>PLAN/2016/470</i>	College adoption	June 2017	<a href="#">TIBR</a> adopted in June 2017 ( <a href="#">COM(2017) 338 final</a> )
Free Trade Agreement Implementation Report <i>PLAN/2016/469</i>	College adoption	October 2017	The first annual report covering the period 1 January – 31 December 2016 was adopted on 9 November 2017 ( <a href="#">COM(2017)654 final</a> )
Annual report South Korea <i>PLAN/2016/465</i>	College adoption	March 2017	The fifth annual report was adopted on 20 October 2017 ( <a href="#">COM(2017)614 final</a> )
Annual report Central America <i>2016/TRADE/018</i>	College adoption	April 2017	The third annual report was adopted on 5 April 2017 ( <a href="#">COM(2017)160</a> )
Annual report Colombia/Peru <i>2016/TRADE/019</i>	College adoption	April 2017	The third annual report was adopted on 10 October 2017 ( <a href="#">COM(2017)585 final</a> )
Annual report Georgia <i>2015/TRADE/066</i>	College adoption	October 2017	This report was integrated in the general FTA implementation report <a href="#">COM(2017)654 final</a>
Annual report Moldova <i>2015/TRADE/067</i>	College adoption	October 2017	This report was integrated in the first annual FTA implementation report <a href="#">COM(2017)654 final</a>
Annual report Ukraine	College adoption	October 2017	This report was integrated in the first annual FTA implementation report <a href="#">COM(2017)654 final</a>
<b>Important items from financing decisions</b>			

<b>Description</b>	<b>Indicator</b>	<b>Target</b>	
Interim ex-post evaluation of the implementation of the EU-Korea FTA 2015/TRADE/054 [2016 budget]	Interim report Final report Staff Working Document	April 2017 August 2017 October 2017	The interim report was issued in June 2017 ( <a href="#">Synthesis Report</a> , <a href="#">Stakeholder Consultation Report</a> ). The final report and Staff Working Document are expected to be published in March 2018.
FAO/IPPC - Implementation and Review Support System (IRSS) for 3 years 2017 - 2020)	Contract signature	November 2017	Contract signed on 18 December 2017
Contribution to the WTO-DDA Global Trust Fund for 2017	Contract signature	June 2017	Contract signed on 5 December 2017

## Specific objective 3 Tackling unfair trade

### Result indicators

<b>Specific objective 3. Tackling Unfair Trade</b>			
<b>Result indicator 3.1 : Efficiency and transparency in TDI investigations using latest IT tools and electronic means of communication with parties</b>			
<b>Source of data: DG Trade</b>			
<b>Baseline</b> 2015	<b>Interim Milestone</b> 2017	<b>Target</b> 2020	<b>Latest known result</b> 2017
Pilot phase for the TRON web platform for consultation of files completed	The TRON web platform used in all investigations for continuous web consultation; extend TRON web platform to also cover web submissions, notifications, and registration	Fully functioning web platform for all communication with parties in the context of investigations	The Web Notification module was deployed. Regarding web submissions, the analysis was completed and development started.

<b>Result indicator 3.2 : Efficiency of investigations by their conclusion within mandatory deadlines or whenever possible before such deadlines</b>			
<b>Source of data: DG Trade</b>			
<b>Baseline</b> 2015	<b>Interim Milestone</b> 2018	<b>Target</b> 2020	<b>Latest known result</b> 2017
100% of new investigations completed within mandatory deadlines	10% of new investigations completed before the mandatory deadline (by at least a month); setting of the new 2020 target based on the review of the length of investigations	New target for investigations completed before the mandatory deadline achieved based on experience gained until 2018	All investigations concluded within the mandatory deadlines. The agreement reached between the co-legislators in the modernisation initiative mandatorily requires adopting provisional measures in less than 8 months. This agreement also provides for the shortening of some intermediate deadlines that will facilitate the quicker adoption of provisional duties.

<b>Result indicator 3.3 : Number of jobs in sectors covered by the trade defence measures</b>			
<b>Source of data: DG Trade</b>			
<b>Baseline</b> 2015	<b>Interim Milestone</b> 2018	<b>Target</b> 2020	<b>Latest known result</b> 2017
Development of employment in relevant industry sector between imposition of original measures and expiry reviews completed in 2015	For measures under review at the end of their statutory duration, the level of employment while the measures were in force shows a status quo or an increase	On a yearly basis, the comparison of employment between the original imposition of measures and their expiry shows a status quo or an increase	In 2017 there were more than 350.000 jobs in the EU in sectors covered by trade defence measures
<b>Planned evaluations:</b>			
1/ Evaluation of the EU's trade defence instruments to be launched in 2022 and completed in 2023.			

## Specific objective 3: Output indicators

Main outputs in 2017:			
Description	Indicator	Target date	Latest known results (situation on 31/12/2017)
TDI investigations conducted in an effective and efficient manner.	Completion of investigations within statutory deadlines or, whenever possible, a month earlier	Demand driven. To be adopted within the regulatory deadlines	100% of investigations were concluded within the mandatory deadlines. 9% of new investigations were concluded by at least a month before the mandatory deadline.
	Timeliness of conclusion of investigations	100% of investigations concluded within deadlines while 10% of new investigations concluded before the mandatory deadline (by at least a month)	
Proposal for Regulation of EP and Council amending Regulation 2016/1036 on protection against dumped imports from countries not members of the EU and Regulation 2016/1037 on protection against subsidised imports from countries not members of EU – related to introducing new dumping calculation methodology <i>COM (2016)721</i>	Adoption by Council of EU and European Parliament	Q3 2017	Proposal adopted by European Parliament and Council and published on 19 December 2017 ( <a href="#">OJ L 338, p. 1-7</a> )
Proposal for Regulation of EP and Council amending Regulation 2016/1036 on protection against dumped imports from countries not members of the EU and Regulation 2016/1037 on protection against subsidised imports from countries not members of EU – related to modernisation of the EU's trade defence instruments <i>COM(2016) 721</i>	Adoption by Council of EU and European Parliament	Q3 2017	Political agreement on 5 December 2017. Entry into force scheduled for end of May 2018.
Global Forum on steel excess capacity	Set up Forum Implementation	Q1 2017	On 30 November 2017, the members of the Global Forum on Steel Excess Capacity agreed on a set of policy recommendations to tackle overcapacity. These concrete policy solutions are to be implemented in 2018 and 2019.
Transparency initiative	Impact assessment and/or public consultation on increased transparency in TDI proceedings	Q3 2017	Reflection on how Trade Defence Committee meetings can be more transparent has been launched. The legal feasibility under the current rules is being examined. The impact assessment has been postponed for the time being.
14 <sup>th</sup> Annual report on overview of third countries trade defence actions against the EU <i>PLAN/2016/474</i>	College adoption	June 2017	The 14 <sup>th</sup> annual report was adopted on 27 July 2017 <a href="#">COM(2017)401</a>

35th Annual Report on the EU's Anti-Dumping, Anti-Subsidy and Safeguard activities <i>PLAN/2016/478</i>	College adoption	Q4 2017	The 35 <sup>th</sup> annual report was adopted on 17 October 2017 <a href="#">COM(2017)598</a>
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## Specific objective 4 A sustainable approach to trade

### Result indicators

#### Specific objective 4: A Sustainable Approach to Trade

##### Result indicator 4.1 : Number of FTAs<sup>16</sup> with dedicated anti-corruption provisions or appropriate links to framework agreements covering anti-corruption

*Corruption is a plague on economies and societies, which holds countries back from development by wasting public funds, distorting economic opportunities, discouraging investment, and hampering trade. This indicator will show to what extent EU takes action to improve sustainable economic conditions and promote good governance using free trade agreements to tackle issues posed by corruption, directly or indirectly (via linkage to framework agreements).*

**Source of data: DG Trade**

Baseline 2015	Interim Milestone 2018	Target 2020	Latest known result 2017
None <sup>17</sup>	None	4 depending on outcome of on-going negotiations <sup>18</sup>	Provisions tabled in the negotiations with Mexico, negotiations at a good state of progress. A proposal has been tabled in the negotiations with Chile but has not been discussed yet.

##### Result indicator 4.2 : Number of dialogues addressing Human Rights/Sustainable Development issues with GSP+ beneficiaries

*This indicator will demonstrate the evolving extent of the EU's engagement in making full use of the channels offered by the GSP+ scheme to address Human Rights and Sustainable Development issues. The broader the engagement, the more opportunities to improve conditions conducive to sustainable economic, social and environmental development and respect for human rights.*

**Source of data: DG Trade**

Baseline 2015	Interim Milestone 2018	Target 2020	Latest known result 2017
1 dialogue per year per GSP+ beneficiary	1 dialogue per year for selected standard GSP/EBA beneficiaries 2 dialogues/year for selected GSP+ beneficiaries (likely 4)	1 dialogue per year for selected standard GSP/EBA beneficiaries 2 dialogues/year with each GSP+ beneficiary	1 GSP+ dialogues consisting of Scorecards and follow-up questions per GSP+ beneficiary (10 GSP+ beneficiaries in 2017). 5 GSP+ monitoring missions during 2016-2017. All channels of engagement under GSP+ were exhausted and engagement with civil society increased (prior and during monitoring missions, as well as through a dedicated yearly Civil Society Dialogue on GSP).

<sup>16</sup> This includes FTAs that are not yet being applied but where negotiations have been concluded.

<sup>17</sup> Article 97 of the "Cotonou Agreement" is not counted in this context, as it is not an FTA.

<sup>18</sup> See result indicator 1.1.



**Result indicator 4.3 : Number of trading partners, international organisations and relevant stakeholders groups initiatives (i.e. business, trade unions, NGOs) with whom DG Trade is engaged on Responsible Supply Chain (i.e. partnerships, projects, events, dialogues, guidance, platforms)**

*This indicator will demonstrate the evolving extent of the EU's engagement in advancing initiatives concerning responsible management of supply chains through outreach to institutional and trading partners. The wider the outreach, the more opportunities to improve responsible sourcing which, in turn, will help ensure sustainable economic, social and environmental conditions.*

**Source of data: DG Trade**

Baseline	Interim Milestone	Target	Latest known result
2015	2018	2020	2017
15	25	35	19 <sup>19</sup>

**Result indicator 4.4 : Number of structured dialogues with stakeholders on Trade and Sustainable Development (TSD) issues (e.g. Domestic Advisory Groups, EPA committees, DG Trade Civil Society Dialogue)**

*This indicator will show the evolving extent of the EU's engagement in structured dialogues with stakeholders concerning sustainable economic, social and environmental conditions affected by trade policy. The wider and deeper the engagement, the better is the mutual understanding of the issues that need to be addressed and of the possibilities that trade policy can offer to address them, which are prerequisites to improving those conditions.*

**Source of data: DG Trade**

Baseline	Interim Milestone	Target	Latest known result
2015	2018	2020	2017
<p>Under TSD chapters in FTAs: On average, 4 meetings/year/agreement (3 DAG meetings, 1 joint civil society meeting) – for 5 FTAs</p> <p>Under EPAs, the regional CARIFORUM-EU Consultative Committee met once, in 2014, but not in 2015. The annual Pacific EPA Committee meeting in 2015 included civil-society participation and TSD discussion.</p> <p>8 meetings of the Civil Society Dialogue on TSD issues, including GSP and Trade Sustainability Impact Assessments (SIAs), with more than 350 registered participants in total.</p> <p>Other events:</p> <ul style="list-style-type: none"> <li>- 1 stakeholder meeting on Vietnam &amp; TSD with more than 130 participants.</li> <li>- 1 session of the Trade Policy Day on TSD with</li> </ul>	<p>Under TSD chapters in FTAs: On average, 4/5 meetings per year per agreement (3/4 DAG meetings, 1 joint civil society meeting) – for 8 FTAs (?)</p> <p>On average 1 joint <i>regional</i> meeting per year per EPA applied that involves civil-society representatives and/or addresses TSD issues</p> <p>CSD meetings on SIAs in support of ongoing negotiations. For each SIA, civil society is consulted on the draft report. (2-3 meetings per SIA)</p> <p>CSD and stakeholder meetings on updates on TSD issues and new initiatives in this field will be organised, including the follow up of TSD aspects of the new trade strategy</p>	<p>Under TSD chapters in FTAs: On average, 5 meetings per year per agreement (4 DAG meetings, 1 joint civil society meeting) – for 10 FTAs (?)</p> <p>1 joint <i>regional</i> meeting per year per EPA applied that involves civil-society representatives and/or addresses TSD issues</p> <p>CSD meetings on SIAs in support of ongoing negotiations. For each SIA, civil society is consulted on the draft report. (2-3 meetings per SIA)</p> <p>CSD and stakeholder meetings on updates on TSD issues and new initiatives in this field will be organised, including the follow up of TSD aspects of the new trade strategy</p>	<p>A total of 4 joint civil society meetings and 14 DAG meetings – for 6 FTAs in force (CETA not included, because is being provisionally applied only as of September 2017)</p> <p>A total of 2 Consultative Committee meetings took place to review the implementation of Cariforum EPA.</p> <p>1 joint civil society meeting was organised for the SADC</p>

<sup>19</sup> DG Trade has been cooperating closely with a wide range of actors on Corporate Social Responsibility/RBC in the context of the implementation of TSD chapters with Central America, Colombia- Peru, South Korea), Partnership Instruments projects in this field have been put in place for Asia and Latin America or specific initiatives such as the Myanmar Labour Rights Initiative or the Bangladesh Sustainability Compact.

150 participants.			
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## Specific objective 4: Output indicators

Main outputs in 2017:			
Description	Indicator	Target date	Latest known results (situation on 31/12/2017)
Export control review - Proposal for a Regulation of the EP and Council setting up a Union regime for the control of exports, transfer, brokering, technical assistance and transit of dual-use items (recast) <i>2015/TRADE/027 – COM(2016)616</i>	Adoption by the European Parliament and the Council	2018	The European Parliament's INTA committee adopted its report on the legislative proposal on 23 November 2017, which was approved by the Plenary in January 2018.  The Council completed the technical reading of the proposal at the end of 2017.
Commission Delegated Regulation updating the EU control list for dual-use items <i>PLAN/2016/467</i>	Commission adoption	Q3 2017	The Delegated Regulation was adopted on 26 September 2017 ( <a href="#">COM(2017)6321</a> ). See <a href="#">fact sheet<sup>20</sup></a> .
Export control annual report <i>PLAN/2016/466</i>	Commission adoption	Q2 2017	The 2017 annual report was adopted on 21 November 2017 ( <a href="#">COM(2017)679</a> ).
International Procurement Instrument - Commission amended proposal for a Regulation of the European parliament and the Council on access of third-country goods and services to the Union's internal market in public procurement and procedures supporting negotiations on access of Union goods and services to the public markets of third countries. <i>Initial proposal: COM(2012)124</i> <i>Revised proposal: COM(2016)34</i>	Adoption by the European Parliament and the Council	2017/2018	In Council: the Maltese and the Estonian Presidencies gave priority to other politically sensitive files (in particular the TDI reform); discussions on IPI are expected to resume in the Trade Questions Working Party in spring 2018.  In the European Parliament (EP): the proposal was voted upon in IMCO (large majority in favour) in September 2017. In INTA the process has been delayed until spring 2018.
Possible amendments to the annexes of the GSP Regulation based on annual review	College adoption	Q4 2017	Commission Delegated Regulation (EU) 2017/836 of 11 January granting Sri Lanka access to GSP+ ( <a href="#">OJ L 125, 18.5.2017</a> )  Commission Delegated Regulation amending annexes II, III and IV (C(2017)6339) - Adopted by Commission on 27 September 2017. Under scrutiny by EP and Council until end of January 2018 (2+2 months).  Commission Delegated

<sup>20</sup> [http://trade.ec.europa.eu/doclib/docs/2017/october/tradoc\\_156134.pdf](http://trade.ec.europa.eu/doclib/docs/2017/october/tradoc_156134.pdf)

			Regulation amending annexes V and IV (C(2017)8351) - Adopted by Commission on 14 December 2017. Under scrutiny by EP and Council until mid February 2018 (2 months)
Commission proposal for a Regulation on minerals from conflict-affected and high-risk areas <i>COM(2014)0111</i>	Adoption by the European Parliament and the Council  Guidelines to be developed: - Conflict-affected and high risk areas - Member States Competent authorities	Q1-Q2 2017  2017  2017	Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas ( <a href="#">OJ L 130, 19.5.2017</a> ).  Guidelines are being drafted and are expected to be finalised the second quarter 2018.
Amendment of Regulation (EU) 2015/936 – abolition of autonomous quotas on imports of textiles and clothing originating in the Republic of Belarus <i>COM (2014)44</i>	Adoption by the European Parliament and the Council	Q2 2017	Regulation (EU) 2017/354 of the European Parliament and of the Council of 15 February 2017 amending Regulation (EU) 2015/936 on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Union import rules ( <a href="#">OJ L 57, 3.3.2017</a> )
Extension of the Uzbekistan PCA to bilateral trade in – textiles <i>COM (2010)664</i>	Adoption by the Council	Q1 2017	Adopted by Council on 21 March 2017. (OJ L81, 28.3.2017)
Temporary autonomous trade measures for Ukraine <i>COM(2016) 631</i>	Adoption by the European Parliament and the Council	Q1 2017	Regulation (EU) 2017/1566 of the European Parliament and of the Council of 13 September 2017 on the introduction of temporary autonomous trade measures for Ukraine supplementing the trade concessions available under the Association Agreement ( <a href="#">OJ L 254, 30.9.2017</a> )
<b>Important items from financing decisions</b>			
Mid-term evaluation report on GSP	Interim report Final report	May 2017 October 2017	<a href="#">Inception report</a> issued in April 2017
ITC - Sustainability schemes including fair trade award (renewal of 2016/D1/D07 )	Contract signature	September 2017	Delegation agreement signed on 20 September 2017
OECD – Supporting the activities of the Global Forum on Steel Supporting the OECD work on responsible supply chains	Contract signature	Q1 2017  July 2017	Grant agreement signed on 30 November 2017
ILO - capacity building on labour rights project to relevant trading partners	Contract signature	October 2017	Delegation agreement signed on 19 December 2017

**Annex 3 Financial Reports - DG TRADE - Financial Year 2017**

**Table 1 : Commitments**

**Table 2 : Payments**

**Table 3 : Commitments to be settled**

**Table 4 : Balance Sheet**

**Table 5 : Statement of Financial Performance**

**Table 5 Bis: Off Balance Sheet**

**Table 6 : Average Payment Times**

**Table 7 : Income**

**Table 8 : Recovery of undue Payments**

**Table 9 : Ageing Balance of Recovery Orders**

**Table 10 : Waivers of Recovery Orders**

**Table 11 : Negotiated Procedures (excluding Building Contracts)**

**Table 12 : Summary of Procedures (excluding Building Contracts)**

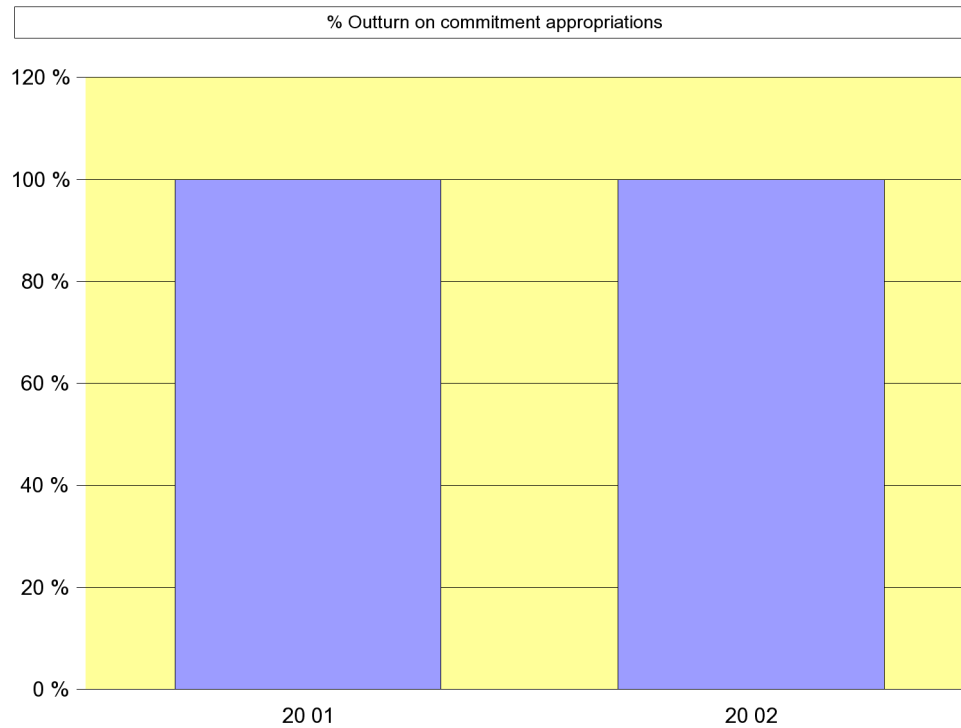
**Table 13 : Building Contracts**

**Table 14 : Contracts declared Secret**

**Additional comments**

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2017 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 20 Trade					
20	20 01	Administrative expenditure of the 'Trade' policy area	4,28	4,28	100,00 %
	20 02	Trade policy	16,73	16,73	100,00 %
<b>Total Title 20</b>			<b>21,01</b>	<b>21,01</b>	<b>100,00%</b>
<b>Total DG TRADE</b>			<b>21,01</b>	<b>21,01</b>	<b>100,00 %</b>

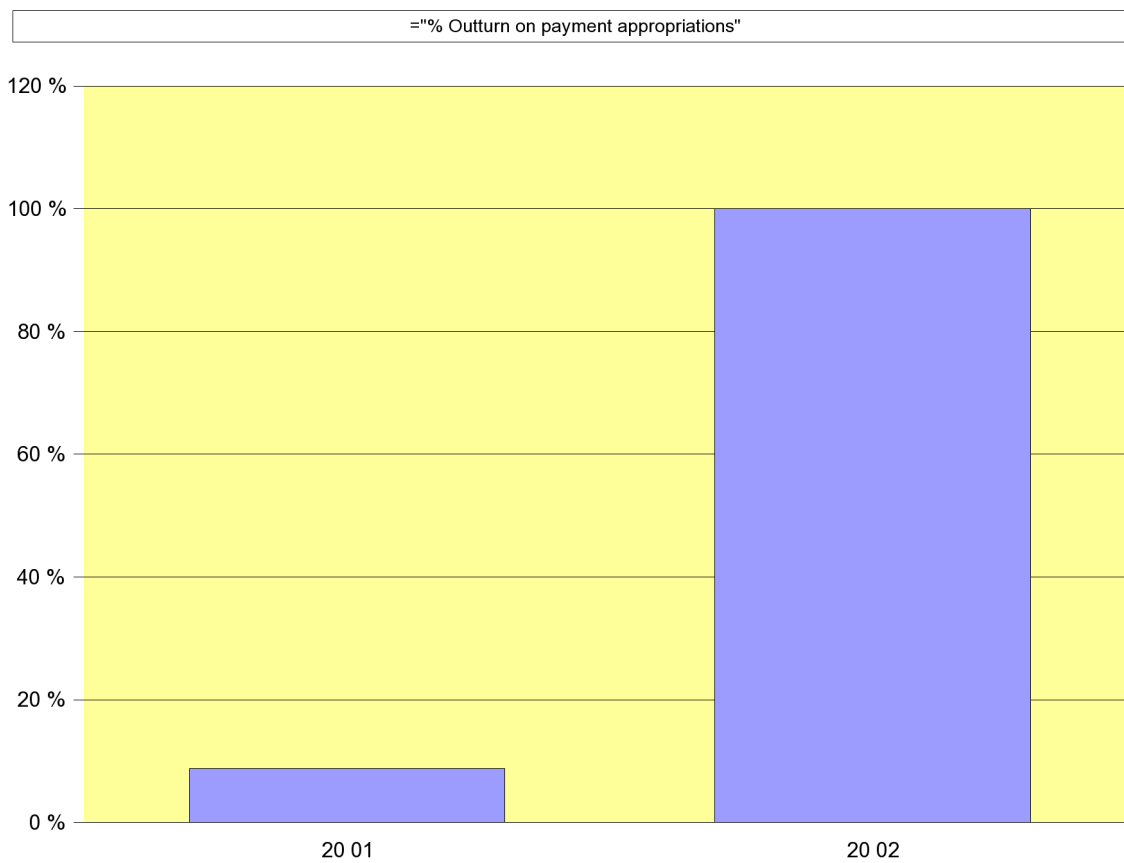
\* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).



**TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2017 (in Mio €)**

Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
<b>Title 20 Trade</b>					
20	20 01	Administrative expenditure of the 'Trade' policy area	4,59	0,4	8,81 %
	20 02	Trade policy	14,82	14,82	100,00 %
<b>Total Title 20</b>			19,4	15,22	78,45%
<b>Total DG TRADE</b>			19,4	15,22	78,45 %

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

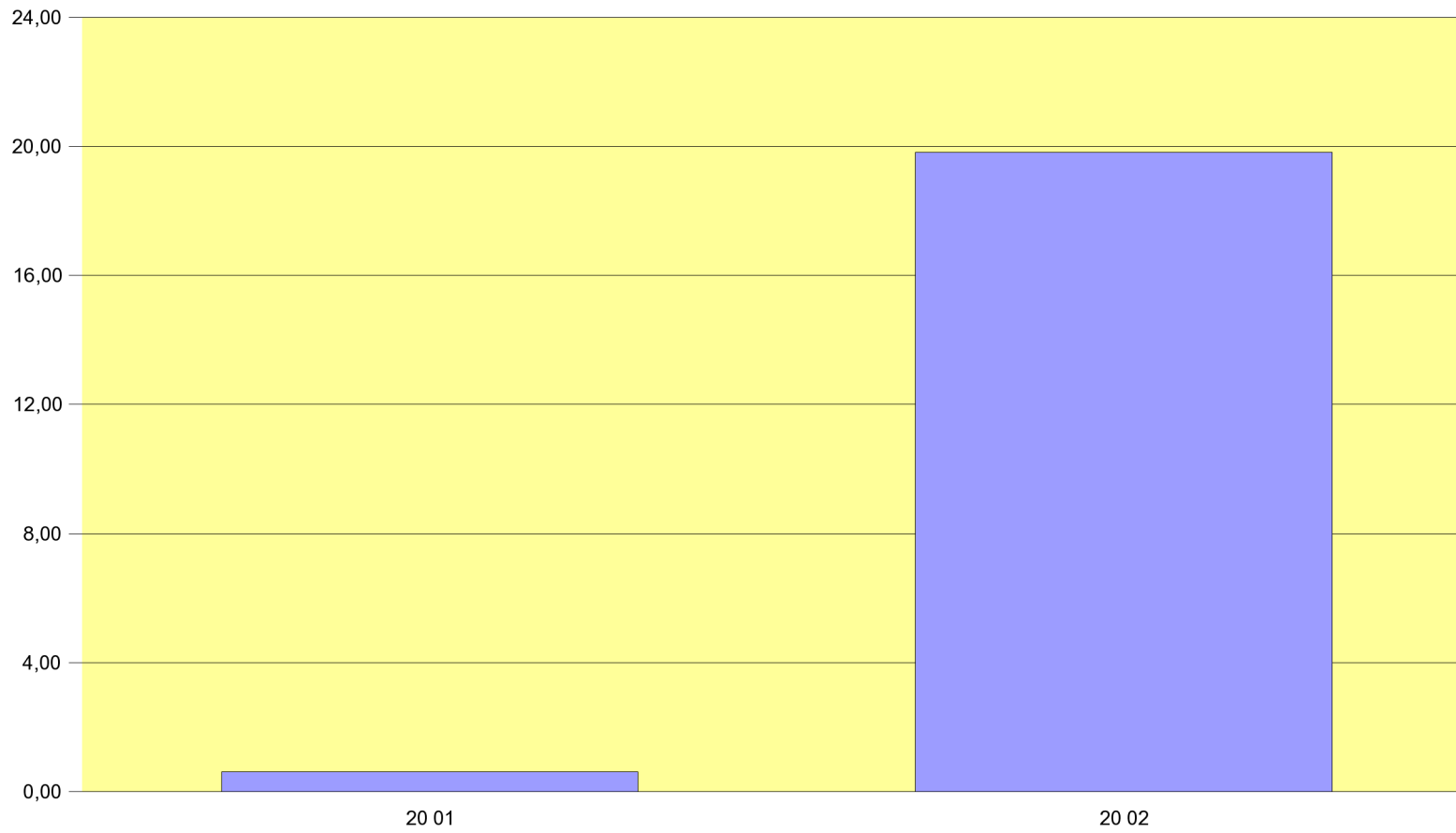


<b>TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2017 (in Mio €)</b>									
<b>Chapter</b>			<b>2017 Commitments to be settled</b>				<b>Commitments to be settled from financial years previous to 2017</b>	<b>Total of commitments to be settled at end of financial year 2017</b>	<b>Total of commitments to be settled at end of financial year 2016</b>
			<b>Commitments 2017</b>	<b>Payments 2017</b>	<b>RAL 2017</b>	<b>% to be settled</b>			
			<b>1</b>	<b>2</b>	<b>3=1-2</b>	<b>4=1-2/1</b>	<b>5</b>	<b>6=3+5</b>	<b>7</b>
<b>Title 20 : Trade</b>									
20	20 01	Administrative expenditure of the 'Trade' policy area	4,28	3,67	0,61	14,24 %	0,00	0,61	1,01
	20 02	Trade policy	16,73	4,22	12,51	74,79 %	7,30	19,81	18,45
<b>Total Title 20</b>			21,01	7,89	13,12	62,45%	7,3	20,42	19,46
<b>Total DG TRADE</b>			21,01	7,89	13,12	62,45 %	7,3	20,42	19,46

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors



"Breakdown of Commitments remaining to be settled (in Mio EUR)"



Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

**TABLE 4 : BALANCE SHEET TRADE**

<b>BALANCE SHEET</b>	<b>2017</b>	<b>2016</b>
<b>A.I. NON CURRENT ASSETS</b>		0
A.I.5. Non-Current Pre-Financing		0,00
<b>A.II. CURRENT ASSETS</b>	<b>9.452.912,8</b>	<b>6.461.083,74</b>
A.II.2. Current Pre-Financing	9.405.621,24	6.461.083,74
A.II.3. Curr Exch Receiv & Non-Ex Recoveral	47.291,56	0,00
<b>ASSETS</b>	<b>9.452.912,8</b>	<b>6.461.083,74</b>
<b>P.II. CURRENT LIABILITIES</b>	<b>-159.783,61</b>	<b>0</b>
P.II.4. Current Payables	-159.783,61	0,00
P.II.5. Current Accrued Charges & Defrd Incc	0,00	0,00
<b>LIABILITIES</b>	<b>-159.783,61</b>	<b>0</b>
<b>NET ASSETS (ASSETS less LIABILITIES)</b>	<b>9.293.129,19</b>	<b>6.461.083,74</b>
P.III.2. Accumulated Surplus/Deficit	44.464.025,22	38.026.556,69
Non-allocated central (surplus)/deficit*	-53.757.154,41	-44.487.640,43
<b>TOTAL</b>	<b>0,00</b>	<b>0,00</b>

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

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

**TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE TRADE**

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>2017</b>	<b>2016</b>
II.1 REVENUES	175.510,66	163.464,8
II.1.1. NON-EXCHANGE REVENUES	-47.291,56	
II.1.1.5. RECOVERY OF EXPENSES	-47.291,56	
II.1.2. EXCHANGE REVENUES	222.802,22	163.464,8
II.1.2.1. FINANCIAL INCOME		-182,00
II.1.2.2. OTHER EXCHANGE REVENUE	222.802,22	163.646,80
II.2. EXPENSES	12.043.571,4	6.274.003,73
II.2. EXPENSES	12.043.571,4	6.274.003,73
II.2.10. OTHER EXPENSES	4.514.756,71	2.812.159,23
II.2.2. EXP IMPLM BY COMMISS&EX.AC	6.725.031,31	7.444.554,59
II.2.4. EXP IMPL BY 3RD CNTR & INT OR	1.222.683,38	-3.650.114,71
II.2.6. STAFF AND PENSION COSTS	-418.900,00	-332.595,38
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>12.219.082,06</b>	<b>6.437.468,53</b>

**Explanatory Notes (facultative):**

*The accounting situation presented in the Balance Sheet and Statement of Financial Performance does not include the accruals and deferrals calculated centrally by the services of the Accounting Officer*

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

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

**TABLE 5bis : OFF BALANCE SHEET TRADE**

<b>OFF BALANCE</b>	<b>2017</b>	<b>2016</b>
OB.2. Contingent Liabilities	0	0
OB.2.7. CL Amounts relating to legal ca	0,00	0,00
OB.3. Other Significant Disclosures		0
OB.3.2. Comm against app. not yet con		0,00
OB.4. Balancing Accounts	0	0
OB.4. Balancing Accounts	0,00	0,00
<b>OFF BALANCE</b>	<b>0,00</b>	<b>0,00</b>

*Explanatory Notes (facultative):*

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

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

**TABLE 6: AVERAGE PAYMENT TIMES FOR 2017 - DG TRADE**

<b>Legal Times</b>							
<b>Maximum Payment Time (Days)</b>	<b>Total Number of Payments</b>	<b>Nbr of Payments within Time Limit</b>	<b>Percentage</b>	<b>Average Payment Times (Days)</b>	<b>Nbr of Late Payments</b>	<b>Percentage</b>	<b>Average Payment Times (Days)</b>
30	582	553	95,02 %	18,63	29	4,98 %	34,83
45	2	2	100,00 %	22,5			
60	51	48	94,12 %	30,48	3	5,88 %	67,33
90	12	12	100,00 %	24,83			

<b>Total Number of Payments</b>	<b>647</b>	<b>615</b>	<b>95,05 %</b>		<b>32</b>	<b>4,95 %</b>	
<b>Average Net Payment Time</b>	<b>20,59</b>			<b>19,69</b>			<b>37,88</b>
<b>Average Gross Payment Time</b>	<b>22,01</b>			<b>21,02</b>			<b>41,09</b>

<b>Suspensions</b>							
<b>Average Report Approval Suspension Days</b>	<b>Average Payment Suspension Days</b>	<b>Number of Suspended Payments</b>	<b>% of Total Number</b>	<b>Total Number of Payments</b>	<b>Amount of Suspended Payments</b>	<b>% of Total Amount</b>	<b>Total Paid Amount</b>
0	22	42	6,49 %	647	1.584.019,27	10,49 %	15.094.964,82

<b>DG</b>	<b>GL Account</b>	<b>Description</b>	<b>Amount (Eur)</b>

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

**TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2017**

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	47.291,56	0	47.291,56	0	0	0	47.291,56
66	OTHER CONTRIBUTIONS AND REFUNDS	44.451,62	0	44.451,62	44.451,62	0	44.451,62	0
<b>Total DG TRADE</b>		<b>91.743,18</b>	<b>0</b>	<b>91.743,18</b>	<b>44.451,62</b>	<b>0</b>	<b>44.451,62</b>	<b>47.291,56</b>

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG TRADE  
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**TABLE 8 : RECOVERY OF PAYMENTS**  
**(Number of Recovery Contexts and corresponding Transaction Amount)**

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2017	Irregularity		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
Year of Origin (commitment)								
<b>2013</b>					2	44.451,62		
<b>2014</b>	1	47.291,56	1	47.291,56	1	47.291,56	100,00%	100,00%
<b>Sub-Total</b>	<b>1</b>	<b>47.291,56</b>	<b>1</b>	<b>47.291,56</b>	<b>3</b>	<b>91.743,18</b>	<b>33,33%</b>	<b>51,55%</b>

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES												
NON ELIGIBLE IN COST CLAIMS	4	30,28	22	1.101,79			26	1.132,07	26	1.132,07	100,00%	100,00%
CREDIT NOTES	9	452,25	14	39.278,37			23	39.730,62	63	847.372,12	36,51%	4,69%
<b>Sub-Total</b>	<b>13</b>	<b>482,53</b>	<b>36</b>	<b>40.380,16</b>			<b>49</b>	<b>40.862,69</b>	<b>89</b>	<b>848.504,19</b>	<b>55,06%</b>	<b>4,82%</b>
<b>GRAND TOTAL</b>	<b>13</b>	<b>482,53</b>	<b>37</b>	<b>87.671,72</b>			<b>50</b>	<b>88.154,25</b>	<b>92</b>	<b>940.247,37</b>	<b>54,35%</b>	<b>9,38%</b>

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors. The provisional closure will be based on the recovery context situation at 31/01/2017.

**TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2017 FOR TRADE**

	<b>Number at 1/01/2017</b>	<b>Number at 31/12/2017</b>	<b>Evolution</b>	<b>Open Amount (Eur) at 1/01/2017</b>	<b>Open Amount (Eur) at 31/12/2017</b>	<b>Evolution</b>
2017		1			47.291,56	
		1			47.291,56	

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors



**TABLE 10 : RECOVERY ORDER WAIVERS IN 2017 >= EUR 100.000**

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

<b>Total DG TRADE</b>	
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<b>Number of RO waivers</b>	
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*Justifications:*

*Please enter the text directly (no copy/paste of formatted text which would then disappear when saving the document in pdf), use "ctrl+enter" to go to the next line and "enter" to validate your typing.*

**TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG TRADE - 2017**

<b>Negotiated Procedure Legal base</b>	<b>Number of Procedures</b>	<b>Amount (€)</b>
<b>Total</b>		

<b>TABLE 12 : SUMMARY OF PROCEDURES OF DG TRADE EXCLUDING BUILDING CONTRACTS</b>
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**Internal Procedures > € 60,000**

<b>Procedure Legal base</b>	<b>Number of Procedures</b>	<b>Amount (€)</b>
Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	1	150.000,00
Open Procedure (Art. 104(1) (a) FR)	1	6.000.000,00
<b>Total</b>	<b>2</b>	<b>6.150.000,00</b>

**Additional Comments:**

**TABLE 13 : BUILDING CONTRACTS**

<b>Legal base</b>	<b>Contract Number</b>	<b>Contractor Name</b>	<b>Description</b>	<b>Amount (€)</b>

**TABLE 14 : CONTRACTS DECLARED SECRET**

<b>Legal base</b>	<b>Contract Number</b>	<b>Contractor Name</b>	<b>Description</b>	<b>Amount (€)</b>
Art. 134.1(i) (Without prior publication) Secret contracts	SI2.463360	COVINGTON & BURLING PARTNERSHIP*	2017/H1/H08 PEER REVIEW OF THE REPORT FOR THE PURPOSE OF TDI	150.000,00
	<b>1</b>			<b>150.000,00</b>