



2017

Annual Activity Report

ANNEXES

DG Environment

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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 Commission¹, 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, 27 March 2018

[Signed]

Gilles GANTELET

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

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

Human resources

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.

Indicator 1: Percentage of female representation in middle management

Source of data: 2017 Report on female representation in management functions in the Commission – SEC(2017)505

Baseline (January 2015)	Target ²	Latest known results (December 2017)
21%	40% overall Commission target by end-2019 - 3 female first Head of Unit appointments in the DG in 2017	38% DG specific target met for 2017 (3 out of 3 female appointments)

Indicator 2: Percentage of staff who feel that the Commission cares about their well-being

Source of data: Commission staff survey

Baseline (2014)	Target	Latest known results (2016)
36%	Not to fall below baseline (as satisfaction with the Commission covers more than the activities of DG ENV)	34%

Indicator 3: Staff engagement index

Source of data: Commission staff survey

Baseline (2014)	Target	Latest known results (2016)
71%	To improve participation rate in the staff survey and improve the % of satisfaction	66% in 2016

Main outputs in 2017:

Description	Indicator	Target	Latest known results
Development programme preparing women for management. 2 trainings are planned: 1) "Women in Management" for women who are eligible to apply for	Programme offered & implemented	By end 2017	The 2 programmes were successfully implemented. The DG has now selected 3 colleagues to participate to a new Female Talent Development Programme launched by HR Corporate.

² Target updated in line with SEC(2017)505

middle management posts, and 2) "My future could be in Management" for more junior women Ads			
Programmes to promote wellbeing and preventive actions in relation to health <ul style="list-style-type: none"> Wellbeing session in collaboration with Medical Service Office Ergonomics Office Yoga 	List of programmes offered	By end 2017	The AMC.3 has successfully implement a Fit@work programme for the four Beaulieu DGs (Physical well-being, Mental well-being, Social well-being and Health).
Action Plan in response to the 2016 Staff Survey (exact content to be determined after consultation with staff focus groups to be launched in early 2017)	Actions implemented in response to the staff survey 2016	By end 2017	Following the 2016 Staff survey, the DG's Senior Management adopted a Staff Action Plan to address the most important issues at local level. A set of actions has been implemented in the following months of the adoption of the Action Plan.

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 to the Regulatory Scrutiny Board that received a favourable opinion on first submission.

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 Environment

Baseline 2014	Interim Milestone 2016	Target 2020	Latest known results (2017)
50%	Positive trend compared to baseline	Positive trend compared to interim milestone	50%

Indicator 2: Percentage of the DG's regulatory acquis covered by ex-post evaluations and Fitness Checks not older than five years.

Better Regulation principles foresee that regulatory acquis is evaluated at regular intervals. As evaluations help to identify any burdens, implementation problems, and the extent to which objectives have been achieved, the availability of performance feedback is a prerequisite to introduce corrective measures allowing the acquis to stay fit for purpose. The application of better regulation practices would progressively lead to the stock of legislative acquis covered by regular evaluations to increase.

Source of data: DG Environment

Baseline 2015	Interim Milestone 2016	Target 2020	Latest known results (2017)
22% completed (42% including ongoing)	Positive trend compared to baseline	Positive trend compared to interim milestone	32% completed (58% including ongoing)

Information management

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

Indicator 1: Percentage of registered documents that are not filed (ratio)

Source of data: *Hermes-Ares-Nomcom (HAN)*³⁴ statistics

Baseline 2014	Target	Latest known results (2017)
0.28%	Maintain	0,12%

Indicator 2: Percentage of HAN files readable/accessible by all units in the DG

Source of data: *HAN* statistics

Baseline 2014	Target	Latest known results (2017)*
97.6%	Maintain	72,22%

Indicator 3: Percentage of HAN files shared with other DGs

Source of data: *HAN* statistics

Baseline 2014	Target	Latest known results (2017)
0.07%	Improve (keeping in mind that some files cannot be shared due to sensitivity/security reasons)	52,8%

*the decrease of this percentage followed a review of access rights linked to the opening of DG Environment files to other Commission services. Several files were identified as not adequate for access by other services and their access restricted to the lead units.

Main outputs in 2017:

Description	Indicator	Target	Latest known results
In order to ensure a sound and efficient management of information, up-to-date information on document management is widely shared in the DGs, users are well trained	Monthly in-house training to newcomers. Training to units on adaptation to technical development, awareness programme and educational package on information value, availability, use and automated processing.	4 Ares basics trainings for newcomers (mainly for new Administrators) Several Ad-hoc coaching for new Secretaries and Administrators 4 AresLook training for all staff 4 Ares Search training for all Staff 2 Ares technical development to e-DMCs 4 General training on Filing and archiving 2 Training on	Several ad-hoc Ares basics and AresLook coaching sessions for new Secretaries and Administrators 4 AresLook training for all staff 5 General training on Filing and archiving 1 Training on information security to staff A total of 100 staff has been trained during 2017

		information security to all staff	
Review of e-filing system in units including visits in units	Number of annual visits and annual updates of list of files	5 visits 3 updates (closure of files, opening new files and "cleaning" exercise)	2 visits to the Units 3 updates on file management
Implementation of e-archiving (move away from paper filing towards digitalised documents registered in ARES)	Reduced amount of paper files in the units and reduced volume of paper files transferred to the Historical Archives	- Reduction of paper files to be transferred by 15% - Reduction of paper consumption by 20%	Paper consumption was reduced in approx. 9,4% in 2017*, yielding an accumulative reduction of approx. 22% for the period 2016-2017
Review of existing ARES files to identify those that can be usefully shared with other DGs	Number of ARES files made accessible to other DGs	Increase the number by 15%	See indicator 3
Simplification of processes, reduction of paper circulation and improved use of electronic workflows (eSignatories) for a faster and more efficient approval	Number of procedures implemented into e-signatory workflows in ARES	Increase the number of e-signatories by 20%	43% Registered Documents with e-signatory in 2016 52% Registered Documents with e-signatory in 2017

* For 2017, paper reduction is based on data provided by the OIB for the first half of the year and projected to the second half (5577 Kg reduction of paper use for the period January-June 2017)

External Communication

Objective: 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

Source of data: Standard Eurobarometer [monitored by DG COMM].

Baseline (November 2014)	Target (2020)	Latest known results (November 2017)
Total "Positive": 39% Neutral: 37 % Total "Negative": 22%	Positive image of the EU ≥ 50%	Total "Positive": 40% Neutral: 37% Total "Negative": 21%

Indicator 2: Percentage of EU citizens who are aware of the portfolio item Environment as a result of the DG's actions

Source of data: Eurobarometer		
Baseline (2014/2015)	Target (2020)	Latest known results
95% of citizens considered protecting the environment very or fairly important to them personally in 2014	Maintain or increase	94% of citizens considered protecting the environment very or fairly important to them personally in 2017
39% of SMEs consider the environment is a top priority for their company in December 2015	Increase	No new information

Main outputs in 2017:			
Description	Indicator	Target	Latest known results
EU Green Week 'Green jobs for a greener future'	Number and satisfaction level of participants of the high level conference, Number of people reached via all promotional activities including media coverage	2017 Q2	1,033 participants at the High Level conference in Brussels, 120,000 participants in all partner events. 94% finding the high level conference overall "good" or "excellent" Overall reach (social media, press): 30 million
European Green Capital Award Ceremony	Number of participants, Number of people reached via promotional activities including media coverage	2017	Jointly with EGLA: 290 participants Facebook reach : 11,325 Twitter impressions: 190,000 In 2017 overall: - Facebook: +20.4% followers (to 7,500) - Twitter: +11.8% followers (to 8,500); 600,000 impressions - Youtube video views: +7.1% (to 198,491)
European Green Leaf Award ceremony	Number of participants, Number of people reached via promotional activities including media coverage	2017	Jointly with EGCA: 290 participants Facebook reach : 11,325 Twitter impressions: 190,000 In 2017 overall: - Facebook: +20.4% followers (to 7,500) - Twitter: +11.8% followers (to 8,500);

			600,000 impressions - Youtube video views: +7.1% (to 198,491)
LIFE programme - Best Project Award ceremony	Number of participants Number of people reached via promotional activities including media coverage	2017	618 Facebook: +3,671 new followers, 27,157 Facebook page views, Twitter: +112% new followers. Participation in public voting: 8,828
Social media activity and other promotional activities in support of DG activities.	Number of people reached (Facebook reach, Twitter impressions, video views, etc.)	2017 (upon adoption / agreement of instruments and other appropriate times)	Facebook: +8.3% followers (to 232,984) Twitter: +38% followers (to 40,000) Reach on priority actions: - EU Plastics Strategy: 7,2 million - EU Green Week 8,5 million - 1st Clean Air Forum: 13 million
Overhaul of DG Environment's Web Site on Europa under the Digital Transformation Programme	Number of visits	2017	One of the top ten Commission's most visited websites: - 3,075,954 visits - 5,946,443 page views

Annual communication spending (based on estimated commitments):

Baseline (2016):	Target (2017):	Total amount spent	Total of FTEs working on external communication
5.6mln	5.6mln	4.9 mln*	10.0

*Due to cancellation of several actions that were included in the DG 2017 Management Plan

ANNEX 3: Draft annual accounts and financial reports

Annex 3 Financial Reports - DG ENV - 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 02 Internal market, industry, entrepreneurship and SMEs					
02	02 02	Competitiveness of enterprises and small and medium-sized enterprises (COSME)	0,24	0	0,00 %
Total Title 02			0,24	0	0,00%
Title 07 Environment					
07	07 01	Administrative expenditure of the 'Environment' policy area	4,12	4,09	99,21 %
	07 02	Environmental policy at Union and international level	199,21	194,31	97,54 %
Total Title 07			203,34	198,4	97,57%
Title 11 Maritime affairs and fisheries					
11	11 06	European Maritime and Fisheries Fund (EMFF)	4,27	4,27	100,00 %
Total Title 11			4,27	4,27	100,00%
Total DG ENV			207,85	202,67	97,51 %

* 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).

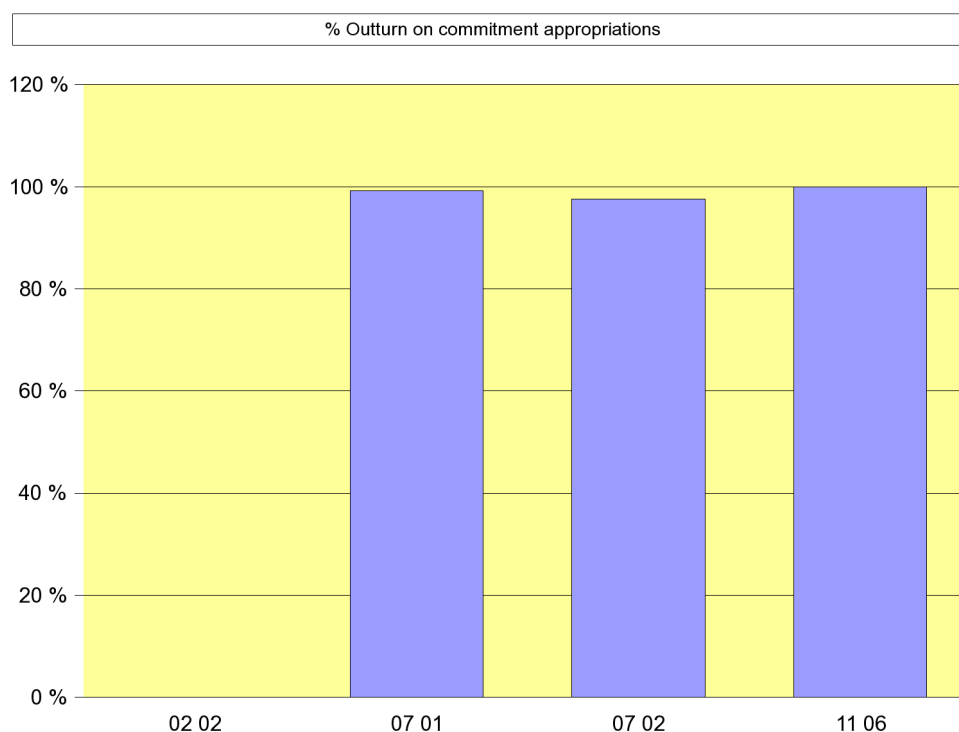


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2017 (in Mio €)

Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 02 Internal market, industry, entrepreneurship and SMEs					
02	02 02	Competitiveness of enterprises and small and medium-sized enterprises (COSME)	1,12	0,78	69,04 %
Total Title 02			1,12	0,78	69,04%
Title 07 Environment					
07	07 01	Administrative expenditure of the 'Environment' policy area	5,18	1,41	27,14 %
	07 02	Environmental policy at Union and international level	230,68	214,29	92,90 %
Total Title 07			235,86	215,69	91,45%
Title 11 Maritime affairs and fisheries					
11	11 06	European Maritime and Fisheries Fund (EMFF)	4,5	4,36	97,07 %
Total Title 11			4,5	4,36	97,07%
Total DG ENV			241,48	220,84	91,45 %

* 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).

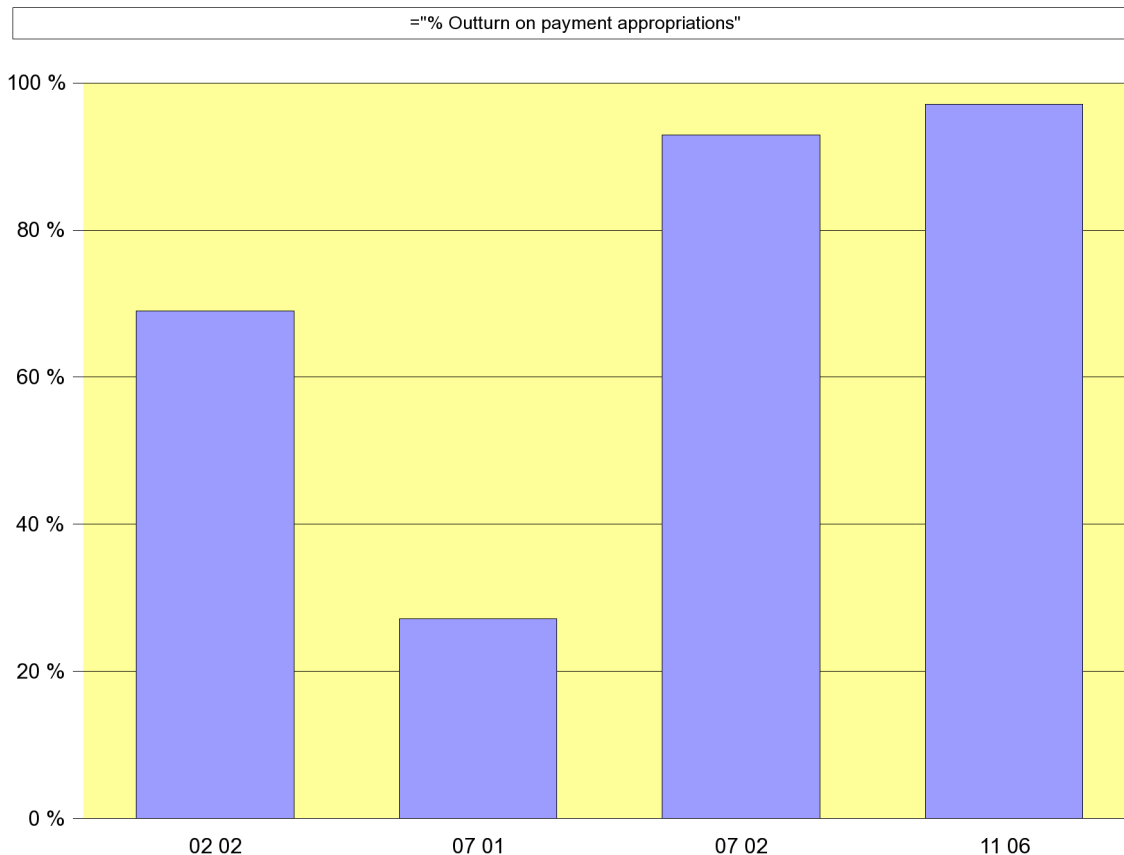
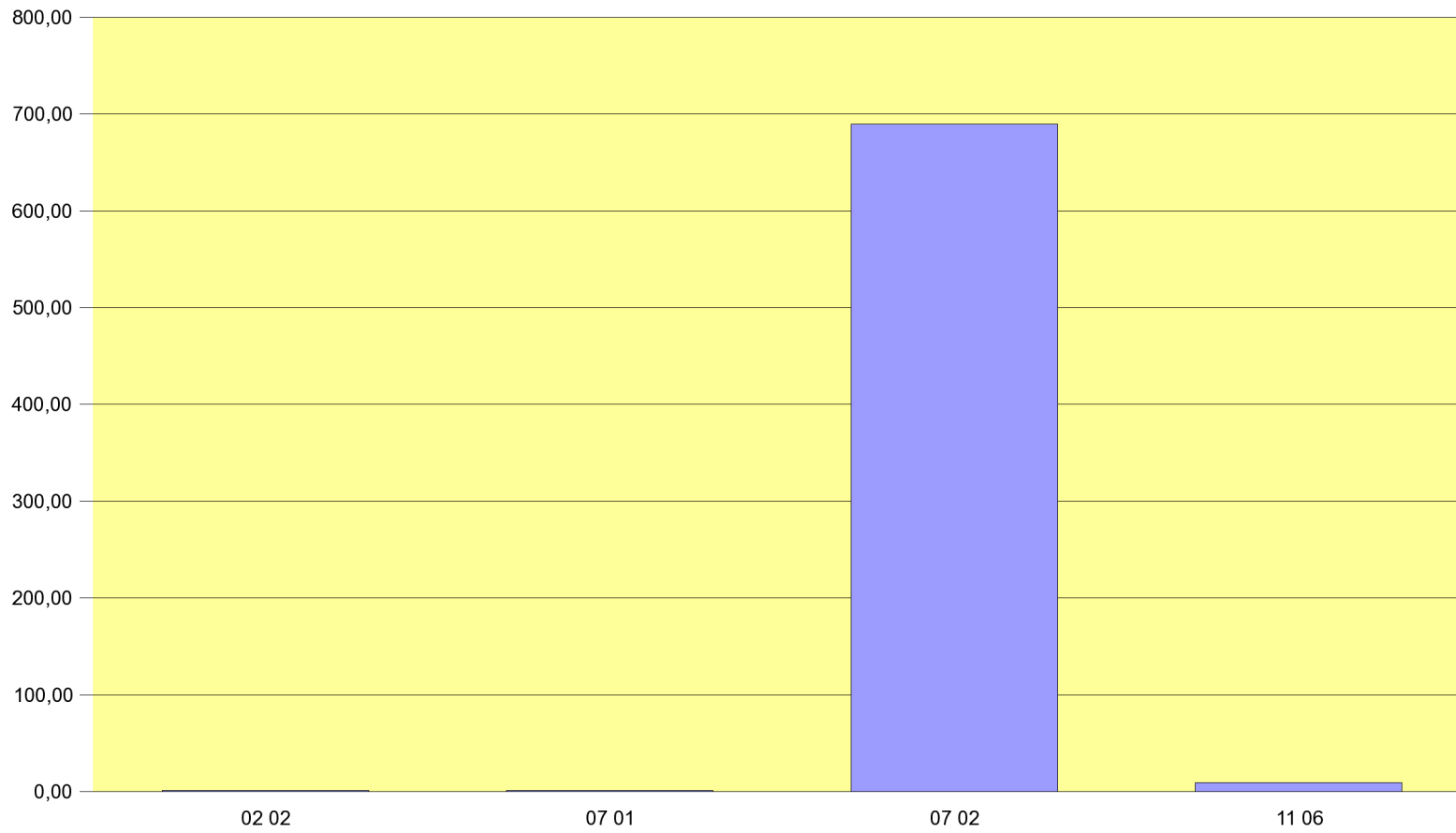


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2017 (in Mio €)									
Chapter			2017 Commitments to be settled				Commitments to be settled from financial years previous to 2017	Total of commitments to be settled at end of financial year 2017	Total of commitments to be settled at end of financial year 2016
			Commitments 2017	Payments 2017	RAL 2017	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
Title 02 : Internal market, industry, entrepreneurship and SMEs									
02	02 02	Competitiveness of enterprises and small and medium-sized enterprises (COSME)	0	0,00	0	0,00 %	1,16	1,16	1,93
Total Title 02			0	0,00	0	0,00%	1,16	1,16	1,93
Title 07 : Environment									
07	07 01	Administrative expenditure of the 'Environment' policy area	4,09	2,71	1,38	33,76 %	0,00	1,38	1,66
	07 02	Environmental policy at Union and international level	194,31	52,14	142,16	73,16 %	547,18	689,35	728,07
Total Title 07			198,4	54,85	143,54	72,35%	547,18	690,73	729,73
Title 11 : Maritime affairs and fisheries									
11	11 06	European Maritime and Fisheries Fund (EMFF)	4,27	0,05	4,22	98,87 %	4,87	9,09	9,19
Total Title 11			4,27	0,05	4,22	98,87%	4,87	9,09	9,19
Total DG ENV			202,67	54,90	147,76	72,91 %	553,22	700,98	740,85

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 ENV

BALANCE SHEET	2017	2016
A.I. NON CURRENT ASSETS	29 637 482,71	30 211 938,41
A.I.5. Non-Current Pre-Financing	29 178 298,71	29 611 938,41
A.I.6. Non-Cur Exch Receiv & Non-Ex Recov	459 184,00	600 000,00
A.II. CURRENT ASSETS	79 487 394,48	107 154 416,98
A.II.2. Current Pre-Financing	64 439 546,54	67 981 657,78
A.II.3. Curr Exch Receiv & Non-Ex Recoveral	3 902 847,94	28 922 759,20
A.II.6. Cash and Cash Equivalents	11 145 000,00	10 250 000,00
ASSETS	109 124 877,19	137 366 355,39
P.II. CURRENT LIABILITIES	-66 568 163,41	-112 032 772,03
P.II.4. Current Payables	-16 197 733,29	-15 107 779,80
P.II.5. Current Accrued Charges & Defrd Incc	-50 370 430,12	-96 924 992,23
LIABILITIES	-66 568 163,41	-112 032 772,03
NET ASSETS (ASSETS less LIABILITIES)	42 556 713,78	25 333 583,36
P.III.2. Accumulated Surplus/Deficit	990 863 311,50	817 518 151,15
Non-allocated central (surplus)/deficit*	-1 033 420 025,28	-842 851 734,51
TOTAL	0,00	0,00

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

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE ENV

STATEMENT OF FINANCIAL PERFORMANCE	2017	2016
II.1 REVENUES	-84 671 679,02	-114 106 537,94
II.1.1. NON-EXCHANGE REVENUES	-89 240 394,42	-118 932 406,73
II.1.1.4. FINES	-84 726 295,73	-114 424 800,00
II.1.1.5. RECOVERY OF EXPENSES	-131 155,65	-110 719,09
II.1.1.6. OTHER NON-EXCHANGE REVENUE	-4 382 943,04	-4 396 887,64
II.1.2. EXCHANGE REVENUES	4 568 715,4	4 825 868,79
II.1.2.1. FINANCIAL INCOME	-149 347,42	-60 763,10
II.1.2.2. OTHER EXCHANGE REVENUE	4 718 062,82	4 886 631,89
II.2. EXPENSES	201 166 313,23	287 451 698,29
II.2. EXPENSES	201 166 313,23	287 451 698,29
II.2.10. OTHER EXPENSES	1 838 358,17	1 777 232,03
II.2.2. EXP IMPL BY COMMISS&EX.AC	145 449 556,75	232 827 529,59
II.2.3. EXP IMPL BY OTH EU AGENC&BO	42 258 570,76	42 349 479,27
II.2.4. EXP IMPL BY 3RD CNTR & INT OR	11 614 930,46	10 452 732,09
II.2.5. EXP IMPL BY OTHER ENTITIES		35 455,00
II.2.8. FINANCE COSTS	4 897,09	9 270,31
STATEMENT OF FINANCIAL PERFORMANCE	116 494 634,21	173 345 160,35

Explanatory Notes (facultative):

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TABLE 5bis : OFF BALANCE SHEET ENV

OFF BALANCE	2017	2016
OB.1. Contingent Assets	4 069 280,2	9 607 511,6
GR for pre-financing	4 069 280,20	9 607 511,60
OB.2. Contingent Liabilities	-760 000	
OB.2.1. Guarantees given for EU FI	-760 000,00	
OB.3. Other Significant Disclosures	-668 509 353,41	-658 916 814,66
OB.3.2. Comm against app. not yet con	-668 509 353,41	-658 916 814,66
OB.4. Balancing Accounts	665 200 073,21	649 309 303,06
OB.4. Balancing Accounts	665 200 073,21	649 309 303,06
OFF BALANCE	0,00	0,00

Explanatory Notes (facultative):

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.

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TABLE 6: AVERAGE PAYMENT TIMES FOR 2017 - DG ENV

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	440	417	94,77 %	13,06	23	5,23 %	41,96
45	11	11	100,00 %	23,64			
50	1	1	100,00 %	43			
60	276	268	97,10 %	21,21	8	2,90 %	66,25
90	221	205	92,76 %	51,02	16	7,24 %	117,25
105	128	112	87,50 %	63,88	16	12,50 %	164,06

Total Number of Payments	1077	1014	94,15 %		63	5,85 %	
Average Net Payment Time	32,54			28,65			95,17
Average Gross Payment Time	60,43			55,64			137,56

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
1	96	313	29,06 %	1077	82 789 656,89	32,81 %	252 293 798,67

Late Interest paid in 2017			
DG	GL Account	Description	Amount (Eur)
ENV	65010100	Interest on late payment of charges New FR	4 897,09
			4 897,09

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	
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	149 347,42	464,87	149 812,29	148 606,58	0	148 606,58	1 205,71
60	CONTRIBUTIONS TO UNION PROGRAMMES	4 382 943,04	0	4 382 943,04	4 382 943,04	0	4 382 943,04	0
66	OTHER CONTRIBUTIONS AND REFUNDS	4 587 217,34	3 508 271,77	8 095 489,11	3 138 722,51	1 722 207,93	4 860 930,44	3 234 558,67
71	FINES AND PENALTIES	109 326 295,73	16 640 000	125 966 295,73	63 780 914,36	16 640 000	80 420 914,36	45 545 381,37
Total DG ENV		118 445 803,53	20 148 736,64	138 594 540,17	71 451 186,49	18 362 207,93	89 813 394,42	48 781 145,75

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

Annex 3 Financial Reports - DG ENV
Report printed on 19/03/2018

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	
	Year of Origin (commitment)	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr
2006	1	21 444,18	1	21 444,18	1	21 444,18	100,00%	100,00%
2008	5	15 540,36	5	15 540,36	5	15 540,36	100,00%	100,00%
2009	1	1 088,9	1	1 088,9	1	1 088,9	100,00%	100,00%
2010	6	62 037,65	6	62 037,65	7	337 488,96	85,71%	18,38%
2011	2	27 876,05	2	27 876,05	9	253 466,53	22,22%	11,00%
2012	1	2 970,86	1	2 970,86	7	1 134 042,82	14,29%	0,26%
2013	1	9 236,64	1	9 236,64	7	1 255 663,74	14,29%	0,74%
2014					3	1 056 879,35		
2016					2	489 018,29		
2017					1	31 623,2		
No Link					11	79 780 914,36		
Sub-Total	17	140 194,64	17	140 194,64	54	84 377 170,69	31,48%	0,17%

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			142	7 317 013,03			142	7 317 013,03	142	7 317 013,03	100,00%	100,00%
CREDIT NOTES	6	24 366,97					6	24 366,97	14	322 462,07	42,86%	7,56%
Sub-Total	6	24 366,97	142	7 317 013,03			148	7 341 380	156	7 639 475,1	94,87%	96,10%
GRAND TOTAL	6	24 366,97	159	7 457 207,67			165	7 481 574,64	210	92 016 645,79	78,57%	8,13%

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 ENV

	Number at 01/01/2017	Number at 31/12/2017	Evolution	Open Amount (Eur) at 01/01/2017	Open Amount (Eur) at 31/12/2017	Evolution
2005	1	1	0,00 %	3 275,72	3 275,72	0,00 %
2008	1	1	0,00 %	76 550,44	76 550,44	0,00 %
2009	1	1	0,00 %	64 086,52	64 086,52	0,00 %
2012	2	2	0,00 %	554 460,75	554 460,75	0,00 %
2013	1	1	0,00 %	38 167,14	38 167,14	0,00 %
2014	3	2	-33,33 %	324 307,13	177 979,96	-45,12 %
2015	5	4	-20,00 %	693 346,59	596 729,76	-13,93 %
2016	19	4	-78,95 %	18 394 542,35	275 278,42	-98,50 %
2017		13			46 994 617,04	
	33	29	-12,12 %	20 148 736,64	48 781 145,75	142,11 %

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

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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

Total DG ENV	
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Number of RO waivers	
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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 ENV - 2017**Internal Procedures > € 60,000**

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Art. 134.1(b) (Without prior publication) Work of art, technical reasons or protection of exclusive rights	1	600 845,00
Total	1	600 845,00

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

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Call for expressions of interest - Pre-selection of candidates (Art. 136.1(a) RAP)	1	129 410,00
Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	2	2 100 845,00
Negotiated Procedure with at least five candidates below Directive thresholds (Art. 136a RAP)	2	179 856,00
Negotiated Procedure with at least one candidate below euro 15 000 (Art. 137.2 RAP)	1	579 518,35
Open Procedure (Art. 104(1) (a) FR)	27	23 071 408,95
Open Procedure (Art. 127.2 RAP)	1	5 000 000,00
Restricted Procedure (Art. 104(1) (b) FR)	4	396 846,70
Total	38	31 457 885,00

Additional Comments:

TABLE 13 : BUILDING CONTRACTS

Legal base	Contract Number	Contractor Name	Description	Amount (€)

TABLE 14 : CONTRACTS DECLARED SECRET

Legal base	Contract Number	Contractor Name	Description	Amount (€)

ANNEX 4: Materiality criteria

Section 2.1 of this report sets out the main elements used to identify possible weaknesses in the internal control system. The significance/materiality of any weaknesses identified is assessed according to the following criteria:

1. Qualitative criteria

The qualitative criteria for assessing the significance of any weaknesses identified are:

- the nature and scope of the weakness
- the duration of the weakness
- the existence of compensatory measures
- the existence of effective corrective actions to correct the weaknesses
- the residual reputational, financial, operational and legal/regulatory risk

2. Quantitative criteria

Concerning legality and regularity, a weakness is considered material if the value of the errors in the transactions affected by the weakness is estimated to represent more than 2% of the authorised payments of the reporting year of ABB activity 0702.

Note: The method for estimating the amount at risk is explained in detail in section 2.

ANNEX 5: Internal Control Template for budget implementation (ICT)

Procurement – direct management

Stage 1: Procurement

A: Planning

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity)

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
<ul style="list-style-type: none"> Needs not well defined 	<ul style="list-style-type: none"> Individual standardised fiche to be drafted for the Man Plan process. 	<ul style="list-style-type: none"> Once per year for every envisaged action. Fiche includes objectives and purpose of the action, as well as a short budget estimate. 	<ul style="list-style-type: none"> Costs: estimation of costs involved (staff involved on the process) Benefits: Prioritization and proper usage of DGs' budget 	<p>Effectiveness:</p> <ul style="list-style-type: none"> Low number of changes done to the Management Plan; Procured study/service highly contributes to policy priorities. High percentage of executed Management Plan at the end of the year. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of preparing Man Plan fiches compared to cost of insufficient prioritization and poor definition of needs.
<ul style="list-style-type: none"> Poor budget planning (over/under estimating) 	<ul style="list-style-type: none"> Revision of each fiche by the finance Unit (FU); Briefing to the AOD done by the FU before the bilateral meeting with the Directorate. 	<ul style="list-style-type: none"> Once per year for every envisaged action; its validity, choice of procedure and budget line, budget estimate; Once per year for 	<ul style="list-style-type: none"> Costs: estimation of costs involved (staff involved on the process) Benefits: assuring compliance with 	<p>Effectiveness:</p> <ul style="list-style-type: none"> Low percentage of cancelled procedures and offers of poor quality. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of reviewing Man Plan

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
		every Directorate.	Financial Regulation, efficient budget estimate and selection of proper procedure	fiches compared to costs from not assuring compliance with Financial Regulation, inefficient budget estimate and selection of wrong procedure.
<ul style="list-style-type: none"> • Lack of competition 	<ul style="list-style-type: none"> • Prior information notice (PIN) published; • Desk officers consider possible market response before publishing tenders (market research). 	<ul style="list-style-type: none"> • Once per year- 1st quarter of the year. PIN provides an overview of foreseen contracts; its subject and approximate value. 	<ul style="list-style-type: none"> • Costs: estimation of costs involved (staff involved on the process) • Benefits: steady decrease of cancelled procedures and insufficient number of offers; receipt of better offers and new market players. 	<p>Effectiveness:</p> <ul style="list-style-type: none"> • Higher average number of offers received per procedure. <p>Efficiency:</p> <ul style="list-style-type: none"> • Cost of publishing PIN and performing market research compared to cost of cancelling or repeating a procedure.
<ul style="list-style-type: none"> • Insufficient time allocation 	<ul style="list-style-type: none"> • Management plan launch dates; • Financial dashboard; • Individual follow-up by FU of procedures which are late; • Planning tool provided on unit A1 Intranet page. 	<ul style="list-style-type: none"> • All items in management plan have a target date for launch; • Financial dashboards monitor compliance with target launch dates set in Management Plan. Produced 6 times per year; • Monitoring covers all items in the management plan; • Establishing a time 	<ul style="list-style-type: none"> • Costs: estimation of costs involved (staff involved on the process) • Benefits: avoidance of bottlenecks at the end of the year; decrease risks of contracts not signed before end of the year. 	<p>Effectiveness:</p> <ul style="list-style-type: none"> • Low number of global commitments; • High level of budgetary execution; • Evenly distributed budgetary execution. <p>Efficiency:</p> <ul style="list-style-type: none"> • Cost of proper planning and time allocation compared to cost of poor budget/ Man Plan implementation.

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
		table for every procedure.		

B: Needs assessment & definition of needs

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity)

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
<ul style="list-style-type: none"> Poor quality of tender specifications and selection of wrong procedure 	<ul style="list-style-type: none"> Consultation with the FU during preparatory stage and agreement on the final version of the tender specifications; Additional verification and AOSD supervision (upstream control); Training organized by the FU on drafting the tender specifications. 	<ul style="list-style-type: none"> 100% of tender specifications for Open Calls, all specifications for contracts above the threshold of 150.000 euro, and negotiated procedures are reviewed and scrutinised; Files above 500.000€; random selection of other projects and all EP Pilots go to ex-ante assessment by ENVAC; Training organised at list twice per year. 	<ul style="list-style-type: none"> Costs: estimation of costs involved Benefits: better quality tender specifications, limit the risk of litigation, limit the risk of cancellation of tender, better informed desk officers. 	<p>Effectiveness:</p> <ul style="list-style-type: none"> Very low number of procedures where only one or no offers were received; Average number of requests for clarification per tender. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of financial verification and organization of trainings compared to cost of cancelling or repeating a procedure.

C: Selection of the offer and evaluation

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity). Fraud prevention and detection

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
<ul style="list-style-type: none"> • Biased, inaccurate, unfair evaluation procedure 	<ul style="list-style-type: none"> • Opening Committee and Evaluation Committee; • Opinion by consultative committee ENVAC; • Standstill period, opportunity for unsuccessful tenderers to put forward their concerns on the decision; • Training organized by the FU on evaluation of tenders; • Model evaluation report and guidelines; • Tenderers able to attend openings; • Award decision communicated to tenderers. 	<ul style="list-style-type: none"> • Formal evaluation process; nomination of the Committees by the AOS for every file above 150,000€. Minimum of three members (one from another Directorate); • ENVAC assesses full procurement and evaluation process and the draft award decision for all files above 500.000, 00€ and number of files below the amount by a random selection (all documents related to the procurement procedure publications, committee reports, winning offer, draft contract); • 100% when conditions are fulfilled; Templates and guidelines up-to-date following DG 	<ul style="list-style-type: none"> • Costs: Estimation of costs involved. • Benefits: Compliance with FR, prevention of fraud, limit the risk of litigation, better quality PVs, composition of the evaluation team ensures neutrality and objectivity, transparency 	<p>Effectiveness:</p> <ul style="list-style-type: none"> • Low number of files rejected or suspended for comments by ENVAC. <p>Efficiency:</p> <ul style="list-style-type: none"> • Cost of staff involved (opening, evaluation committee members, ENVAC members, FU) compared to cost of possible litigation.

		<ul style="list-style-type: none"> BUDG updates; For open calls tenderers are able to attend the opening of offers; Successful and unsuccessful tenderers always informed on the evaluation outcome. 		
<ul style="list-style-type: none"> Confidentiality issues/ conflict of interest 	<ul style="list-style-type: none"> Opening and Evaluation Committee members' signed declaration of absence of conflict of interests; Checks by the FU. 	<ul style="list-style-type: none"> 100% of the members of the opening committee and the evaluation committee; Red flags checked by the FU for every file. 	<ul style="list-style-type: none"> Costs: Estimation of costs involved. Benefits: Potential irregularities/inefficiencies prevented. 	<p>Effectiveness:</p> <ul style="list-style-type: none"> No or very low amount of indemnities. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of FU staff involved compared to cost of possible litigation.
<ul style="list-style-type: none"> Inadequate number of offers/ poor quality offers 	<ul style="list-style-type: none"> Award criteria announced in advance; FR followed in terms of minimum time granted for preparation of tenders. 	<ul style="list-style-type: none"> Award criteria in every tender specifications published with the call; 100% FR respected. 	<ul style="list-style-type: none"> Costs: Estimation of costs involved. Benefits: Ensure better quality offers. 	<p>Effectiveness:</p> <ul style="list-style-type: none"> Low number of cancelled procedures. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of financial unit staff involved compared to cost of possible procedure cancellation or repetition.
<ul style="list-style-type: none"> Unreliable contractor/ declarations False 	<ul style="list-style-type: none"> Exclusion criteria determined; Early warning system (EWS); Satisfaction certificates. 	<ul style="list-style-type: none"> 100% checked. The required documents provided by the tenderers are consistent with the specifications and 	<ul style="list-style-type: none"> Costs: Estimation of costs involved. Benefits: Avoid contracting with excluded economic 	<p>Effectiveness:</p> <ul style="list-style-type: none"> Low number of discontinued contracts. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of staff involved

		<p>appropriate for evaluation purposes (as required by the FR); Financial turnover and declaration on honour;</p> <ul style="list-style-type: none">• 100% of successful contractors checked in the EWS;• Satisfaction certificates are an increasing requirement in tender specifications, especially for high value or sensitive files.	<p>operators.</p>	<p>compared to cost of contract discontinuation.</p>
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Stage 2: Contract implementation and Financial transactions

Main control objectives: Ensuring that the implementation of the contract is in compliance with the signed contract

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
<ul style="list-style-type: none"> Contractor fails to deliver all that was contracted in accordance with technical description and terms and conditions of the contracts Business discontinues because contractor fails to deliver. 	<ul style="list-style-type: none"> Operational and financial checks in accordance with the financial circuits; Operation authorisation by the AO; Request of bank guarantee; Non-performance clauses in contract. 	<ul style="list-style-type: none"> 100% of the contracts are controlled; Riskier operations subject to in-depth controls. High-risk operations identified by risk criteria. Amount and potential impact on the DG operations of late or no delivery (bank guarantees); Clauses on liquidated damages/ termination of contract are integral part of every contract (general conditions). 	<ul style="list-style-type: none"> Costs: Estimation of costs involved. Benefits: Irregularities, errors and overpayments prevented 	<p>Effectiveness:</p> <ul style="list-style-type: none"> High % of errors prevented (amount of errors/irregularities averted over total payments). Low amount of liquidated damages. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of financial checks in place compared to cost of non-performance and discontinuation of contract.
<ul style="list-style-type: none"> Not structured and financial contract monitoring 	<ul style="list-style-type: none"> Payment made on the basis of a deliverable; FU monitoring tables; Trainings on contract management organized by the FU. 	<ul style="list-style-type: none"> 100% payments made on the basis of an accepted deliverable; Tables monitored and updated on a regular basis (after each payment, amendment, etc.); 	<ul style="list-style-type: none"> Costs: Estimation of costs involved. Benefits: Irregularities, errors and overpayments prevented, better informed desk officers 	<p>Effectiveness:</p> <ul style="list-style-type: none"> Low number of errors; overpayments. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of financial unit monitoring compared to cost of possible errors and overpayments.

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
<ul style="list-style-type: none"> • Fraud not detected 	<ul style="list-style-type: none"> • Four eyes principle and written procedures and checklists for initiators and verifiers; • Fraud awareness trainings. 	<ul style="list-style-type: none"> • Four eyes principle applied to 100% of files; • All FU staff and financial correspondents. 	<ul style="list-style-type: none"> • Costs: Estimation of costs involved. • Benefits: detection of red flags and issues of non-compliance 	<p>Effectiveness:</p> <ul style="list-style-type: none"> • Low number of court litigations. <p>Efficiency:</p> <ul style="list-style-type: none"> • Cost of financial unit staff detecting red flags and issues of non-compliance compared to cost of possible litigation.
<ul style="list-style-type: none"> • Payment delays 	<ul style="list-style-type: none"> • FU monitoring tables with special filters signalling latent invoices; • Financial reporting tool; • Optimization of available appropriations; • Global transfer. 	<ul style="list-style-type: none"> • Tables monitored and updated on a regular basis (filters signal invoices inactive for 7 days); • Twice a month identifying Units' current and outstanding invoices; • Monitoring of payment appropriations on a weekly basis. 	<ul style="list-style-type: none"> • Costs: Estimation of costs involved. • Benefits: detection of dormant invoices, maximization of budget execution 	<p>Effectiveness:</p> <ul style="list-style-type: none"> • Low rate of payment delays; • Low amount of late interest payment and damages paid (by the Commission); • High rate of implementation of the payment appropriations. <p>Efficiency:</p> <ul style="list-style-type: none"> • Cost of improving financial monitoring tools compared to cost of late interest and damages paid by the Commission.

Stage 3: Supervisory measures and ex post control

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

Main risks	Mitigating controls	Coverage, frequency and depth	Costs and benefits of controls	Control indicators
<ul style="list-style-type: none"> An error or non-compliance with regulatory and contractual provisions, or an attempt to fraud is not prevented, detected or corrected by ex-ante control. 	<ul style="list-style-type: none"> Internal audit and Court of Auditors; Ex-post publication (possible reaction from unsuccessful tenderers); Review of ex post results and implementation of recommendations; Training for staff assigned to sign "Certified correct" (compulsory as of 2014); Review of exceptions reported; Yearly review of procedures; Yearly review and "lessons learnt" based on ENVAC conclusions; Statistics on payment delays at the Directors' meetings. 	<ul style="list-style-type: none"> Representative sample, review of the procedures implemented (procurement and financial transactions); Potentially 100%; 100% results reviewed, implementation of recommendations on a yearly basis; Ad hoc/ hands-on trainings; 100% once a year; look for any systematic problems in the procurement procedure, in the financial transaction procedure and for weaknesses in the selection process of the ex-post controls (exceptions reported, review of procedures, ENVAC conclusions); Statistic on payment delays on Directors' meeting (six times a year) 	<ul style="list-style-type: none"> Costs: estimation of costs involved. Benefits: detection of possible fraud and errors. Deterrents and systematic weaknesses corrected. 	<p>Effectiveness:</p> <ul style="list-style-type: none"> Low number of errors detected (related to fraud, irregularities and error); Increased number of system improvements made. <p>Efficiency:</p> <ul style="list-style-type: none"> Cost of staff involved compared to cost of not detecting fraud, irregularities and inadequate systems in place.

Financial Instruments - Indirect management

IFI = (entrusted) International Financial Institution (e.g. EIB/EIF, etc.); **FI** = (further entrusted) Financial Intermediaries; **"sub"-FI** = (further) sub-delegated FI; **FR** = Final Recipient

DS = Designated service (competent DGs)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>a) The actions supported through the Financial Instrument do not adequately reflect the policy objectives (no compliance with Fin. Reg. art. 140 and instrument specific objectives)</p>	<ul style="list-style-type: none"> • Guidance provided to the IFI for the assessment of projects by the DS; • Prior eligibility confirmation of the DS for every project Technical assistance; • Regular reporting by the IFI to the DS on the operational performance, including the management declaration, and the summary of audits and controls carried out during the reporting year; • Independent audit opinion; • In case of weak reporting, negative audit opinion, high risk operations, etc.: reinforced monitoring/supervision controls, random and/or case/risk-based audits at the IFI and (sub) FI levels; 	<p>If risk materialises, the Financial Instrument would be irregular. Possible impact 100% of funds involved and significant reputational consequences.</p> <p>Coverage / Frequency: 100%</p> <p>Depth: Checklist on operational reporting includes a list of checks to be done.</p>	<p>Costs: estimation of cost of staff involved in the preparation and validation of the operational reporting Cost of the technical assistance.</p> <p>Benefits: the (average annual) total value of the Financial Instrument.</p>	<p>Effectiveness: evolution of the specific indicators in the operational reporting compared with benchmarks and evolution over time.</p> <p>Where applicable, opinion by technical assistance (recommendations, actions taken).</p>

<p>b) The IFI (and the (sub)FI) does not have the experience to ensure effective implementation of this type of Financial Instrument</p>	<ul style="list-style-type: none"> • Eligibility standards for IFI established and verified according to the Delegation Agreement and FAFA. • Guidance provided to the IFI for the assessment of projects by the DS; 	<p>Coverage / Frequency: 100%</p> <p>Depth: In accordance with the Delegation Agreement.</p>	<p>Costs: estimation of technical assistance cost.</p> <p>Benefits: reduced risk related to the disbursement of the total amount by selecting the IFI on the basis of the ability to use the funding in the most efficient and effective way</p>	
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Main risks It may happen (again) that...	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>c) FIs and FRs are not selected on the basis of an open, transparent, justified on objective grounds procedure or there are conflicts of interests in the selection process.</p>	<ul style="list-style-type: none"> • Responsibility for selecting FI and FR, lies with the IFI and FI, respectively; • Prior eligibility confirmation of the DS for every FI. 	<p>Coverage / Frequency: determined by the IFI/FI in accordance with the delegation agreement (max twice per year for the next 5 years)</p> <p>Depth: determined by the IFI/FI in accordance with the Delegation Agreement</p>	<p>Costs: estimation of the cost of staff involved in the monitoring of the Financial Instrument. Cost of contracted services (Audit costs).</p> <p>Benefits: reduced risk related to possible conflict of interest and questionable selection procedure.</p>	<p>Effectiveness: the selection of FI and FR would (not) be (successfully) challenged</p> <p>Cost-effectiveness: Average cost of preparation, adoption and selection work done (compared with similar cases as benchmark)</p>

<p>d) The design of the accounting and reporting arrangements would not provide sufficient transparency (True & Fair View)</p>	<ul style="list-style-type: none"> • Separate records per Financial Instrument are to be kept by the IFI; and harmonised reporting has been required by the Commission (cf. FAFA & Das). 	<p>Coverage / Frequency: 100%</p> <p>Depth: In depth assessment of the statement of expenses</p>	<p>Costs: estimation of the cost of staff involved in the monitoring of the Financial Instrument. Cost of contracted services, if any</p> <p>Training of the concerned staff.</p>	
<p>e) the remuneration of the IFI¹, the reimbursement of any exceptional costs and costs for technical assistance or additional tasks would not be in line with the objective</p>	<ul style="list-style-type: none"> • Fees, any incentives and any exceptional costs are defined in the FAFA and the Delegation Agreements, including an overall cap; • Reimbursement of cost for technical assistance and additional tasks to be defined in the FAFA and the delegation agreement; • Review by the designated service of the statement of expenses together with evidence provided by the IFI; • Ex-ante and ex-post controls, On-the-spot verifications (risk-based or representative samples). 	<p>Coverage / Frequency: 100%</p> <p>Depth: In depth assessment of the statement of expenses</p> <p>Training of the concerned staff</p>	<p>Costs: estimation of the cost of staff involved in the monitoring of the Financial Instrument. Cost of contracted services, if any</p>	<p>Remuneration and costs for actually managed funds (compared to benchmark)</p>

¹ Remuneration includes administrative and performance fees.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>f) Internal control weaknesses, irregularities, errors and fraud are not detected and corrected by the entrusted entities, resulting in that the EU funds are not compliant with applicable regulations.</p>	<ul style="list-style-type: none"> • <i>Monitoring or supervision (2) of entrusted entities;</i> • <i>Regular reporting by the IFI to the Commission "Designated Service" on the operational and financial performance, including the financial statements, management declaration, summary of audits and controls carried out during the reporting year;</i> • <i>Independent audit opinion;</i> • <i>In case of weak reporting, negative audit opinion, high risk operations, etc.: reinforced monitoring/supervision controls, random and/or case/risk-based audits at the IFI and (sub)FI</i> 	<p>Coverage: 100% of the funding payments to the entrusted entity are controlled, including value-adding checks.</p> <p>Riskier operations subject to more in-depth controls and/or audits.</p> <p>Depth: depends on risk criteria such as past experience of/with the IFI/FI, complexity or lack of experience on the area of financed actions or the management modalities</p> <p>If needed: suspension or interruption of payments, or even application of exit strategy (winding up)</p>	<p>Costs: estimation of the cost of staff involved in the monitoring of the Financial Instrument. Cost of contracted services, if any</p> <p>Benefits: value of the funding and disbursement forecast rejected. Exposure of the guarantees not provided. Budget value of the part of the Financial Instrument not paid out to FR.</p> <p>Losses: eg write-offs of equity/loans, loan guarantees called above expectations</p>	<p>Effectiveness:</p> <p>Success performance ratios (eg "leverage", "co-risk-taking", number of FR supported by the Financial Instrument, disbursement rate)</p> <p>Number of control failures detected; value of the issues concerned prevented/corrected.</p> <p>Number and value of internal control, auditing and monitoring "issues", number of interventions, number of issues under reinforced internal control, auditing and monitoring, number of critical IAS and ECA findings</p> <p>Number of cases submitted to OLAF</p> <p>Efficiency:</p> <p>e.g. Management (fees) and supervision costs (FTE) over assets under management ?</p> <p>Cost-Effectiveness:</p> <p>Average cost per Financial</p>

² The nature of these measures is similar. We distinguish between those cases in which the Commission has a direct (legal/contractual) say in the management process, such as the right to block ex-ante a transaction (supervision), or can merely flag its disagreement (monitoring), and influence the fundamental options foreseen under the FR related to stopping/suspending/reconfiguring/winding-down the FEI.

	<p>levels;</p> <ul style="list-style-type: none"> • Regular submission of disbursement and repayment (assigned revenue) forecasts; • Reporting on financial risk & off-balance-sheets liabilities; • Reporting on treasury management. 			Instrument; % cost over value delegated Costs/Benefits ratio
<p>g) the FI, which are pilot initiatives, are not resulting in a number of operations significant to give conclusive results</p>	<ul style="list-style-type: none"> • Regular reporting by the IFI to the Commission "Designated Service" (=accountable DG and AOD) on the operational and financial performance • Mid-term evaluation 	<p>Coverage: 100% of the operations are taken into account.</p> <p>If needed: revision of the reporting requirements</p>	<p>Benefits: the (average annual) total value of the Financial Instrument.</p>	
<p>h) the risk sharing mechanism is used in an instrumental way by the IFI</p>	<ul style="list-style-type: none"> • Check that the Portfolio First Loss Piece will be decreasing with the increase in the number of operations 	<p>Coverage: 100% of the funding payments to the entrusted entity are controlled, including value-adding checks.</p> <p>Riskier operations subject to more in-depth controls and/or audits.</p>	<p>Costs: estimation of the cost of staff involved in the monitoring of the Financial Instrument. Cost of contracted services, if any</p> <p>Benefits: the (average annual) value of the Commission contribution to the Financial Instrument.</p>	

Grants – direct management

Stage 1 – Programming, evaluation and selection of proposals

A: Preparation, adoption and publication of the Annual Work Programme and Calls for proposals

Main control objectives: Ensuring that the Commission selects the proposals that contribute the most towards the achievement of the policy or programme objectives (effectiveness); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>The annual work programme and the subsequent calls for proposals do not adequately reflect the policy objectives, priorities set are not coherent and in line with the WP and/or the essential eligibility, selection and award criteria are not appropriate and adequate to ensure the evaluation of the proposals and award of the grant.</p>	<p>Hierarchical validation of the contribution to the annual working programme within the authorising department. Inter-service consultation, including all relevant DGs.</p> <p>Adoption by the Commission of a Financing Decision.</p> <p>For grants without call for proposals funded under external relations' budget, a committee of ENV and DEVCO staff examines all proposals on the base of a concept fiche before proposing grants to the financing decision of DEVCO.</p> <p>Each individual call for proposals is prepared by the technical unit (assisted by the finance units) and then checked by the finance Units.</p> <p>Direct grants are checked by the finance and the technical Units and</p>	<p>If risk materialises, all grants awarded during the year under this work programme or call would be irregular. Possible impact could be 100% of budget involved and furthermore significant reputational consequences.</p> <p>Coverage / Frequency: 100%</p> <p>Depth: The check is made for each individual call for proposals or direct grant.</p>	<p>Costs: estimation of cost of staff involved in the preparation and validation of the annual work programme and calls.</p> <p>Benefits: The (average annual) total budgetary amount of the annual work programmes or calls with prevented, detected and/or corrected errors.</p>	<p>Effectiveness: Budget amount of the work programmes concerned. Success ratios; % of number/value proposals received over number expected / budget available.</p> <p>Number/Amount of direct grant with a negative opinion from ENVAC.</p> <p>Efficiency: Average cost of preparation, adoption and publishing an annual work programme, compared with benchmarks and evolution over time.</p>

	may subsequently be submitted to internal advisory Committee (ENVAC) by request of the Finance Unit if monopoly situation is not clear.			
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B - Selecting and awarding: Evaluation, ranking and selection of proposals

Main control objectives: Ensuring that the most promising projects for meeting the policy objectives are among (a good balance of) the proposals selected (effectiveness); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
The evaluation, ranking and selection of proposals is not carried out in accordance with the established procedures, the policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria defined	Assignment of staff (including technical unit desks) to evaluate the proposals.	100% vetting for technical expertise and independence (e.g. conflicts of interests, nationality bias, ex-employer bias, collusion) of evaluators.	Costs: estimation of cost of staff (costs of initiation and verification related to controls) involved in the evaluation and selection of proposals. Benefits: Amount of expenditures declared ineligible compared to total amount of proposals received. Benefit equals to value of deserving projects otherwise	Effectiveness: No litigation cases. Number of candidate expert evaluators barred. Rejected/corrected/suspended transactions compared to total number of transactions. Number of supervisory control failures. Efficiency Indicators: Average cost per call and/or per (selected) proposal. % cost over annual amount disbursed in grants. Time-
	Assessment by staff (e.g. programme officers)	100% of proposals are evaluated. Depth may be determined by screening of outline proposals (two-step evaluation).		

<p>in the annual work programme and subsequent calls for proposals.</p>	<p>Review (e.g. by a mixed panel) and hierarchical validation by the AO of ranked list of proposals.; publication.</p>	<p>Coverage: 100% of ranked list of proposals. Supervision of work of evaluators.</p> <p>Depth depends on several risk factors: e.g. conflicts of interest, nationality bias, ex-employer bias, collusion.</p>	<p>not selected plus value of non-deserving projects that would have been selected (=amount redirected to eligible and necessary projects).</p>	<p>to grant (inform applicants of the results within 6 months from the call deadline; additional 3 months to make a legal commitment).</p>
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Stage 2 – Contracting

Transformation of selected proposals into legally binding grant agreements

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>The description of the action in the grant agreement includes tasks which do not contribute to the achievement of the programme objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action.</p> <p>The beneficiary lacks operational and/or financial capacity to carry out the actions.</p> <p>Procedures do not comply with the regulatory or financial framework.</p>	<p>Project Officers implement evaluators' recommendations in discussion with selected applicants. Hierarchical validation of proposed Adjustments / budget reviews.</p> <p>Validation of beneficiaries (operational and financial viability) and planning of (mid-term and final) evaluations. Signature of the grant agreement by the AO.</p> <p>In-depth financial checks and taking appropriate measures (e.g. guaranty, lack or deferral of pre-financing(s)) for high risk beneficiaries.</p> <p>Reinforce financial and contractual circuits. Financial viability checks</p>	<p>100% of the selected proposals and beneficiaries are scrutinised. Coverage: 100% of draft grant agreements.</p> <p>Depth/Risk may be determined after considering the type or nature of the beneficiary (e.g. SMEs, joint-ventures, start-up companies, long-term working relations) and/or of the modalities (e.g. substantial subcontracting) and/or the total value of the grant.</p> <p>Based on legal nature of the applicant/beneficiary</p>	<p>Costs: estimation of cost of staff involved in the contracting process (costs of initiation and verification related to controls).</p> <p>Benefits: Prevented, detected, corrected errors or irregularities during the evaluation and selection.</p>	<p>Effectiveness: % of selected proposals with recommendations implemented in grant agreement.</p> <p>Amount of proposed costs rejected.</p> <p>Efficiency Indicators: Value of grant agreements completed over budget requested in the corresponding proposals (%).</p> <p>Time-to-Grant.</p>

Stage 3 - Monitoring the execution

This stage covers the monitoring the operational, financial and reporting aspects related to the project and grant agreement

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory</p>	<p>Operational and financial checks in accordance with the financial circuits. Approval of technical reports by the operational Units.</p> <p>Operation authorisation by the AO.</p> <p>Audit certificates.</p> <p>For riskier operations, ex-ante in-depth and/or on-site verification.</p> <p>For LIFE projects: each project is visited every year by the monitoring team and once in its lifetime by the operational Unit.</p>	<p>100% of the projects are controlled, including only value-adding checks.</p> <p>For LIFE projects (80% of the Budget) visit of each project once a year by the monitoring team and once in its lifetime by the desk from the operational Unit.</p> <p>Riskier operations subject to in-depth and/or on-site controls.</p> <p>The depth depends on the risk criteria.</p>	<p>Costs: Estimation of cost of staff involved in the actual management of running projects (costs of initiation and verification related to controls; allocated time of technical staff; allocated cost of monitoring visits). Costs of audit certificates.</p> <p>Benefits: Prevented, detected, corrected errors or irregularities during the execution phase, through monitoring. Budget value of the costs claimed by the beneficiary, but rejected by the project officers. Budget value of the part of the grant</p>	<p>Effectiveness: % of time sheet error reports of total number of on-site monitoring visits. Number of control failures; budget amount of the errors concerned.</p> <p>Number of projects with cost claim errors; budget amount of the cost items rejected. Number of penalties damages; amount of the penalties damages. Success ratios; % of value of cost claims</p>

provisions.	For high risk operations, reinforced monitoring. LIFE projects: Ex-ante verification on-the spot (OV and/or FV) – e.g. monitoring visits. Identify projects for risk-based ex-post audit.	High risk operations identified by risk criteria. Red flags: delayed interim deliverables, unstable consortium, requesting many amendments, EWS or anti-fraud flagging, etc.	not paid out as pre-financing for projects that have been terminated by the Commission. Budget value of penalties and liquidated damages.	items adjusted over cost claims value. Efficiency Indicators: Cost/benefit ratio % cost over annual amount disbursed.
	If needed: application of suspension/interruption of payments, Penalties or liquidated damages. Referring grant beneficiaries to OLAF.	Depth: depends on results of ex-ante controls.		

Stage 4 - Ex-Post controls

A: Reviews, audits and monitoring

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>The ex-ante controls as such fail to prevent, detect and correct erroneous payments or attempted fraud.</p>	<p>Ex-post control strategy: Carry out audits or desk reviews of a representative sample of 30 closed projects to determine effectiveness of ex-ante controls (+ consider ex-post findings for improving the ex-ante-controls).</p> <p>This is complemented by risk based sample and check of time sheets by the monitoring team. If error rate over materiality level reservation in the AAR and action plan.</p> <p>Envisaged: multi-annual basis (programme's lifecycle) and coordination with other AOs concerned (to detect systemic errors)</p> <p>Validate results of audits requested by the operational units.</p> <p>Recommend recovery order(s) to the AOS. If needed: referring the beneficiary or grant to OLAF.</p>	<p>Representative sample: random or MUS sample sufficiently representative to draw valid management conclusions.</p> <p>Risk-based sample, determined in accordance with the selected risk criteria, aimed to maximise error correction (higher amounts, number of partners, recurrent beneficiaries, poor interim/final financial reporting, files signalled by operational Units).</p>	<p>Costs: estimation of cost of staff involved in the coordination and execution of the audit strategy. Cost of the appointment of audit firms for the outsourced audits.</p> <p>Benefits: Amount of expenditures declared ineligible by the auditors and subsequent issue / payment of recovery orders.</p>	<p>Effectiveness: Representative error rate. Residual error rate below materiality level. Number of supervisory control failures. Amount of budget of errors concerned. Number of projects with errors; budget amount of the errors detected.</p> <p>Efficiency: total (average) annual cost of audits compared with benefits (ratio).</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>The ex-post controls focus on the detection of external errors (e.g. made by beneficiaries) and do not consider any internal errors made by staff or embedded systematically in the own organisation.</p>	<p>If needed management letter on findings of ex-post audits to operational Units.</p> <p>Audit reports included.</p> <p>"Management findings" related to internal errors.</p> <p>Draft audit reports are reviewed and approved by hierarchy. At this stage, hierarchy could be informed of any systematic errors.</p>	<p>Coverage: For each audited project, the random sample will be statistically representative to enable drawing valid management conclusions about the entire population during the programme's lifecycle.</p> <p>However, it is limited to 30 audits for resources reasons and due to files closed in the previous year.</p>	<p>Costs: estimation of cost of staff involved in the supervision strategy (which may include missions, if applicable).</p> <p>Benefits: budget value of the errors detected by the supervisors.</p>	<p>Effectiveness: Number of supervisory control failures. Amount of budget of errors concerned.</p> <p>Number of transactions with errors; budget amount of the errors detected by the supervisors.</p> <p>Efficiency Indicators: total (average) annual cost of supervisors compared with benefits (ratio). Average cost per programme, call and/or per (running) project. % cost over annual amount disbursed in grants.</p>

B: Implementing results from ex-post audits/controls

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
<p>The errors, irregularities and cases of fraud detected are not addressed or not addressed timely</p>	<p>Systematic registration of audit / control results to be implemented in a database</p> <p>As from 2014: forecast of revenue issued by Finance Unit together with the audit report.</p> <p>Financial and operational validation of recovery in accordance with financial circuits.</p> <p>Authorisation of recovery order by AO.</p>	<p>Coverage: 100% of final audit results with a financial impact.</p>	<p>Costs: estimation of cost of staff involved in the implementation of the audit results.</p> <p>Benefits: budget value of the errors, detected by ex-post controls, which have actually been corrected (offset or recovered).</p>	<p>Effectiveness: Number/value/% of audit results pending implementation.</p> <p>Number/value/% of audit results failed implementation.</p> <p>Success ratio; % of value of the ROs over detected errors by the auditors.</p> <p>Efficiency Indicators: total (average) annual cost of implementing audits compared with benefits (ratio). Time-to-recovery.</p>

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

Not applicable

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

Not applicable

ANNEX 8: Decentralised agencies (if applicable)

Not applicable

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

No used in annex 3 MP 2017	Title	Reason ¹	Scope ²	Type ³	Associate d DGs	Costs (EUR)	Comments ⁴	Reference ⁵
I. Evaluations finalised or cancelled in 2017								
a. Evaluations finalised in 2017								
1	Fitness Check of the Eco-label Regulation (EC) 66/2010 and EU Eco-Management and Audit Scheme (EMAS) Regulation 1221/2009/EC	L/REFIT	1) By 19 February 2015, the Commission shall submit to the EP and the Council a report on the implementation of the EU Eco-label scheme. The report shall also identify elements for a possible review of the scheme. 2) The COM shall review EMAS in the light of the experience gained by 11.01.2015 as laid down in the Regulation Article 47.	FC	GROW, ENER, SG, EMPL, ECFIN, AGRI, JRC, SANCO	250.000		Report COM(2017)355, Evaluation SWD(2017)253, Executive summary SWD(2017)252
2	Evaluation of VOC Directive 2009/126/EC on Stage II petrol vapour recovery during refuelling of motor vehicles at service stations (volatile organic compound)	REFIT	The directive Article 7 provides that the Commission shall by 31.12. 2014 review the certain aspects of the implementation of this Directive . The evaluation will also include the VOC I Directive 1994/63/EC.	R	GROW, ENER, SG, JRC, MOVE	180.000 (together with Stage I)		Report : COM(2017)118 - Evaluation : SWD(2017)66 - Executive summary SWD(2016)65

6	Report on the Mid-term Evaluation of the Programme for Environment and Climate Action (LIFE)	L/LMFF	The report is a legal requirement under Article 27.2 of the LIFE Regulation and should review the functioning and effectiveness of the Regulation.	E	CLIMA, SG. AGRI, REGIO, EASME	400.000		Report COM(2017)642, Evaluation SWD(2017)355, Executive summary SWD(2017)356
9	Evaluation of the E-PRTR Regulation 166/2006/EC	L/REFIT	The Regulation article 17 requires the Commission to present a report to EP and Council every three years reviewing the data posted in the E-PRTR.	R	GROW, ENER, SG, JRC, MOVE	250.000		Report COM(2017)810, Evaluation SWD(2017)710, Executive summary SWD(2017)711
13	Fitness Check of monitoring and reporting obligations in environment policy,	Other	The FC will evaluate both reporting and monitoring obligations with a view to develop more modern, efficient and effective regulatory monitoring and reporting for EU environment policy which would result in less administrative burden on the public and private sector contributing to reporting.	FC	SG, GROW	286.000		Report: COM(2017)312; Evaluation SWD (2017) 230
b. Evaluations cancelled in 2017								
1	Directive 2007/60/EC on the assessment and management of flood risks .	L/REFIT	Evaluation according to Article 16.	R	CLIMA, AGRI, SANTE, GROW, SG. REGIO		Evaluation merged in a Water Fitness Check (with the Water Framework Directive evaluation below)	

11	Evaluation of the Water Framework Directive 2000/60/EC	L/REFIT	Evaluation in follow up to the 2012 Blue Print evaluation exercise.	R	CLIMA, AGRI, SANTE, GROW, SG. REGIO		Evaluation merged in a Water Fitness Check (with the Floods Directive evaluation above)	
12	Evaluation of Directive 2013/39 amending Directive 2000/60 and 2008/105 as regards priority substances in the field of water policy	L/REFIT	Art.14. The Commission shall review the adopted list of priority substances at the latest four years after the date of entry into force of this Directive and at least every six years thereafter, and come forward with proposals as appropriate. Art. 8 Review of Annex X to Directive 2000/60 (i.e. at the latest four years after the date of entry into force of Directive 2000/60 (22/12/2003) and at least every four years thereafter, and come forward with proposals as appropriate.)	R	CLIMA, AGRI, SANTE, GROW, SG, REGIO		Evaluation merged in a Water Fitness Check (with the Water Framework Directive evaluation above)	
II. Other studies finalised or cancelled in 2017								
a. Other studies finalised in 2017								
2	Study on the precautionary principle in EU environmental policies	L				59.950		https://publications.europa.eu/en/publication-detail/-/publication/18091262-f4f2-11e7-be11-01aa75ed71a1/language-en

3	Temporal aspects in the testing of chemicals for endocrine disrupting effects (in relation to human health and the environment)	O				165.727		https://publications.europa.eu/en/publication-detail/-/publication/58430e34-f4ef-11e7-be11-01aa75ed71a1
9	Study on implementing Sustainable Forest Management according to the EU Biodiversity Strategy and the EU Bioeconomy Strategy	O				119.200		https://publications.europa.eu/en/publication-detail/-/publication/5aa9b8ce-0258-11e8-b8f5-01aa75ed71a1
10	Invasive Alien Species - development of risk assessments to tackle priority species and enhance prevention	L				300.000		https://publications.europa.eu/en/publication-detail/-/publication/c01568d9-025e-11e8-b8f5-01aa75ed71a1
11	Integration of environmental concerns in Cohesion Policy Funds (ERDF, ESF, CF) Results, evolution and trends through three programming periods (2000-2006, 2007-2013, 2014-2020)	LMFF				149.950		https://publications.europa.eu/en/publication-detail/-/publication/bbecf44b-f5ba-11e7-b8f5-01aa75ed71a1
b. Other studies cancelled in 2017								
1	Study on modelling of environmental policy	O				300.000		

2	Study on cost of inaction and the regulatory burden of environmental policy	O				200.000		
3	Scoping study: Green Finance in the context of state aid policy	O				50.000		
4	Implementing the proposed new bioenergy policy for the EU	L				200.000		
6	Scientific and technical support for the development of a legal instrument for the registration/evaluation of some polymers and the impact assessment of such proposal	REFIT				200.000		
8	Study to support further policy development and implementation resulting from the waste policy and targets review	CWP				300.000		
9	Analysis of key proposals and options arising in the course of the legislative procedure on the waste policy and targets review	CWP				50.000		

¹ Reason why the evaluation/other study was carried out, please align with Annex 3 of the MP 2016. The individual symbols used have the following meaning: L - legal act, LMFF - legal base of MFF instrument, FR - financial regulation, REFIT, REFIT/L, CWP - 'evaluate first', O - other (please specify in Comments)

² Specify what programme/regulatory measure/initiative/policy area etc. has been covered

³ FC – fitness check, E – expenditure programme/measure, R – regulatory measure (not recognised as a FC), C – communication activity, I – internal Commission activity, O – other – please specify in the Comments

⁴ Comments related to the item (in particular changes compared to the planning). When relevant, the reasons for cancelling evaluations/ other studies also needs to be explained in this column

⁵ For evaluations the references should be 1) number of its Evaluation Staff Working Document and number of the SWD's executive summary; 2) link to the supportive study of the SWD in EU bookshop. For other studies the references should be the link to EU

ANNEX 10: Management"

Specific annexes related to "Financial

Not applicable

ANNEX 11: Specific annexes related to "Assessment of the effectiveness of the internal control systems"

Not applicable

ANNEX 12: Policy Performance tables

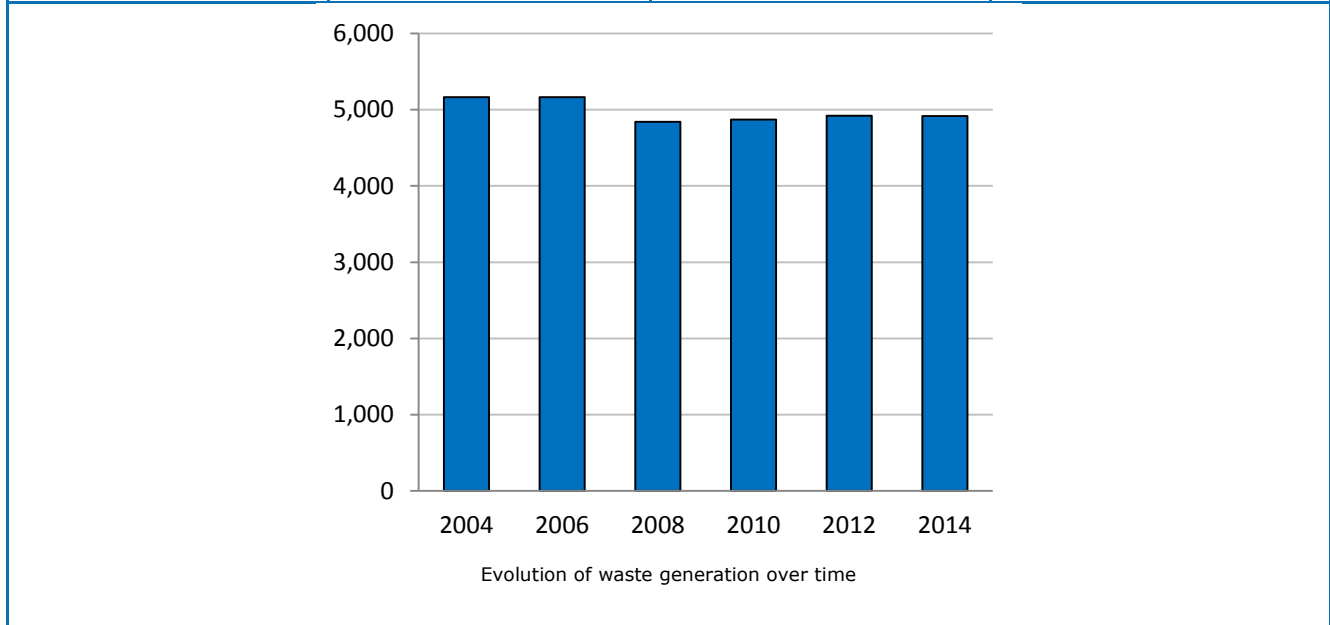
General objective 1 : A New Boost for Jobs, Growth and Investment		
Impact indicator 9: Resource productivity: Gross Domestic Product (GDP, €) over Domestic Material Consumption (DMC, kg).		
Source of the data: Eurostat ³ Bookmark		
Baseline (2010 Eurostat estimate)	Target (2020)	Latest known results (2016)
1.8 €/kg (EU-28)	Increase	2.1 €/kg (EU-28)
Impact indicator 6: GDP growth		
Source of the data: Eurostat Bookmark		
Baseline (2014)	Target (2020)	Latest known results (2016)
1.6 %	Increase	2.0 %
Impact indicator 2: Employment rate population aged 20-64		
Source of the data: Eurostat Bookmark		
Baseline (2014)	Target (2020) Europe 2020 target	Latest known results (2016)
69.2 %	At least 75%	71.1%

³ Please note that Eurostat periodically revises its published data to reflect new or improved information, also for previous years. The latest published data is available by clicking on "bookmark". The "latest known value" column reflects the data that was available at the time of the preparation of the Annual Activity Reports 2017 and it is the reference point for the AARs of Commission services.

Specific objective 1 : The EU economy is resource-efficient, green and competitive Related to spending programme LIFE

Result indicator 1.1: Total waste generated (kg/person)
Source of data: Eurostat
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tsdpc210>

Baseline (2004 EU-28)	Interim Milestone (2012)	Target (2020) Based on Decision No 1386/2013/EU	Latest known results (2014)
5161 kg/person ⁴	4920 kg/person ³	Total waste generation and waste generated per capita are in decline	4915 kg/person ⁵



Result indicator 1.2: : Municipal waste generation (kg/person) and treatment (%): movement up through the waste hierarchy
Source of data: Eurostat
<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsdpc240>

Baseline (2002, EU27)	Interim Milestone (2013 EU28)	Target (2020)	Latest known results (2016)
Generation: 527 kg/person Recycling & composting: 28% Incineration: 16% Landfilling: 51%	Generation: 479 kg/person Recycling & composting: 43% Incineration: 26% Landfilling: 31%	Recycling & composting: 50% (2020) Recycling & composting: 65% (2030) Reduction of landfilling to 10% (2030)	Generation: 481 kg/person Recycling and Composting: 46% Incineration: 27% Landfilling: 24%

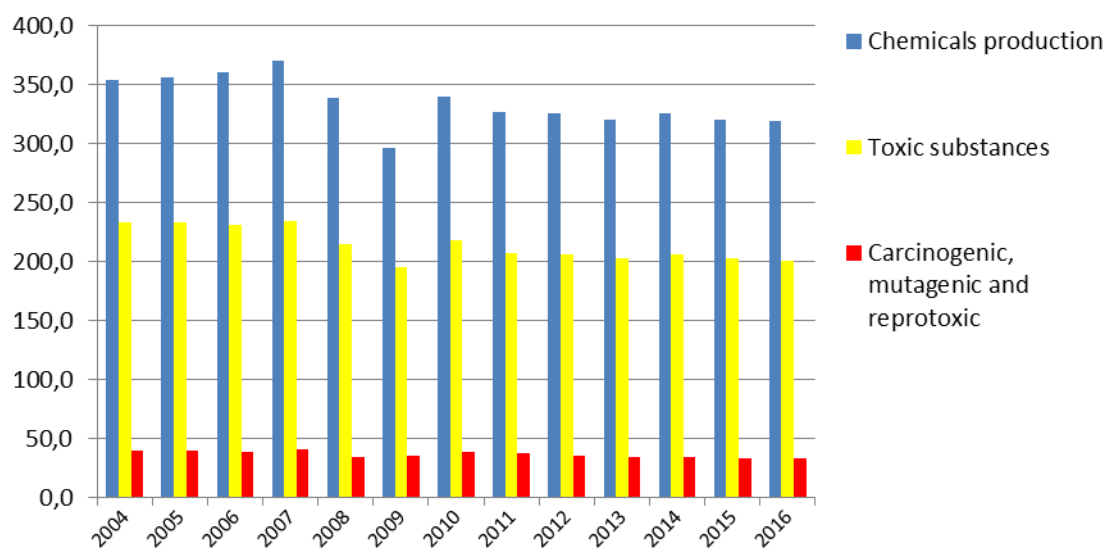
⁴ Data revised by Eurostat on 26/10/2017, downloaded on 17/01/2018 (Eurostat periodically revises its published data to reflect new or improved information, also for previous years)
⁵ Although the data for 2016 has not been made available, Eurostat updated data for the two previous available years. Waste went down from 4 982 to 4 920 Kg/person in 2012; and from 4934 to 4915 in 2014, thus showing increased progress towards the target

Result indicator 1.3: Share (%) of toxic chemicals in total EU chemicals production⁶

Source of data: Eurostat (dataset tsdph320)

<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tsdph320&plugin=1>

Baseline⁷ (2004 EU-28)	Target (2050)	Latest known results (2016)
Chemicals production: 354.7 million tonnes Share of toxic substances: 65.1 % Share of CMRs (Carcinogenic, Mutagenic and Reprotoxic substances): 11.2 %	- Reduce** the overall share of toxic chemicals in EU chemicals production. - Shift away from CMRs** to less harmful chemicals	Chemicals production: 319.5 million tonnes Share of toxic substances: 62.8 % Share of CMRs: 10.3 %



Evolution of chemicals production over time

Result indicator 1.4: Getting prices right; environmental taxation: share of environmental taxes (energy, transport, pollution/resources) in total tax revenue (%), subsidies to fossil fuels phased out

Source of data: Eurostat for environmental taxation ([Bookmark](#))

OECD (Inventory of Estimated Budgetary Support and Tax Expenditure for Fossil Fuels)

Baseline⁸ (2010, EU27)	Target Based on the Roadmap to a Resource Efficient Europe (COM (2011)571)	Latest known results (2016)
Environmental taxation: 6.4%, covering: - energy: 4.8%; - transport: 1.3% - pollution/resources: 0.2%	Increase	Environmental taxation: 6.3%, covering: - energy: 4.8 %; - transport: 1.2 % - pollution/resources: 0.2 %

⁶ Includes chemicals covered by biocides and REACH legislation, but not pesticides and fuels

⁷ Data revised by Eurostat on 04/12/2017, downloaded on 18/01/2018 (Eurostat periodically revises its published data to reflect new or improved information, also for previous years)

⁸ Data revised by Eurostat on 31/01/2018 (Eurostat periodically revises its published data to reflect new or improved information, also for previous years). The indicator shows no significant evolution.

FFS: €35.8 billion ⁹	By 2020 environmentally harmful subsidies to be phased out	<i>No update available</i>
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Main outputs in 2017:			
Policy-related outputs			
Output	Indicator	Target date¹⁰	Latest known results (situation on 31/12/2017)
Communication on Exploiting the potential of waste to energy (2016/ENV/086)	Adoption by the Commission	2017 Q1	Adopted on 28/01/2017
Communication on a Monitoring Framework for the Circular Economy (PLAN/2016/115)	Adoption by the Commission	2017 Q3	Work completed for adoption in January 2018
Proposal for a Regulation of the European Parliament and of the Council on waste water reuse (2017/ENV/006)	Adoption by the Commission	2017 Q3	Second submission to the Regulatory Scrutiny Board on 15/12/2017 (positive opinion received in January 2018 with comments, requiring further DG work)
Communication: Strategy on Plastic in a Circular Economy (PLAN/2016/39)	Adoption by the Commission	2017 Q4	Work completed for adoption in January 2018
Initiative on the interface between chemicals, products and waste legislation and development of policy options (PLAN/2016/116)	Adoption by the Commission	2017 Q4	Work completed for adoption in January 2018
Fitness check of the EMAS and Ecolabel Regulations	Staff Working Document published	2017 Q1	Report adopted by the Commission and SWD published 26/06/2017 (delayed due to allow internal analysis of conclusions).
REFIT evaluation of the Volatile Organic Compounds (VOC) Directive, Stage I and II	Report adopted by the Commission	2017 Q1	Report adopted by the Commission; SWD published 07/03/2017.
Operation of the REACH Regulation - Report and REFIT evaluation (2017/ENV+/005) - Commission Work Programme 2016	Adoption by the Commission	2017 Q3	Positive opinion received from the Regulatory Scrutiny Board on 29/11/2017. Further work required on RSB comments
Waste Electronic and Electrical Equipment Implementing act on a standard format and frequency	Adoption by the Commission	2017 Q4	Adoption postponed following Member States requests based

⁹ Institute for Environmental Studies (IVM), "Enhancing comparability of data on estimated budgetary support and tax expenditures for fossil fuels", 2014.

¹⁰ Throughout the year, DG Environment may need to adapt the delivery date of certain outputs to changing priorities and new unforeseen demands, in the context of resource constraints. Where more specific reasons exist to advance or delay a date, these are described briefly in the tables

of reporting (2016/ENV/060) - follow-up to a REFIT platform opinion - Commission Work Programme 2017			on draft act
Amendments to Directives 2000/53/EC on end-of-life vehicles, 2006/66/EC on batteries and accumulators and waste batteries and accumulators, and 2012/19/EU on waste electrical and electronic equipment (COM(2015)593)	Adoption by the co-legislators	2017	Political agreement reached by the co-legislators in December 2017
Amendment to Directive 1999/31/EC on the landfill of waste (COM(2015)594)	Adoption by the co-legislators	2017	Same as above
Amendment to Directive 2008/98/EC on waste (COM(2015)595)	Adoption by the co-legislators	2017	Same as above
Amendment to Directive 94/62/EC on packaging and packaging waste (COM(2015)596)	Adoption by the co-legislators	2017	Same as above

Main expenditure outputs

Output	Indicator	Target date	Latest known results (situation on 31/12/2017)
Relevant projects of the LIFE programme ¹¹ : <ul style="list-style-type: none"> - <i>Integrated projects</i> - <i>Technical Assistance projects</i> - <i>Traditional projects</i> - <i>Preparatory projects</i> - <i>Public procurement</i> - <i>Financial instruments</i> 	Estimated amount / number of outputs: ¹² <ul style="list-style-type: none"> - 47 million EUR/4 - 0.5 million EUR/3 - 80 million/56 - 1 million EUR / 2 - 14.7 million / 50 - 10 million/20 	2017 Q4	<i>Number of outputs</i> ¹³ <ul style="list-style-type: none"> - 26,8 million EUR /3 - 0.3 million EUR /4 - 82 million EUR /66 - 0,5 million EUR 1 - 18.4 million EUR / 37 - 0 million /0

Other important outputs

Output	Indicator	Target date ¹⁴	Latest known results (situation on 31/12/2017)
Contribution to the Expert group on Green Finance with a view to developing a comprehensive European Strategy on Green Finance (together with DG Financial Stability, Financial	Contribution to the process	2017 (and beyond)	DG Environment contributed to the work of the High Level Group on Sustainable finance providing information to support integration of

¹¹ Traditional projects and NGO grants are managed by EASME on behalf of DG Environment

¹² Together with Specific Objective 3 (Environment-related pressures)

¹³ Above 100.000 EUR

¹⁴ Throughout the year, DG Environment may need to adapt the delivery date of certain outputs to changing priorities and new unforeseen demands, in the context of resource constraints. Where more specific reasons exist to advance or delay a date, these are described briefly in the tables

Services and Capital Markets Union)			environmental considerations in green finance developments
Stakeholder Conference on enhancing access to finance for green projects , particularly for SMEs.	Participation in the organisation of the event	2017 Q2	Event organised with DG participation
Setting up the Resource Efficiency Excellence Centre for SMEs required by Circular Economy Action Plan (in collaboration with DG Internal Market, Industry, Entrepreneurship and SMEs)	Launch and operation of the centre	2017	Operative since January 2017
Retail Forum Annual event on Circular Economy implementation	Organisation of the event	2017 Q2	Event organised
Organisation of the European Eco-innovation Forum	Organisation of the event	2017 Q4	Event organised
Environmental footprint: evaluation of the pilot phase and organisation of the final Stakeholders Conference	Evaluation completed Event organised	2017 Q3	Postponed to Spring 2018
EU Environmental Technology Verification: evaluation of the pilot programme and Stakeholder event	Evaluation completed Event organised	2017 Q4	Postponed to Spring 2018
Adoption of Best Available Techniques conclusions on Large Combustion Plants	Adoption by the Commission	2017 Q4	Adopted on 31/07/2017
Adoption of Best Available Techniques on Large Volume Organic Chemicals	Adoption by the Commission	2017 Q4	Adopted on 21/11/2017
Commission Decisions on new or revised EU Ecolabel criteria for several products and services (2016/ENV/067, 2017/ENV/007, 008)	Adoption by the Commission	2017 Q1-Q4	Eight decisions on criteria adopted in 2017
Commission Decisions on the EMAS Reference Document for several sectors (e.g. 2016/ENV/065)	Adoption by the Commission	2017 Q1-Q4	Two decisions adopted in 2017
Implementing decisions under the REACH legislation on the evaluation and authorisation of chemicals	Adoption by the Commission	2017	More than 200 pending decisions adopted in 2017
Commission Regulations amending the Annexes to REACH for registration of nanomaterials (2014/ENV+/013)	Adoption by the Commission	2017 Q2	Public consultation completed; draft proposal under discussion following contributions; adoption postponed to 2018 Q3
Commission Regulation adapting to technical and scientific progress of Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixtures (2016/ENV/124)	Adoption by the Commission	2017 Q1	Adopted on 04/05/2017

Report on the review of Directive 2010/63/EU on the protection of animals used for scientific purposes	Adoption by the Commission	2017 Q4	Adopted on 23/11/2017
Legislative proposal on the scope of the Directive on the restrictions on hazardous substances in electric and electronic equipment (2012/ENV/009)	Adoption by the Commission	2017 Q1	Adopted on 26/01/2017
Commission Delegated Acts for exemptions to the Directive on the restrictions of hazardous substances in electric and electronic equipment	Adoption by the Commission	2017	Four new delegated directives adopted by the Commission
Initiatives related to lightweight carrier plastic bags : Implementing act on the methodology to calculate consumption of lightweight carrier plastic bags (2016/ENV/044)	Adoption by the Commission	2017	Adoption postponed to 2018, to ensure coherence with the upcoming major Strategy on Plastics
Establishment and maintenance of the European List of ship recycling facilities, including review of applications and inspections of facilities	Number of applications reviewed	2017 (and beyond)	18 applications reviewed by external evaluators
Report on the review of the WEEE (Waste Electric and Electronic Equipment) Directive scope and on the re-examination of the collection rate deadlines (2015/ENV/013)	Adoption by the Commission	2017 Q1	Adopted on 18/04/2017
Report and evaluation of Directive 2006/66/EC on batteries and accumulators and waste batteries and accumulators (2017/ENV/016)	Evaluation completed. Adoption of the report by the Commission	2017 Q4	Evaluation on-going. Adoption postponed to 2018
Organisation of Green Week - 'Green jobs for a greener future'	Organisation of the event	2017 Q2	Event organised

Specific objective 2 : The Union's natural capital is protected, conserved and enhanced			Related to spending programme LIFE
Result indicator 2.1: Common birds population, index 1990=100 → proxy for the state of biodiversity and the integrity of ecosystems; reflects wide-ranging pressures coming e.g., from agriculture, fisheries, energy and transport sectors			
Source of data: Eurostat http://ec.europa.eu/eurostat/tgm/bookmark.do?tab=table&plugin=1&language=en&pcode=tsdnr100#			
Baseline (2010)	Target (2020)	Latest known results (2014)	
88.0 (index 1990 = 100)	Reverse or halt the decline	87.4	
Result indicator 2.2: Conservation status of species and habitats of European importance			

(percentage in conservation categories) Source of data: Reports on the Conservation Status of Habitat Types and Species under the Habitats Directive		
Baseline (2000-2006, EU28)	Target	Latest known results (for 2015) <i>No update available</i>
Habitats: favourable (17%), unfavourable -inadequate (28%), unfavourable – bad (37%), unknown (18%) Species: favourable (17%), unfavourable – inadequate (30%), unfavourable – bad (22%), unknown (31%)	Improve conservation status	Habitats: favourable (16%), unfavourable -inadequate (47%), unfavourable – bad (30%), unknown (7%) Species: favourable (23%), unfavourable – inadequate (42%), unfavourable – bad (18%), unknown (17%)
Result indicator 2.3: Mean annual urban land take per country as a percentage of 2000 artificial land Source of data: European Environment Agency https://www.eea.europa.eu/ds_resolveuid/THXJ06GQ47		
Baseline (2002, EU27)	Target (2050)Based on COM (2011)571 'Roadmap to a Resource Efficient Europe'	Latest known results (2012) <i>No update available</i>
The average value of EU-28 is 0.51% (data for Greece are not available) with a very wide range from 2.8 % in Spain or 2.3 % in Cyprus to 0.1% in Romania or Malta	No net land take	In the period 2006- 2012 the average land take value for EU-28 is 0.41% with a very wide range from 1.47% in Spain to 0.3% in Malta or 0.1% in Belgium

Result indicator 2.4: Percentage of the surface area of marine waters (marine regions and sub-regions) conserved through spatial protection measures (networks of marine protected areas in the context of Habitat, Birds and Marine Strategy Framework Directives) Source of data: EU Budget 2014, Working document Part I (COM(2013) 450) for the baseline; European Environment Agency reports for latest results ¹⁵		
Baseline (2012)	Target (2020) Based on Aichi Target 11 under the Convention on Biological Diversity to cover at least 10% of all waters	Latest known results (2017)
5.9% (including 4% through Natura2000)	20 % in the 0-12 nautical mile zone 10 % in the Exclusive Economic Zone	10,8% (including 7,5% through Natura2000)
Completed evaluations: <ul style="list-style-type: none"> Fitness check of nature legislation, 2016, Birds and Habitats Directives 		

¹⁵ European Environment Agency, *Spatial Analysis of Marine Protected Area Networks in Europe's Seas II*, Technical Report December 2017, ISBN: 978-3-944280-59-2 (table 3.5)

Main outputs in 2017:			
Policy-related outputs			
Output	Indicator	Target date¹⁶	Latest known results (situation on 31/12/2017)
Follow-up to the Fitness Check of Nature legislation	Decision on follow-up taken by the Commission	After conclusion of the fitness check ¹⁷	Action Plan adopted by the Commission
REFIT evaluation of the Zoos Directive (2016/ENV/071)	Evaluation completed	2017 Q4	Postponed to allow further integration of stakeholder input
Main expenditure outputs			
Output	Indicator	Target date	Latest known results (situation on 31/12/2017)
<u>Relevant projects of the LIFE programme:</u> <ul style="list-style-type: none"> - <i>Integrated projects</i> - <i>Technical Assistance projects</i> - <i>Traditional projects</i> - <i>Preparatory projects</i> - <i>Projects funded by financial instrument</i> - <i>Public procurement</i> 	<u>Estimated Amount /n° of outputs:</u> <ul style="list-style-type: none"> - 70 million EUR /4 - 0.65 million EUR / 4 - 144 million EUR /80 - 1.3 million EUR / 3 - 10 million EUR/2 - 6.6 million EUR /22 	2017	<u>Amount /n° of outputs¹⁸</u> <ul style="list-style-type: none"> - 50.3 million EUR /5 - 0.1 million EUR /1 - 82 million EUR /65 - 0.8 million EUR / 2 - 10 million EUR /1 - 15 million EUR /25
Other important outputs			
Output	Indicator	Target date¹⁹	Latest known results (situation on 31/12/2017)
Commission Implementing Regulation updating the list of Invasive Alien Species of Union concern (2016/ENV/090)	Adoption by the Commission	2017 Q1	Adopted on 12/07/2017, based on latest input from Member States
Commission Implementing act on	Adoption by the	2017 Q1	Adopted on

¹⁶ Throughout the year, DG Environment may need to adapt the delivery date of certain outputs to changing priorities and new unforeseen demands, in the context of resource constraints. Where more specific reasons exist to advance or delay a date, these are described briefly in the tables

¹⁷ Fitness check of the EU nature legislation concluded on 16/12/16, reference SWD(2016)472

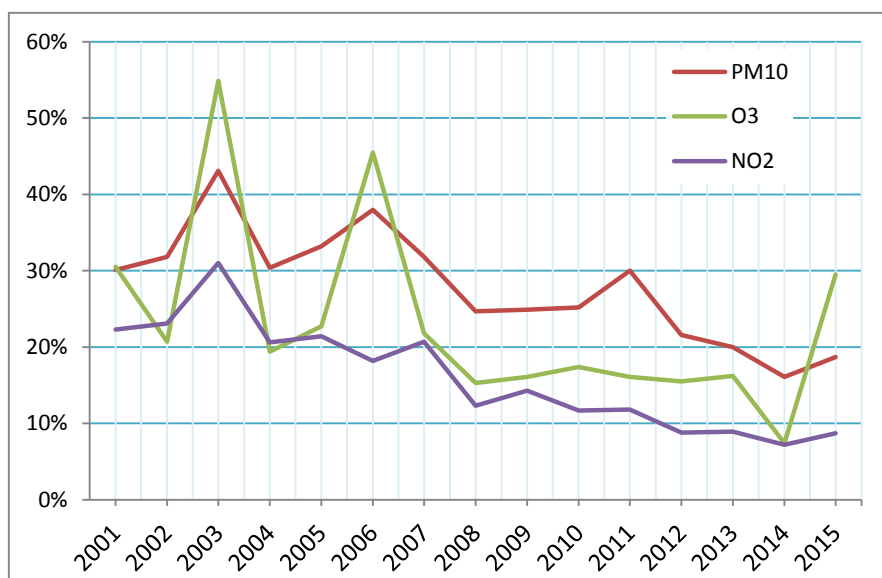
¹⁸ Above EUR 100 000

¹⁹ Throughout the year, DG Environment may need to adapt the delivery date of certain outputs to changing priorities and new unforeseen demands, in the context of resource constraints. Where more specific reasons exist to advance or delay a date, these are described briefly in the tables

formats for reporting on Invasive Alien Species (2015/ENV/067)	Commission		10/08/2017
Report on implementation of the Nitrates Directive (2012-2015)	Adoption by the Commission	2017 Q2	Adoption postponed to 2018 Q2 to allow for the assessment of Member States' late incoming reports
Forest Information System for Europe (FISE)	IT system delivered	2017 Q4	Technical implementation delays
Commission decision for the determination of Good environmental status (GES) of marine waters (2016/ENV/080)	Adoption by the Commission	2017 Q1	Adopted on 18/05/2017
Report on the assessment of programmes of measures under Article 16 of the Marine Strategy Framework Directive (2016/ENV/076)	Adoption by the Commission	2017 Q3	Adoption postponed to 2018 Q2 to allow for the assessment of Member States' late incoming reports
High Level BEST Conference – Boosting Biodiversity Action in the EU Outermost Regions and Overseas Countries and Territories	Organisation of the event	2017 Q1	Event organised
Contribution to the European Maritime Day (1/5/2017)	Contribution to the organisation of the event	2017 Q2	Event organised with DG contribution
Our Ocean Conference in Malta (in coordination with DG Maritime Affairs and Fisheries)	Co-organisation of the event	2017 Q4	Event co-organised

Specific objective 3 : The Union's citizens are safeguarded from environment-related pressures and risks to health and well-being	Related to spending programme LIFE
<p>Result indicator 3.1: Exposure to air pollution - Percentage of urban population exposed to air pollution above EU air quality standards:</p> <ul style="list-style-type: none"> a. Particulate Matter (PM₁₀) concentrations above the EU limit value (i.e. 50 µg PM₁₀/m³ averaged over 24 hours) on more than 35 days a year²⁰ b. Ozone (O₃) concentrations that exceed the EU target value (i.e. 120 µg O₃/m³ averaged over 8 hours) on more than 25 days a year, averaged over three years c. Nitrogen dioxide (NO₂) concentrations above the EU limit value (i.e. 40 µg NO₂/m³ averaged over a year) during a calendar year <p>Source of data: European Environment Agency Permalink: https://www.eea.europa.eu/ds_resolveuid/IND-34-en</p>	

²⁰ PM₁₀ refers to particulates whose diameter is less than 10 micrometres.



Evolution of exposure to air pollution in urban areas over time

Baseline (2001)	Target (2020) Based on Directive 2008/50/EC on ambient air quality and cleaner air for Europe	Latest known results (2015)
PM₁₀ 26.8 % Urban population exposed (i.e. above EU limit value, on more than 35 days per year)	0 % Urban population exposed (i.e. above EU limit value, on more than 35 days per year)	18.7%
Ozone¹⁷ 31.4% Urban population exposed (i.e. above EU limit value, on more than 25 days per year, averaged over three years)	0 % Urban population exposed (i.e. above EU target value, on more than 25 days per year, averaged over three years)	29.5% ²¹
NO₂ 18.1% Urban population exposed (i.e. above EU limit value, on an annual average)	0% Urban population exposed (i.e. above EU limit value, on an annual average)	8.7%

²¹ Ozone (O3) is a secondary pollutant formed from gases such as nitrogen oxides and volatile organic compounds in the presence of solar light. Year-to-year differences in ozone levels can be explained by meteorological conditions such as high levels of solar radiation and high temperatures during the summer, and therefore conclusions cannot be drawn from individual peaks. 2015 was a warm year globally and the warmest on average for the reporting period in Europe, with a series of heatwaves that contributed to several intense tropospheric ozone episodes between May and September.

<p>Result indicator 3.2: Percentage of surface water bodies in good ecological status or with good ecological potential (as defined by the Water Framework Directive)</p> <p>Source of data: Commission report on the Implementation of the Water Framework Directive - River Basin Management Plans COM(2012) 670 (countries that have not reported RBMP, or not reported exemptions or have high unknown status, are not included);</p>		
Baseline (2009, EU21)	Target (2015) Based on Directive 2000/60/EC, Water Framework Directive.	Latest known results (2015)
43%	100% of water bodies to which justified exemptions do not apply	40% estimated ²²
<p>Result indicator 3.3²³: Exposure to noise: percentage of population in urban areas estimated to be affected by noise levels greater than 55 dB Lden (day, evening and night period of exposure) from transportation - road, rail and aircraft noise</p> <p>Source of data: European Environment Agency https://www.eea.europa.eu/data-and-maps/indicators/exposure-to-and-annoyance-by-2/assessment-1</p>		
Baseline¹⁵ (2014, EU28)	Target (2015) Based on the 7 th Environment Action Programme	Latest known results (2016)
More than 98 million estimated in 2014	Reduce and approach WHO values	More than 83 million people in urban areas estimated to be affected by noise levels greater than 55 dB Lden from transportation - road, rail and aircraft noise;
<p>Completed evaluations:</p> <ul style="list-style-type: none"> REFIT evaluation of the EU Drinking Water Directive 98/83/EC, 2016 (reference SWD (2016) 428 final) REFIT evaluation of Directive 2002/49/EC relating to the assessment and management of environmental noise, 2016 (reference SWD (2016) 455 final) 		

Main outputs in 2017:			
Policy-related outputs			
Output	Indicator	Target date²⁴	Latest known results (situation on 31/12/2017)
Commission proposal for a revision of the Drinking Water Directive (2017/ENV/014)	Adoption by the Commission	2017 Q4	Work completed for adoption in January 2018
REFIT Evaluation of Regulation (EC) No 166/2006 concerning the establishment	Staff Working Document (SWD)	2017 Q2	Report adopted by the Commission;

²² Based on the ongoing assessment of the second Member States River Basin Management Plans

²³ The description and baseline of this indicator has been revised for alignment with the Noise indicator of the European Environment Agency, which provides equivalent information and is updated regularly.

²⁴ Throughout the year, DG Environment may need to adapt the delivery date of certain outputs to changing priorities and new unforeseen demands, in the context of resource constraints. Where more specific reasons exist to advance or delay a date, these are described briefly in the tables

of a European Pollutant Release and Transfer Register (2016/ENV/062)	published		SWD published on 13/12/2017
Main expenditure outputs			
Output	Indicator	Target	
Relevant projects of the LIFE programme: The outputs listed under Specific Objective 1 above also support Specific Objective 3	--	--	--
Other important outputs			
Output	Indicator	Target date²⁵	Latest known results (situation on 31/12/2017)
Assessment of the implementation of the Water Framework and Floods Directives	Assessment completed	2017 Q4	Assessment ongoing on information still incoming from Member States
Water Innovation Conference	Organisation of the event	2017 Q3	Organised
Guidance document on new projects under the Water Framework Directive , Article 4(7), and other deliverables of the Common Implementation Strategy (Work Programme 2016-2018)	Informal endorsement by EU Water Directors	2017 Q4	Guidance on exemptions endorsed by Water Directors
Recast of Persistent Organic Pollutants Regulation 850/2004 (2015/ENV/042)	Adoption by the Commission	2017 Q2	Adoption postponed to 2018 Q1 due to technical recast issues
Guidance for development of National Air Pollution Control Programmes, including Implementing Act specifying the format (2017/ENV/021)	Adoption by the Commission / Publication	2017 Q4	Guidance agreed with Member States. Adoption postponed to 2018
First Clean Air Outlook under the Clean Air Programme for Europe	Adoption of Report by the Commission	2017 Q4	Adoption postponed to 2018, for input from forum below
Clean Air Forum under the Clean Air Programme for Europe	Organisation of the event	2017 Q4	Organised
Transposition and ratification of the Minamata Convention on Mercury	Adoption of Mercury Regulation by the co-legislators / Deposition of the ratification instrument	2017 Q2	Regulation adopted by the co-legislators on 25/04/2017; EU ratification instrument deposited on 18/05/2017.
Report on the implementation of Directive 2010/75/EU on Industrial	Adoption by Commission	2017 Q2	Adopted on 04/12/2017

²⁵ Throughout the year, DG Environment may need to adapt the delivery date of certain outputs to changing priorities and new unforeseen demands, in the context of resource constraints. Where more specific reasons exist to advance or delay a date, these are described briefly in the tables

Emissions			
Report on implementation of Directive 2002/49/EC relating to the assessment and management of environmental noise (2017/ENV/023)	Adoption by the Commission	2017 Q2	Adopted on 30/03/2017
Organisation of a Noise Conference	Organisation of the event	2017 Q2	Organised

Specific objective 4 : There is an enabling framework for environmental policy, based on smart implementation, a strong knowledge and evidence base, investment, and improved environmental integration and policy coherence

Related to spending programme **LIFE**

Result indicator 4.1: Effectiveness of application of EU environment legislation
Source of data: DG Environment

Baseline (End 2013)	Target	Latest known results (End 2017)
Infringements (353): -Non-communication cases: 94 -Non-conformity cases: 68 -Bad application cases: 194 EU Pilots: 432	- For infringements: effective and uniform implementation of EU environmental legislation as translated into a streamlined focus on structural issues that cannot be addressed otherwise - For EU Pilots: Effective and uniform implementation of EU environmental legislation via this resolution mechanism	Infringements (300): -Non-communication cases: 78 -Non-conformity cases: 37 -Bad application cases: 201 EU Pilots: 238

Result indicator 4.2.a: Structural funds interventions regarding solid waste, water supply, wastewater treatment, risk prevention and management, land rehabilitation and nature and biodiversity

Source of data: European Commission, European Structural and Investment Funds Database - <https://cohesiondata.ec.europa.eu/themes/6>

	Baseline	Target 2007-2015 (cumulative)	Target 2014-2020 (cumulative)
Additional waste sorting and recycling capacity**	n/a	n/a**	3 260 587 Tonnes/year (CF) 2 532 608 Tonnes/year (ERDF)**
Additional population served by improved water supply*	n/a	15 million*	7874242 Persons (CF) 4 507 720 Persons (ERDF)**
Additional population served by improved wastewater treatment*	n/a	19,7 million*	8 323 456 Population equivalent (CF) 8 539 195 Population equivalent (ERDF)**
Total surface area of rehabilitated land**	n/a	n/a**	689 Hectares (CF) 10 076 Hectares (ERDF) **
Surface area of habitats supported to attain a better conservation status**	n/a	n/a**	326 806 Hectares (CF) 6 052 012 Hectares (ERDF)**

Risk prevention and management. Population benefiting from flood protection measures**	n/a	n/a**	5 648 433 Persons (CF) 7 587 152 Persons (ERDF)**
* Targets result from 2007-2013 Operational Programmes (OPs); ** Specific to 2014-2020 framework.			
Result indicator 4.2.b: Structural funds interventions - Marine Environment Source of data: EMFF Regulation			
Baseline (2014, EU-27)	Target Based on Regulation (EU) 508/2014 on the European Maritime and Fisheries Fund (EMFF)		Latest known results (2016)
5%	Maintain the percentage		10% (of the directly managed EMFF funds)
Result indicator 4.3: % of EAFRD payments related to environment and climate Source of data: DG Agriculture and Rural Development			
Baseline (2012 EU-27)	Target Based on Regulation (EU) 1305/2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)		Latest known results (2016)
43%	Maintain the percentage		51.3% (for year 2014, not cumulative, total for both periods 2007-2013 and 2014-2020)
Result indicator 4.4: Fish catches from stocks outside safe biological limits managed by the EU in the North-East Atlantic (% of total catches per year) Source of data: International Council for the Exploration of the Sea			
Baseline (2008)	Target (2015)	Latest known results (2014) <i>No update available</i>	
Total: 10.8% Pelagic (e.g. herring): 7.4% Benthic(e.g. prawns.): 11% Demersal (e.g. cod): 49.6% Industrial (e.g. sand eel): 0%	0% of catches outside safe biological limits in all areas in which EU fishing fleets operate	31 out of 51 fish stocks in the North East Atlantic ²⁶	
Completed evaluations:			
<ul style="list-style-type: none"> • Evaluation of the Environmental Liability Directive accompanying the Report under Article 18(2) of Directive 2004/35/EC on environmental liability with regard to the prevention and remedying of environmental damage, 2016 • Evaluation accompanying the Report on the implementation of Directive 2007/2/EC establishing an Infrastructure for Spatial Information in the European Community (INSPIRE) pursuant to article 23, 2016 			

Main outputs in 2017:			
Policy-related outputs			
Output	Indicator	Target date²⁷	Latest known results (situation on 31/12/2017)
Report from the Commission – Actions to Streamline Environmental Reporting (2017/ENV/002)	Adoption by the Commission	2017 Q1	Adopted on 09/06/2017
Communication on Access to Justice at national level related to measures implementing EU environmental law (2013/ENV/013)	Adoption by the Commission	2017 Q1	Adopted on 28/04/2017
Communication from the Commission on Environmental Compliance Assurance and Governance (2015/ENV/066)	Adoption by the Commission	2017 Q2	Work completed for adoption in January 2018 (delayed to allow for further public consultation)
Fitness Check on environmental monitoring and reporting	Staff Working Document finalised	2017 Q1/Q2	Adopted on 09/06/2017
REFIT evaluation of Directive 2001/42/EC on Strategic Environmental Assessment (2017/ENV/017)	Evaluation launched (for conclusion in 2019)	2017 Q4	On-going and progressing as expected
Main expenditure outputs			
Output	Indicator	Target	
Mid-term evaluation of the LIFE Programme - Regulation (EU) No 1293/2013 on the establishment of a Programme for the Environment and Climate Action, LIFE (2017/ENV/001)	Evaluation completed; Adoption of Report by the Commission	2017 Q2	Evaluation completed; report adopted on 06/11/2017
Commission Implementing Decision on the adoption of the LIFE Multiannual Work Programme for 2018-2020 (reference to be added)	Adoption by the Commission	2017 Q4	Agreement of the LIFE Committee achieved; adoption postponed to 2018
<u>Relevant projects of the LIFE programme:</u> - <i>Traditional projects</i> - <i>NGOs</i> - <i>Public procurement</i>	<u>Estimated Amount /n° of outputs:</u> - <i>19 million EUR / 14</i> - <i>5 million EUR / 20</i> - <i>30.6 million EUR/ 62</i>	2017	<u>Amount /n° of outputs²⁸</u> - <i>8 million EUR/ 5</i> - <i>6 million EUR/ 8</i> - <i>9 million EUR/ 36</i>

²⁷ Throughout the year, DG Environment may need to adapt the delivery date of certain outputs to changing priorities and new unforeseen demands, in the context of resource constraints. Where more specific reasons exist to advance or delay a date, these are described briefly in the tables

²⁸ Above 100.000 EUR

Other important outputs			
Output	Indicator	Target date ²⁹	Latest known results (situation on 31/12/2017)
Conclusion of the first Environmental Implementation Review process – Commission communication and 28 country reports	Adoption by the Commission / Follow-up meetings with Member States	2017	Adopted on 03/02/2017; follow-up ongoing with Member States
Contribution to EU 2020 Semester Process	Completion	2017	Completed
Legal enforcement and co-operation with relevant professional networks	Network meetings	2017	Stakeholder conference with networks and Member States (01/2017) Crime-related workshop (03/2017) organised by the DG. The DG also participated in other network events.
Second Commission Report on the application and effectiveness of the SEA Directive	Adoption of the report by the Commission	2017 Q1	Adopted on 15/05/2017
Repeal of the Council Directive 91/692/EEC, the Standardised Reporting Directive	Adoption by the co-legislators	2017	Preliminary agreement reached in November 2017
Evaluation of the European Environment Agency (2018/ENV/002)	Progress in evaluation (conclusion 2018)	2017	Roadmap published; evaluation ongoing

Specific objective 5 : : The Union's cities are more sustainable		Related to spending programme LIFE
Result indicator 5.1: Percentage of EU cities applying for the European Green Capital Award (EGCA)		
Source of data: DG Environment		
Baseline (2012-2013)	Target (DG Environment)	Latest known results (2017)
17 cities applied for EGCA in 2012-2013*	Increased number of cities applying for EGCA each year	14 cities applied for EGCA 2020 in 2017

* This was a call for applications covering two years, awarding the title to two cities (Vitoria Gasteiz 2012, Nantes 2013)

²⁹ Throughout the year, DG Environment may need to adapt the delivery date of certain outputs to changing priorities and new unforeseen demands, in the context of resource constraints. Where more specific reasons exist to advance or delay a date, these are described briefly in the tables

Main outputs in 2017:			
Main expenditure outputs			
Output	Indicator	Target	Latest known results (as of 31/12/2017)
Relevant projects of the LIFE programme: - Traditional projects - NGOs - Public procurement	<u>Estimated Amount /n° of outputs:</u> - 19 million EUR / 12 - 4 million EUR / 20 - 30.6 million EUR/62	2017	<u>Amount /n° of outputs³⁰</u> - 4 million EUR/ 5 - 5 million EUR/ 8 - 9 million EUR/25
Policy-related outputs			
Output	Indicator	Target	
Self-assessment and benchmarking IT tool for cities on environmental indicators	IT system delivered	2017 Q4	Test version of 'Green Cities' delivered, for user feedback
European Green Capital Award	Awarded	2017	Awarded
European Green Leaf Award	Awarded	2017	Awarded

Specific objective 6 : The Union is more effective in addressing international environmental challenges		
Indicator 6.1: Level of progress towards a greener, resource efficient global economy as, <i>inter alia</i> , reflected by clear policy commitments at the multilateral level		
This will contribute to the successful implementation of the United Nations 2030 Agenda adopted in September 2015. The most significant part of this agenda is a set of Sustainable Development Goals (SDGs), to be achieved by 2030.		
Source of data: DG Environment		
Baseline (2015)	Target	Latest known results (2015)
Agenda 2030 and SDGs adopted. A High Level Political Forum (HLPF) on sustainable development established to oversee its implementation.	Maintain or increase the level of policy commitments on green economy / resource efficiency / circular economy at the multilateral level. Contribute to the successful implementation of the SDGs.	The 2017 G7 Environment Ministers' Meeting adopted the Five-Year Bologna Roadmap as a "living" document to prioritise actions that advance life cycle based materials management, resource efficiency, and the 3Rs, including in the supply chain. The launch of the G20 Resource Efficiency Dialogue in July 2017 opens up new opportunities for international cooperation to promote a global transition towards a resource-efficient, low-carbon and

³⁰ Above 100.000 EUR

		circular economy. Global SDG indicators adopted by the UN. EU set of SDG indicators and first monitoring progress report published by Eurostat in November 2017.
<p>Result indicator 6.2: EU participation in Multilateral Environmental Agreements (MEA): number of MEAs the EU is a signatory or a party to.</p> <p>Multilateral environmental agreements exist or are being negotiated in a large range of areas in which the EU has internally developed policies and legislation. EU participation in these agreements enables the EU to actively promote ambitious environmental standards and policies at global level and increases its visibility and accountability.</p> <p>Source of data: DG Environment</p>		
Baseline (2013)	Target	Latest known results (2016)
EU signatory or party to 48 MEAs	The EU joining Conventions to which it is not yet a party	There are currently 52 MEAs to which the EU is a party, the latest being the ratification of the Minamata Convention in 2017
<p>Result indicator 6.3: Progress with pre-accession work in candidate countries and potential candidate countries and with the implementation of association agreements (AAs) and wider cooperation with neighbourhood countries</p> <p>In the enlargement and neighbourhood countries much effort is still required to improve environmental standards. The proximity of these countries to the EU and our shared resources (air, water etc.) signifies the importance of co-operation to achieve the EU's environmental objectives. Progress will be monitored with respect to 1) the transposition of EU-legislation in candidate and pre-candidate countries and approximation in neighbourhood countries and 2) the planning and implementation of required investments and measures.</p> <p>Source of data: DG Environment</p>		
Baseline (2012)	Target	Latest known results (2017)
Enlargement countries are making gradual progress towards transposition and implementation of the EU acquis but are constrained by limited institutional and technical capacity and insufficient finance. Financial support from IPA is helping to address those issues along with bilateral and regional capacity building support under the TAIEX (Technical Assistance and Information Exchange) and the ECRAN (Environment and Climate Regional Accession Network) programmes.	Transposition and implementation of EU environment legislation by candidate and potential candidate countries. Progress towards the adoption of EU standards and	Montenegro submitted its Negotiation Position for Chapter-27 Environment and expects the opening of the negotiations for the chapter in 2018. Serbia is also preparing to submit its Negotiation Position in 2018 in view of opening of accession negotiations for the chapter. For Turkey, horizontal legislation, water, air quality and nature protection areas still

<p>For the neighbourhood countries new AAs with Eastern neighbours include challenging commitments to converge with major EU environmental directives. With respect to Southern neighbours new action plans being negotiated will cover the implementation of the EU environment acquis and international agreements. At the regional level, the Eastern Partnership (EaP) is tackling environment change as a priority area. Under the Union for the Mediterranean a number of capacity building measures are being supported which follow the European model.</p>	<p>norms for environmental protection by countries in the neighbourhood.</p>	<p>need to be addressed.</p> <p>On a regional basis, an Action plan was drawn up for the Eastern Neighbourhood following the adoption of a declaration at the 2016 Ministerial meeting listing actions foreseen to implement the declaration and indicate progress made in specific areas.</p> <p>On country level, the Council adopted a decision to conclude the Association Agreement with Ukraine. Moldova and Georgia are progressing in implementation of AAs. A new agreement including a comprehensive environment chapter was signed with Armenia; an agreement is currently being negotiated with Azerbaijan.</p> <p>For the Southern Neighbourhood, regional environmental action was addressed in the Union of the Mediterranean on monitoring, water and environmental infrastructure projects, and regional action on Sustainable Consumption and Production under the SWITCH Med programme. At national level, environment is recognised by Algeria and Egypt in the Single Support Framework as a key area for action under EU funding.</p>
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Result indicator 6.4: Environmental provisions introduced in bilateral agreements between the EU and third countries and regions

Protecting the environment goes well beyond the scope of national or regional considerations, environmental challenges are also a global concern. The EU has comprehensive co-operation agreements with many third countries and regions. Each agreement includes an environment component which encourages the promotion of environmental protection and convergence in multilateral environmental negotiations.

The implementation of the environment component in bilateral agreements with third countries and regions will be monitored regularly. The Joint Co-operation Committee Meetings and Trade and Sustainable Development Committee meetings etc. set –up under the Partnership and Co-operation Agreements (**PCA**), Free Trade Agreements (**FTA**) and Multi-annual Indicative

<p>Programmes (MIP) and Annual Action Plans will play a pivotal role in this context.</p> <p>Source of data: DG Environment</p>		
Baseline (2013)	Target	Latest known results (2017)
<p>Ensure a strong environment component in the PCAs (Partnership and Co-operation Agreements), FTAs (Free Trade Agreements) and EDF/DCI (European Development Fund/ Development Cooperation Instrument) Programming plans (MIPs) agreed with third countries and regions.</p>	<p>Environment provisions appropriately reflected and implemented in the PCAs, FTAs and MIPS and Annual Action Plans.</p>	<p>The Canada Europe Trade Agreement (CETA) entered into force in September 2017. The first High Level Dialogue under the EU-Canada Strategic Partnership Agreement (SPA) that upgraded the previous cooperation framework Canada was held in October.</p> <p>DCFTAs (Deep and Comprehensive Free Trade Area) are part of Association Agreements for Ukraine, Moldova and Georgia, and are currently negotiated with Morocco and Tunisia.</p> <p>Environmental provisions are being introduced through negotiations of new agreements with Mexico, Chile and Mercosur.</p> <p>A Working Group on Environment and climate change has been established with Indonesia and its first meeting took place.</p>
<p>Result indicator 6.5: Number of significant timber exporting countries with which EU has signed agreement to prevent illegal logging (Voluntary Partnership Agreements - VPA)</p> <p>The EU adopted the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan in 2003. The Action Plan sets out a range of measures available to the EU and its member states to tackle illegal logging in the world's forests. An important measure foreseen by the Action Plan is the promotion of trade in legal timber, including developing and implementing VPAs between the EU and timber-producing countries, as a means to reducing to negligible levels trade in timber products related to illegal logging.</p> <p>Source of data: DG Environment</p>		
Baseline (2012)	Target	Latest known results (2016)
<p>VPAs ratified to date: 5 VPAs concluded but pending ratification: 1 VPAs under negotiation: 9 Significant timber exporting</p>	<p>Increased number of ratified VPAs</p>	<p>VPAs ratified to date: 6 VPAs negotiations concluded but pending ratification : 1 VPAs under negotiation: 8 Significant timber exporting</p>

countries (globally): 20		countries (globally): 20
Completed evaluations:		
<ul style="list-style-type: none"> • Evaluation of Regulation (EU) No 995/2010 laying down the obligations of operators who place timber and timber products on the market (the EU Timber Regulation), 2016 • Evaluation of the of the EU Action Plan for Forest Law Enforcement Governance and Trade (FLEGT), SWD(2016) 276 		

Main outputs in 2017:			
Main expenditure outputs			
Output	Indicator	Target date	Latest known results (situation on 31/12/2017)
Relevant projects under the GPGC programme (cross sub delegation in support of International Environmental Governance)	- EUR 11.53 million	2017	Financing decision adopted on 24/11/2017 in line with DG Environment input
Policy-related outputs			
Output	Indicator	Target	
Commission Delegated Regulation amending the list of timber and timber products set out in the Annex to the EU Timber Regulation (2017/ENV/010)	Adoption by the Commission	2017 Q3	Adoption postponed to 2018
Proposal for a Council Decision for signature and for ratification of the Voluntary Partnership Agreement between the EU and Vietnam on Forest Law Enforcement, Governance and Trade in timber and derived products to the European Union (FLEGT)	Adoption by the Commission	2017 Q1	Adoption postponed to 2018
Commission Regulations revising Annexes to CITES Council Regulation 338/97, and revision of Commission Regulations implementing it in the UE, following the 17th Conference of the Parties (2017/ENV/003)	Adoption by the Commission	2017 Q1	Adopted
Bilateral co-operation with key EU trade and strategic partners on environmental issues	Number of successful high level dialogues	2017	Held with Australia, Brazil, Canada, India, Japan, Mexico, South Africa
Representation of the EU at the Triple Conference of the Parties (COP) of the Basel, Rotterdam, and Stockholm Conventions	Representation at the COP	2017 Q2	EU represented
Representation of the EU at the UN Oceans Conference SDG 14	Representation at the Conference	2017 Q2	EU represented
Representation of the EU at the UN High Level Political Forum (HLPF)	Representation at the HLPF	2017 Q3	EU represented

Representation of the EU at the First Conference of the Parties (COP) of the Minamata Convention	Representation at the COP	2017 Q3	EU represented
Representation of the EU at the 3 rd meeting of the UN Environment Assembly (UNEA)	Representation at the UNEA meeting	2017 Q4	EU represented
Representation of the EU at the 13th Conference of the Parties (COP) of the UN Convention to Combat Desertification	Representation at the COP	2017 Q4	EU represented and key objectives achieved
Circular Economy Missions to third countries leading to the promotion of policies for resource efficiency and greater business opportunities.	Number of Circular Economy missions	2017	Missions to Iran, South Africa and Colombia (plus dedicated outreach events in Kiev and Casablanca)
Supporting priority actions and new projects on environment through the Partnership Instrument (external funding instrument)	Number of environment related projects adopted by the Commission	2017	Two standalone projects (value of €11 million) included in the 2017 Annual Action Programme; two further projects (just under €1 million) under the Project Support Facility
EU Presidency of the International Commission for the Protection of the Danube River (ICPDR)	Organisation of the Presidency	2017	Presidency priorities set under EU Presidency
EU Chairmanship of Baltic Marine Environment Protection Commission - HELCOM Presidency 2016-2018	Organisation of high-level and technical dialogues	2016-2018	Meetings organised and decisions adopted in line with EU objectives