



Management Plan 2017

DG GROW

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PART 1. Overview of main outputs for the year

In its plans for 2017, the Commission has made clear that the EU must unite around a positive agenda. This means working together, where the EU can make a difference, to preserve the European way of life, to empower its citizens and to defend them against threats to their security and the stability of the EU.

When it comes to its economic fabric, Europe is facing multiple challenges. A new industrial revolution is taking place, digitization permeates all strands of our economy, new business models are emerging, low productivity remains in many sectors and new economic powers redefine the balance of international trade.

In this context, where will be the jobs and the industries of tomorrow? Which technologies should we invest in? How should we deal with innovative business models such as the collaborative and the circular economy? Which infrastructures need to be built together? How can we better support and finance risk taking? Where will be the growing markets? What sectors might need help to restructure in the future? How do we ensure that the public interest is duly taken into account when answering these questions?

For Europe to remain master of its own future, change needs to be actively anticipated and managed. Citizens and businesses expect predictability and stability. The EU can help provide that. Many of the answers cannot be found at regional or at national level. No Member State alone can develop world class standards for connected cars or deploy a network of observation satellites around the globe.

DG GROW is at the centre of a positive agenda, and its teams are mobilized to deliver it to Europe's citizens and businesses.

In a Single Market of 510 million people, common rules and standards need to be clear and supportive of innovation, and financing needs to be available where the market does not provide solutions. Public interest must be upheld: be it about health, safety or environmental protection. Operators need a level playing field, and if need be, rules need to be enforced. Citizens should ultimately benefit in their everyday life. This is DG GROW's mandate.

To achieve its mandate, DG GROW's actions are built on the following values:

- 1) anticipate change;
- 2) encourage risk taking;
- 3) create opportunities in an inclusive way; and
- 4) safeguard public interest.

In 2017 DG GROW will deliver on its goals as set out in its Strategic Plan 2016-2020¹. The actions will be tuned to our overall strategic goal of deepening the Single Market in goods and services and sustaining the development of a high performing industrial base.

In line with the Strategic Plan, the DG will focus on the three following multi-annual activities, which all aim at contributing to a more competitive, productive and socially inclusive economy:

(1) **Ensuring well-functioning markets:** removing barriers to activity and establishing balanced and supportive rules and standards for the setting up of a Single Market for products and for services, including via public tenders, and making sure they comply with public interest. DG GROW must also ensure that rules are complied with, including via enforcement (DG GROW manages around 70% of the EU's Single Market rules).

(2) **Modernising the economy:**

Supporting innovation: supporting innovation and research and the rolling out of new technologies for industry and for services, notably via a lead role in the implementation of Horizon 2020 programme, the design of new standards and of intellectual property rules.

Building the skills of the future: fostering sector-based cooperation to identify and develop the skills needed for the jobs of the future and facilitating the mobility of professionals. In 2017 the Commission will start implementing the so called "Blueprint for Sectoral Cooperation on Skills". The aim of the Blueprint is to design a new approach to mobilise stakeholders from industry, education and employment and use more efficiently resources funding instruments to implement new demand driven sectoral skills strategies in Europe that join up demand and supply concerns. The first sectors covered include automotive, maritime technology, space, defence, textile and tourism. New sectors will be added to the list in 2017.

Building a supportive environment for economic activity and entrepreneurship, inside and outside the EU:

- Within the EU, making sure the voice of small businesses is heard when rules are designed, making these rules simpler and less costly, leading the micro-economic chapter of the European semester on country structural reforms and developing smart specialisation partnerships at national and regional levels;
- Outside of the EU, the DG is a major contributor to trade negotiations on the basis of its sector expertise;

¹ http://ec.europa.eu/atwork/synthesis/amp/doc/grow_sp_2016-2020_en.pdf

- The DG operates a financing programme aimed at SMEs, called COSME.

Work on the Mobility of the future

The DG will work with other relevant Commission services on mobility, connectivity and the future of the automotive industry to ensure its competitiveness on the global market and strengthen its ability to respond to current challenges.

- (3) **Setting up and managing public space infrastructures:** in order to deliver public services to its citizens and economic operators, DG GROW operates three satellite programmes (global positioning with Galileo, navigation with EGNOS and observation with Copernicus). These programmes are also crucial for the EU's competitiveness, considering the economic potential of the satellite applications they will offer to businesses and the public.

Besides the three multi-annual activities above, DG GROW is in the lead to develop a strategy for the European defence industry so as to stimulate research, innovation and build a real Single Market, especially for SMEs through the implementation of the European Defence Action Plan.

As a result, and as set out in the Strategic Plan 2016-2020, DG GROW will be a major contributor to several of the European Commission's 10 priorities set out by President Juncker.

These are in particular Priority 1 (A new boost for jobs, growth and investment) and 4 (A deeper and fairer internal market with a strengthened industrial base). In addition, DG GROW contributes along with other DGs to Priority 2 (A connected Digital Single Market) and Priority 3 (A resilient Energy Union with a forward-looking climate change policy).

A new feature, not foreseen in the Strategic Plan, is that the DG will also work on Priority 9 (A stronger global actor) with the implementation of the European Defence Action Plan².

As set out in the Commission work programme for 2017, DG GROW will be very much involved in the implementation of the Commission's key strategies: the Single Market Strategy and the Space strategy, the Digital Single Market Strategy, the Energy Union, the Circular Economy package and the European Defence Action Plan.

Priority 1 - A new boost for jobs, growth and investment

DG GROW's regulatory and policy initiatives and programmes are focused on delivering actions that sustain jobs, growth and investment as set out in the Strategic Plan 2016-2020.

² In the President's State of the Union speech in September 2016, the European Defence Action Plan was referred to under Priority 9 (https://ec.europa.eu/priorities/state-union-2016_en).

The COSME financial instruments help ensure delivery of the EFSI (European Fund for Strategic Investments) SME window which has been able to benefit almost 300,000 SMEs so far. The financial instruments have received an additional top up of € 550 million from EFSI plus an additional € 200 million from the Multiannual Financial Framework Mid-Term Review in 2016, effectively adding an additional 50% to the original 7 year budget. DG GROW will utilise these funds in 2017 and beyond to provide additional access to finance to SMEs, particularly through COSME's Loan Guarantee Facility. Thus, the DG works towards the goal of helping to create and scale-up SMEs, a goal which has been set in the Strategic Plan 2016-2020.

Through the European Semester the Commission and Member States coordinate their economic and social policies to promote structural reforms and maximise spill-overs, with a specific focus on convergence in the Eurozone. On the basis of the priorities laid out in the 2017 Annual Growth Survey, one of the future actions will focus on DG GROW policy areas, i.e. microeconomic structural reforms to strengthen the recovery, raise future potential growth and increase resilience to future shocks by tackling the main investment barriers, boosting productivity, deepening the Single Market and promoting economic, social and territorial cohesion.

The first deliverable planned in the Circular Economy Action Plan is the Fertilisers Regulation currently under negotiation with the Parliament and the Council. This Regulation will enable a more sustainable use of resources, better protect citizens' health and reduce dependence on imported raw materials for a € 12.5 billion market which is crucial for the development of EU farming. In the meantime, it will create an internal market for organic fertilisers and opportunities for new businesses and jobs.

Critical Raw Materials are raw materials of high importance to the EU economy and whose supply is associated with a high risk. The Commission intends to prepare an initiative to update the list of these critical raw materials in mid-2017.

The programmes under DG GROW management will also continue to deliver in 2017:

EU Programme for Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME):

The operational budget for 2017³ will be € 286.9 million⁴ in commitments, up from € 283.1 million for 2016. There are four areas of funding: a) Access to finance for SMEs (equity and debt financial instruments), b) Access to markets for SMEs, c) Framework conditions for competitiveness and d) Promoting entrepreneurship.

2017 projects reflect the policy priorities set up by the Single Market Strategy, particularly helping start-ups and SMEs to scale up as per the Commission Communication of 22 November 2016 on this specific topic. COSME actions will continue to provide support on access to finance and markets for SMEs, improve the

³ These two amounts are likely to evolve before the end of 2016. An increase of 15 million € has been proposed by the EP as amendment of the general budget. The vote is foreseen for the 16/11/2016. An increase of 200 million € of the COSME budget for the remaining years of the MFF has been proposed by the Commission for the MFF review.

⁴ Without supporting measures

business environment and information for SMEs and new entrepreneurs and foster a second chance for failed entrepreneurs.

Horizon 2020:

Under Horizon 2020, DG GROW (co-)manages the following:

Under Industrial Leadership:

- Innovation in SMEs: the budget for 2017 will be € 35.8 million in commitments. There will be two main priorities for next year: cluster co-operation for new value chains and support for the uptake by SMEs of advanced technologies for clean production.
- Space: the aim is to ensure that space will remain accessible to Europe and the full, free and open access to data generated from space. The operational budget for 2017 will be € 183.85 million in commitments. The priorities for next year will be the market uptake and evolution of Copernicus and Galileo; technology development with a focus on critical space technologies and earth observation/satellite communication technologies. The programme will also continue supporting the operations and evolution of Space Surveillance and Tracking (see below). Another important feature for 2017 will be the preparation of the work programme 2018-2020 for a total estimated budget of € 632 million.

Under Societal Challenges:

- Raw materials: The aim is to ensure the access to natural resources while boosting EU competitiveness. The operational budget for 2017 will be € 87.5 million in commitments. The priorities for next year will be the launching of innovation actions on processing and metallurgical processes. There will also be research and innovation actions on exploration. All actions are expected to contribute to the implementation of both the Raw Materials policy and the Strategic Implementation Plan of the European Innovation Partnership (EIP) on Raw Materials.

Space Programmes – Galileo/EGNOS and Copernicus:

Galileo/EGNOS: The operational budget for 2017 will be € 924 million in commitments appropriations, up from € 876 million in 2016. The priorities for next year will be to ensure the continuity of Galileo and EGNOS services, continue preparations for the full operational capability of Galileo services by 2020, promoting the market uptake of Galileo and EGNOS services by continuing the ongoing activities and by implementing the actions proposed in the Space Strategy for Europe and preparing for the further implementation of the programmes after 2020, without prejudice to the next MFF. There will be a mid-term evaluation of the programme in 2017.

Copernicus: The operational budget for 2017 will be € 604 million in commitment appropriations, up from € 583 million. The priorities for next year will be the launch of the remaining satellites, encouraging satellite data uptake through, inter alia, setting-

up data distribution and user access platform(s) and enlarging the user-base of the programme, the mid-term evaluation of the programme, and the initial reflections on its future evolution to serve emerging needs.

Space Surveillance and Tracking (SST): The proliferation of space debris remains the most serious risk to the sustainability of space activities, hence the need for a coordinated framework for action at EU level. The operational budget for this action for 2016-2017 will be € 43 million from grants under Copernicus, Galileo and H2020 Programmes. Following the adoption of the Commission Implementing Decision on a coordination plan for the SST support framework and on the procedure for the participation of Member States, the priorities for next year will be preparing the grounds for the participation of further Member States in the SST consortium and coordinating the implementation of SST evolution.

Priority 2 - A connected Digital Single Market

As part of the Digital Single Market Strategy adopted in 2015, DG GROW will launch the Single Digital Gateway, an initiative that will extend, integrate and improve European and national portals to create a user friendly information and assistance for citizens and business. It will also seek the commitment of the Member States to get the 10 procedures most frequently used by businesses and citizens fully online and fully transactional for cross-border users.

DG GROW will launch the EU Catalogue of ICT Standards for public procurement in 2017. This is a platform aimed at interoperability and professionalising public procurement of digital solutions. It will offer a one-stop-shop of guidelines and tools for public procurers and foster the creation of a technical procurement community.

In March 2017, as part of the Catalogue, DG GROW will also publish guidelines on e-Government, as announced in the Communication on a EU e-Government action plan for 2016-2020, as well as in the areas of electronic tolling systems, cloud computing, and smart energy systems. These are measures to achieve the goal of digitising the European economy as set out in the Strategic Plan 2016-2020.

Priority 3 - A resilient Energy Union with a forward-looking climate change policy

To help achieve the goal of reducing energy consumption by 20%, the Commission proposes Ecodesign regulations requiring manufacturers to decrease the energy consumption of their products. By setting these standards at EU level, manufacturers do not have to navigate through multiple national regulations, therefore benefitting from simplification. DG GROW is co-chef for the Ecodesign action plan 2017-18 next to DG ENV and will start with the implementation of actions setting those requirements for a number of products.

Battery charged vehicles represent nowadays the leading segment of zero-emission around the world. We need a strong manufacturing base for battery cell producing in the EU. The Commission is preparing to submit, as a part of Strategic Energy Technology Plan, a strategy for the future development of a production base for the

next generation of (lithium or post-lithium) battery cells in Europe that would be able to compete with present world leaders of the sector.

As part of the Energy Union, DG GROW will be implementing a new initiative for the construction sector in the context of the Energy Union winter package 2016, possibly including a follow-up to the on-going consultation process with stakeholders on the Construction Products Regulation. This new initiative will give consumers better access to construction companies with the right skills, at the right price and on the right terms. It will boost energy-efficient renovation and construction in Europe. In 2017, a fitness check on the construction sector will be finalised.

Priority 4 - A Deeper and Fairer Internal Market with a Strengthened Industrial Base

The goals of reducing regulatory restrictions in services and goods as well as creating a culture of compliance and smart enforcement is set in the DG's Strategic Plan 2016-2020. In order to achieve this,, the DG will deliver the following in 2017:

Services Package

On 10 January 2017, the Commission adopted the Service Package to strengthen the Single Market for services. This package included the following:

- A new European Services e-card: a simplified electronic procedure will make it easier for providers of business services and construction services to complete the administrative formalities required to provide services abroad.
- A proportionality assessment of national rules on professional services: the Commission proposed clarify how Member States should undertake transparent proportionality test before adopting or amending national rules on professional services.
- Guidance for national reforms in regulation of professions: the Commission offers guidance on national reform needs in the regulation of professional services with high growth and jobs potential.
- Improved notification of draft national laws on services: the Commission is proposing improvements to this mechanism to make the process more timely, effective and transparent.

Goods Package

This package is under preparation and will likely include the following:

- Communication on the Goods Package (including the Action Plan on Mutual Recognition);
- Initiative on achieving more and better mutual recognition for the Single Market for goods (revision of Regulation (EC)764/2008 – REFIT item in the CWP 2017)); and
- Initiative on reducing the number of non-compliant products in the Single Market (legislative proposal – REFIT item in the CWP 2017).

Compliance and Assistance Package

The package will include the following:

- Single Market Information Tool;
- SOLVIT Action Plan;
- Single Digital Gateway⁵

Furthermore, the DG will continue focussing on the implementation of measures adopted in previous years to ensure that Single Market law is properly applied and effectively benefits businesses and citizens operating in the Single Market. The Single Market governance tools (Your Europe, Your Europe Advice, SOLVIT, IMI and the Single Market Scoreboard) will play an enhanced role in that context.

The Single Market Strategy foresees the possible development of a data analytics tool which would speed up the Commission-internal analysis of transposition measures. DG DIGIT and DG GROW are currently working on a Pilot Project to assess the feasibility of such a tool.

In line with the Commission's Communication "EU law: Better results through better application" adopted in December 2016, DG GROW will focus on issues where enforcement action can make a difference. The objective is to make the handling of infringements more strategic and more focused, giving priority to the most important breaches of EU law affecting the interests of citizens and businesses

Intellectual Property

The DG will work on:

- Intellectual Property Rights package including the review of the Intellectual Property Rights Directive (REFIT item – carry-over from the CWP 2016).
- Optimising the Internal Market's industrial property legal framework in the pharmaceutical sector

Geoblocking

The DG will continue to follow-up the negotiations in Council and Parliament of the legislative proposal to prevent the discrimination of services recipients.

Fostering new business models

In the context of promoting new business models, the DG will monitor the implementation of the legal guidance on how existing EU law should be applied to the collaborative economy, which is offered in its Communication on the Collaborative Economy.

⁵ See also under Priority 2 above.

Regulating better

A core activity of the DG will be to continue to contribute actively to the Better Regulation strategy. A number of REFIT initiatives will be finalised in 2017 (see REFIT actions in Annex 3). For example, the REACH review and the REFIT of chemical legislation (around 30 legal bases outside of REACH) are flagships for assessing rules in a sector where regulation is seen as particularly abundant. The aim is to analyse whether there are ways to make EU laws simpler and less costly while maintaining high EU standards and preserving the public interest.

Making public procurement more efficient

The DG will also propose initiatives to foster more efficient, transparent and strategic public procurement:

Following the transposition of the 2014 Directives, DG GROW will continue to assist the Member States in their implementation, combined with a thorough analysis of selected sectors and countries. In dialogue with the relevant Member States, DG GROW will implement country strategies in countries with systemic failures or with specific weakness in order to address them in a structured manner. DG GROW is also developing a new approach to enforcement in order to identify and redress the most important obstacles to open and efficient public procurement markets in the EU.

As announced in the Single market strategy, the main initiatives for 2017 are:

- Communication proposing a voluntary ex-ante review mechanism of the procurement aspects of certain large-scale infrastructure projects, so as to facilitate their delivery;
- Improving governance and transparency of public procurement through better data gathering and analysis, enabling to detect irregularities and encouraging contract registers in the Member States;
- Developing a remedies scoreboard (with a first edition planned for 2018 as part of the Single Market Scoreboard) and fostering a network of review bodies, to improve the functioning of the remedies systems within Member States.

In addition to the above a dedicated strategy for public procurement features a number of specific actions:

- Targeted support measures for SMEs, start-ups/scale-ups to enhance their capacity to participate in cross borders public procurement opportunities;
- A Recommendation on the professionalization of public procurement, together with several workshops in the Member States dedicated to national administrations;
- Developing sectoral know-how and set up an eLibrary of good practices, to facilitate exchange of experience and mutual support between Member States;
- Developing guidance on strategic procurement and raising awareness through communication, to enable public authorities to use their purchasing power to attain their societal objectives (environment, social inclusion and innovation);

- Providing guidance and coordination on the Public procurement Directives reporting requirements;
- A Recommendation to foster cross-border market access of sub-suppliers and SMEs in the defence sector, and
- Developing guidance on cooperative defence procurement, to encourage Member States to fully use the flexibility existing under the Defence procurement Directive.

This aims at a more strategic and efficient public procurement which will offer, *inter alia*, better use of public finances, better support of public policies (e.g. in the field of innovation, social inclusion and the environment) and more opportunities for growth and scaling up of innovative enterprises.

Restrictions in the retail sector

As part of the implementation of the Single Market Strategy, the DG is considering the possibility of launching a Communication on addressing restrictions in the retail sector. The Communication would present best practices for facilitating retail establishment and reducing operational restrictions in the Single Market.

Ensuring safe products in the Single Market

In 2017, the Commission will continue to help ensure that safe products circulate in the Single Market:

- The implementation of the Medical Devices package will improve the protection of citizens' health and facilitate access to health technologies. It will also strengthen both the Single Market and European industry's position on global markets.
- The High Level Forum on the food supply chain will continue to address issues preventing its better functioning through promotion of voluntary initiatives. If necessary the work will also consider further action, related for instance to unfair business-to-business trading practices in the food supply chain.
- Proper enforcement and continuous updating of Single Market rules are essential for ensuring that regulations deliver on the ground. The *Registration* of chemicals products by SMEs before 2018 is a major challenge for matching business competitiveness with health and environmental protection. *Authorisation* and *Restriction* of substances under the REACH regulation, as well as for cosmetics, are challenging because of their direct impact on competitiveness, health and sustainability.
- Real Driving Emissions test procedures (RDE) work continues in 2017 with the last planned element of the 4th act, which will define the rules for independent RDE testing of vehicles being in-service, including the regulatory consequences in case of non-conformity. The RDE procedure complements the current laboratory based procedure to check that the vehicle emission levels of nitrogen oxides (NOx), and

in a next stage also particle numbers (PN), measured during the laboratory test, are confirmed in real driving conditions.

Strengthening Europe's industrial base

In 2017, DG GROW will continue to work on the strengthening and modernisation of Europe's industrial base. At the end of February, a high-level event will be organised to discuss the political orientations for European industry to maintain global leadership. Depending on the outcome of the high-level event - additional actions could be taken in relation to industrial declining regions.

As regards individual industrial sectors, DG GROW will be working in an integrated way with other relevant Commission services on mobility, connectivity and the future of the automotive industry to ensure its competitiveness on the global market and strengthen its ability to respond to current challenges.

This work will build in particular on the work of the GEAR 2030 High level group. It will cover the adaptation of the EU value chain to new global challenges including new business models, zero emission vehicles, human capital and skills and the highly automated and connected vehicles. It will include regulatory issues, financing needs and competitiveness challenges (both intra-EU and global). It will also look at consumer and societal impact of the transformation in the automotive industry. The impact on the ground could be substantial, through e.g. new transport services, lower accident rates and increased shares on third markets.

In parallel, the DG will continue to rely on the work of the High level group on energy intensive industries, which has been set up to support the Commission as it seeks to tackle the challenges that EU energy-intensive industries are facing due to energy prices and ambitious EU energy and climate policies as well as to encourage sustainable growth within the sector.

On top of the legislative proposals to review the Energy efficiency and the Energy Performance of Buildings Directive, the Commission has launched the Smart Finance for Smart Buildings initiative to unlock an additional € 10 billion of public and private funds until 2020.

Moreover, DG GROW will implement a set of facilitating measures to support the objectives of the Energy Union and the modernisation of the construction sector and its workforce. The measures will focus on the digitalisation of construction, tackling skills shortages in the construction section, including energy efficiency and digital skills, ensuring better coherence of the internal market functioning and supporting new initiatives to improve the environmental performance of buildings in line with the circular economy.

One of the main regulatory and policy initiatives for 2017 will concern the implementation of the Space Strategy adopted on 26 October 2016. As one of the deliverables for the Space Strategy for 2017, DG GROW will launch an initiative to ensure reliable, secured and cost-effective satellite communications services for EU

and national public authorities managing security critical missions and infrastructures. It will also adopt measures to facilitate market uptake of space services and data.

DG GROW will continue to work on strengthening the competitiveness of EU enterprises at global level and to promote the principles of the internal market. This will be done notably through our engagement in support of the various trade negotiations with third countries, the regulatory and industrial dialogues with major partners and the intensive cooperation with candidate and neighbourhood countries.

Priority 9 - A stronger global actor

A new feature for the DG is the work towards making Europe a stronger global actor. The current global defence situation made it necessary for Europe to work closer together in the area of defence. Therefore this new feature will be added to the DG's Strategic Plan 2016-2020.

The main document setting out the actions on defence is the European Defence Action Plan of 30 November 2016. The main deliverables will be the setting up of a European Defence Fund to support investment in joint research and the joint development of defence equipment and technologies; fostering investments in SMEs, start-ups, mid-caps and other suppliers to the defence industry; and strengthening the Single Market for defence, in particular helping companies operate across borders and helping Member States get best value for money in their defence procurement. In addition, a further measure will be the GOVSATCOM initiative, the aim of which is to ensure safe and reliable communications among governments.

In 2017, the Commission will also launch a Preparatory Action on defence research. The preparatory action is expected to be adopted by the legislator for three years with a budget of € 90 million. As indicated in the Defence Action Plan, the Commission plans to establish an EU-defence research programme for the post 2020 period, with an annual budget of € 500 million.

PART 2. Organisational management main outputs for the year

A. Human Resource Management

The HR Modernisation project implemented according to the Communication on Synergies and Efficiencies of April 2016 makes changes to the way HR services are delivered. HR services will be delivered by an Account Management Centre (AMC) inside DG HR. Each DG will have an HR Business Correspondent, responsible for defining HR strategy and taking HR decisions, in consultation with the management of the DG, as well as ensuring that the DG gets the HR service it needs, in cooperation with the AMC.

DG GROW participated in the first pilot phase of HR Modernisation as from 15 July 2016. It will be supported in 2017 by AMC 1 which will serve the following group of DGs: COMP, ECFIN, EMPL, FISMA, GROW, TAXUD and TRADE.

To define the HR strategy and priority actions for making progress towards the Strategic Plan targets is the responsibility of the HR Business Correspondent and will continue to be addressed in the DG Management Plan and Annual Activity Report.

DG GROW can only achieve its ambitious policy outputs with the hard work and dedication of every individual staff member. In its human resources management, DG GROW will focus its efforts on supporting and enabling its colleagues, to allow people to do their best possible job, making sure that working conditions are continuously improved and that talent is fostered in the right way, ensuring a sound learning and development framework is in place. Because the DG will continue to face staff reduction in 2017, being the last year of a three-year reduction programme that will reduce overall staff by 20% compared with mid-2015, common efforts to improve our ways of working are crucial.

Ensuring good working conditions

Despite a difficult environment, DG GROW's staff is motivated, hard-working and dedicated to their job. The first objective of our human resources management is to ensure that hard work and dedication can take place in good working conditions.

Measures to increase well-being and ensure consistent and coherent application of possibilities to improve work-life balance will be elaborated. The bottom-up dynamic of our GROWing Together working groups will be translated into concrete actions as the recommendations made in 2016 should come to fruition in 2017. A more permanent collaborative process will be deployed, with collaborative and knowledge management tools coming into play. This should ultimately lead to a collective process of permanent creative ideas generation to keep improving the conditions in which we work every day, as well as improve communication and facilitate breaking down silos.

A talent management framework

With the increased pressure on human resources, it is vital to ensure the right person is in the right job at the right time, and colleagues should have opportunities to explore and develop their talents. In line with the Commission's Talent Management Strategy, DG GROW will therefore revise its learning and development framework to allow more tailor-made trainings and on-the-job learning.

Making the most of our talent and skills is the only way to deliver on such an ambitious agenda for 2017.

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

Main outputs in 2017:

Description	Indicator	Target
To ensure an engaging environment and good working conditions, with active communication	Satisfaction survey	> % of satisfaction of the last Commission survey
	Use of collaborative tools, n° of newly created groups	90% of all staff using GROW's collaborative platform ⁶
	Implementation rate of GROWing Together recommendations	100% implementation rate
A more balanced middle management	Number of female candidates applying for middle-management positions	>25% of the candidates
	Number of female candidates recruited on middle-management positions	30% of female middle managers
	Geographical balance of middle management	Increase the number of nationalities represented in middle management and deputy head of unit positions
To nurture the potential of our staff and offer career development perspectives, promoting a culture of internal mobility	Number of internal publications	< 10% of non-successful publication
	Number of persons on their job for more than 5 years	Reduce the number by the end of the year via career guidance and awareness raising of internal publication
To develop leadership potential	Percentage of managers following individual coaching	60%
	Percentage of deputy heads of unit having followed leadership courses in last three years	50%

⁶ This will be impacted by the development of the collaborative spaces in the DG

B. Financial Management: Internal control and Risk management

Objective: Effective and reliable internal control system giving the necessary guarantees concerning <u>the legality and the regularity</u> of the underlying transactions		
Main outputs in 2017:		
Description	Indicator	Target
Ex ante controls – financial verification	Time to perform first and second level control	All the transactions except low-value payments below 5k€
Legal time to execute the payment	Time to pay	95% compliant 31.12.2017
Target date to register invoices within 7 calendar days	Time-to-register	98% compliant 31.12.2017
Ex ante controls – public procurement and grant management	In-depth additional ex-ante legal controls	Procurement and grant above 135k€
Ex post Audit Work Programme	Implementation of the Audit Work Programme 2017 (number of audits closed)	80% at 31.12.2017
	Implementation of ex-post audit results	80% at 31.12.2017
Error rate on legacy programs still above the 2%	Implementing risk-based , audits included in the Audit work program*	80% at 31.12.2017
Analyses of the cumulative ex-post audit results of the CIP, Standardisation and Space programmes	Provide reports with analyses of the coverage, error rates and typical irregularities inherent to the implementation of the programmes	100% at 31.12.2017
Follow-up on audit recommendations	Number of delayed very important or critical recommendations from ECA, IAS, Parliament and Council	0% at 31.12.2017

*Since, the need to balance legality and regularity with other objectives, such as the attractiveness of the programme, cost of control, less administrative burden, etc., is already met, additional specific controls, other than those foreseen in the Audit Work Program, might not be appropriate

Objective: Effective and reliable internal control system in line with sound financial management		
Main outputs in 2017:		
Description	Indicator	Target
Trainings on desk checks (ex-ante controls) to initiating agents	Number of sessions	2 sessions during the organised financial weeks in spring and autumn of DG GROW
Trainings on procurement/delegation agreements to actors in the financial circuits	Number of sessions	At least one session organised a year

Objective: Minimisation of the risk of fraud through application of effective anti-fraud measures, integrated in all activities of the DG, based on the DG's anti-fraud strategy (AFS) aimed at the prevention, detection and reparation of fraud

Main outputs in 2017:

Description	Indicator	Target
By performing a dedicated analysis on the current frauds threats, to which the DG might be exposed, an updated AFS shall be produced	Updated AFS of DG GROW, elaborated on the basis of the methodology provided by OLAF	Finalised update and communication to the staff by 31.12.2017
Evaluation of the results of the current AFS	Results of previous AFS analysed	Evaluation performed by 31.12.2017

Initiatives to improve economy and efficiency of financial and non-financial activities

DG GROW will continue improving its functioning by optimising its financial resources and enhancing the performance of its financial activities.

As of January 2016 designated financial cells for initiation with central verification counterweight in the central financial unit (GROW.R1) were put in place, allowing only dedicated staff to deal with the financial affairs of the DG. The financial initiation of Directorates R, E, G and Unit 01 was centralized in Unit GROW.R1 allowing for economies of scale and improved quality of the transactions.

This reorganisation in the financial actors will continue to positively affect the cost of control over the budget managed and would materialise in tangible improvement of the financial files and respectively the time needed for processing them. A continuous effort will be made in correctly training the financial actors to reach a minimum standardised level applicable over the whole DG.

In addition, in 2017, the DG will continue the work started in 2016 to optimise the financial workflows by reducing the number of involved actors and simplifying the workflows applicable for low-value transactions in view of reaching cost effectiveness of controls. By adequately reallocating resources and risk-differentiating controls, the DG shall improve its cost-effective execution of the control operations.

Further improvements will take place in 2017 in the area of optimising the contents of the financial files. A full use of e-signatories will be applicable for payments with a continuous updates of the checklists and of the DG GROW Manual of budgetary and financial procedures.

B. Information management aspects

Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable		
Main outputs in 2017:		
Description	Indicator	Target
Reinforcement of the knowledge management capacity in DG GROW, including the roll-out of a state of the art IT platform.	1) Deployment of the CONNECTED@GROW platform 2) Successful take-up of the new tool indicated by a number of active users	1) CONNECTED@GROW available for DG users by the end of February 2017 2) >50% active users by the end of 2017, number of open collaborative groups created (across services)
Alignment with the strategy on data, information and knowledge management at the European Commission, notably by: <ul style="list-style-type: none"> ensuring that DG GROW information assets are mapped, classified and accessible setting up an appropriate governance framework for data, information and knowledge management. 	1) DG GROW data assets are mapped and additional needs are identified 2) Available assets are shared across-DGs, in agreement with data owners 3) An appropriate governance framework for information assets is defined and developed in DG GROW	1) Initial inventory of the DG assets completed by the end of 2017 2) double at least the number of datasets which are shared on the EU Open Data Portal by the end of 2017 (currently 25 datasets are shared by DG GROW) 3) Governance structure and related processes adopted by mid-2017

The Commission adopted a new corporate strategy for data, knowledge and information management in October 2016. The new strategy establishes a corporate framework while leaving room for DGs to develop and implement their own approaches tailored to their unique needs. A new Information Management Steering Board has been created to oversee the implementation of the strategy, to ensure coherence between actions and to prioritise them. A Deputy Director General of DG GROW has been appointed as member of the Steering Board and DG GROW will therefore contribute actively to the implementation of this strategy in 2017.

C. Better Regulation (only for DGs managing regulatory acquis)

In 2017, the DG will continue to apply better regulation principles across all its work, so as to ensure its policy goals will be achieved in a proportionate and effective way. The DG is one of the main providers of the regulatory fitness programme (REFIT). The aim of this programme is to make EU simpler and less costly for citizens and businesses.

Evaluative work will be carried out in 2017 to deliver on the Better Regulation objective of the Strategic Plan that a high percentage of the acquis managed by DG GROW will be covered by evaluations or other assessments not older than 5 years.

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

Main outputs in 2017:

Description	Indicator	Target
Finalise the REFIT legislative actions as listed in Annex 1 below and the REFIT evaluations as listed in annex 3 below	Finalisation of the REFIT actions	100% of the REFIT actions finalised

D. External communication activities

On communication, DG GROW will align with President Juncker's statement: the EU needs to connect with its citizens, to explain in everyday language what it is for and why it is a good thing for their collective future. Good communication is vital to the success of that effort, good communication that conveys clear, consistent and credible messages. While DG COMM is the leader in external communication, the DG can continue to complement COMM's efforts in line with the established priorities by basing its communication efforts on real success stories with quantified results.

In 2017 and to communicate effectively, DG GROW will focus its communication efforts on actions which can be shown to produce results relevant to people's lives – creating jobs, increasing security. The DG will focus on making the DG activities appear relevant to our audience and on emphasising the European dimension, in particular wherever possible our audience should be able to grasp why action is most effective at the EU level. The DG will focus on the following communication priorities:

1. An economy that creates jobs and prosperity

The Commission corporate communication action for 2017 and 2018 led by DG COMM aims to engender “a better understanding of the Commission's role and activities towards the real economy on Jobs and Growth”. DG GROW's actions are therefore right at the centre of the top level communications of the Commission. DG GROW will use this well-resourced platform to reach out to the public, supported by the wide range of communication services DG COMM has to offer.

DG GROW will work with DG COMM to ensure that our policies and initiatives are highly visible in corporate communication, by active participation in the networks and project teams established to steer the action. Key policies of DG GROW that fit well into the corporate priorities include: the Single Market, professional services, public procurement, manufacturing industry as the engine of the economy, promoting small businesses and encouraging scale-ups (complemented by the DG's Open4Business campaign) and space as a creator of jobs.

2. Promoting Space Services and Data

Independently of the jobs-focused communication element embedded in the corporate action, the DG will aim to communicate heavily on business opportunities arising from space in 2017. The challenge will be to stimulate demand for these data and services originating from Copernicus and Galileo.

3. Security and Defence

In line with efforts of the EU to support the defence industry, the emphasis in communication will be on the contribution an advanced defence industry makes to the EU's collective security and on the rationale for EU support.

4. The future of mobility and the emissions scandal

Following the emission scandal, the future of the automobile industry and the need to rebuild trust will need to be addressed. Work will be initiated to demonstrate the progress made in vehicle safety and reduction of CO₂ emissions as well as highlighting the exciting possibilities of connected vehicles, intelligent transport and autonomous cars. The aim is to promote the opportunities in the future. This work will offer communication opportunities to accompany various legislative initiatives (type approval, RDE) and the aftermath of the emission scandal. It will be directed towards general media.

WORK WHICH DIRECTLY IMPACTS THE CITIZEN

The work of DG GROW regularly has a beneficial impact on society on many different fronts. The DG will for example keep track of legislative proposals (whether subject to co-decision or comitology) to identify the moment to communicate new benefits.

REACHING THE AUDIENCE

The first objective of the Commission today is to change attitudes towards the EU, to rekindle the enthusiasm for the European Project that was evident at the end of the 20th century. This requires placing messages where they will be seen by people who are not looking for information about the EU, which means engaging with mainstream media in the Member States. The DG will work in cooperation with DG COMM with its network of representations and with the SPP. Social media can be used to reach out more, particularly to a younger audience.

The DG will aim at increasing its efforts in speaking to people in their own languages.

Targeted campaigns are effective. The “Open for Business” campaign will target SMEs and start-ups in selected countries is an example of this approach.

Main outputs in 2017 for the "Open for Business" communication campaign:		
Description	Indicator	Target/benchmark
Raising awareness through radio advertising	Number of radio listeners (audited figures for selected stations)	3.5 million listeners per day (spread over 5 countries)
Raising awareness through print advertising	Number of newspapers readers (total readership of all selected outlets in 5 target countries).	7 million readers ⁷
Raising awareness through online advertising	Number of views/impressions on social media.	8 million of ad –impressions/views (note that one individual may generate multiple impressions)
Raising awareness through online advertising	Number of actions (clicks, likes, visits etc.)	More than 90.000 (1.4% action ratio, compared to 0.8% industry average)
Call for action – visit YOUR EUROPE BUSINESS portal	Increase of web-traffic on YOUR EUROPE BUSINESS portal	At least 1000 additional visits per month (during the implementation of the campaign)
Call for action – contact the	Number of calls/emails received by	1000 (these are SMEs who are truly

^{7 7} Readers meaning potential readers of the printed material

Enterprise Europe Network in your country	the Enterprise Europe Network in the target countries	engaged and committed to using EEN services)
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Note that the mix of advertising is subject to revision in the light of market research to be carried out in the first semester of 2017

For external communication overall spending:

Annual communication spending (based on estimated commitments):	
Baseline:	Target (2017):
DG will take the expenditure target of 2016 as a baseline because it is the first representative year following the major reorganisation of the DG in 2015 The target for 2016 was € 8,487,745	€ 8,565,000

Annex 1: Performance tables

Relevant general objective(s): A New Boost for Jobs, Growth and Investment		
Specific objective 1: To support SME creation and growth		Related to spending programme(s) COSME
Main outputs in 2017:		
Main expenditure outputs		
Description	Indicator	Target
Financial Instruments for access to finance for SMEs (equity and debt): € 173 million	Full achievement of the commitments in the COSME Work Programme	End 2017
Access to markets for SMEs: € 70 million		
Framework conditions for competitiveness: € 32 million		
Promoting entrepreneurship: € 11 million		
Specific objective 2: To support research and innovation related to enterprises		Related to spending programme(s) H2020
Main outputs in 2017:		
Main expenditure outputs		
Description	Indicator	Target
Space research: € 183.85 million	Full achievement of the commitments in the Work Programme of Horizon 2020	End 2017
Raw materials: € 76.13 million		
SME and Innovation: € 41.2 million		
Specific objective 3: To achieve full capacity for Galileo and Copernicus		Related to spending programme(s) Galileo and Copernicus
Main outputs in 2017:		
Policy-related outputs		
Description	Indicator	Target date
Government Satellite Communication - GOVSATCOM (Space Strategy delivery) – 2017/GROW/002	Adoption by the Commission	End 2017
Main expenditure outputs		
Description	Indicator	Target
Galileo and EGNOS: € 924.0 million	Full achievement of the commitments in the Work Programmes of Galileo/EGNOS and Copernicus	End 2017
Copernicus: € 604 million		

Relevant general objective: A Connected Digital Single Market		
Specific objective: To increase the total intra-EU parcel flow		Not related to spending programme(s)
Main outputs in 2017:		
Policy-related outputs		

Description	Indicator	Target date
Parcel delivery - The proposal was adopted by the Commission in May 2016, DG GROW supports the co-decision process in 2017.	Adoption by the Legislator	Mid-2017
Single Digital Gateway – 2017/GROW/012	Adoption by the Commission	March 2017

Relevant general objective: A Resilient Energy Union with a forward-looking Climate Change Policy		
Specific objective: To implement the research, innovation and competitiveness dimension of the Energy Union, together with a forward-looking climate-change policy		Related to spending programme Horizon 2020
Main outputs in 2017:		
Policy-related outputs		
Description	Indicator	Target date
Ecodesign legal acts	Adoption by the Commission	Tbd
Construction initiative to improve the internal market for construction products and enhance the energy performance of buildings(for 2017 the finalization of the Fitness Check on construction is foreseen)	Implementation of the actions foreseen in the initiative	2017

Relevant general objective: A Deeper and Fairer Internal Market with a Strengthened Industrial Base		
Specific objective: To reduce regulatory restrictions in services and goods		Not related to spending programme(s)
Main outputs in 2017:		
Policy-related outputs		
Description	Indicator	Target date
Single Market Strategy: Services package including Services Notifications Procedure, Proportionality test on regulated professions and Guidance on reform need on regulated professions, and the services card	Adopted by the Commission	January 2017
Achieving more and better mutual recognition for the Single Market for goods (revision of Regulation (EC)764/2008) – 2017/GROW/005 – REFIT legislative action	Adoption by the Commission	June 2017
Reducing the number of non-compliant products – 2017/GROW/007	Adoption by the Commission	June 2017
Communication to the European Parliament, the Council and the EESC on the Goods Package (including the Action Plan on Mutual Recognition) – 2017/GROW/052	Adoption by the Commission	June 2017

Legislative proposal to prevent the discrimination of services recipients (including 'geoblocking')	Adoption by the Legislator	2017
Legislative proposal introducing a European Services Card	Significant progress in European Parliament and Council (general approach)	End 2017
Legislative proposal for a reformed services notification procedure (Services Directive)	Adoption by the Legislator	End 2017
Initiative on a proportionality test for new legislation on the regulation of professions	Adoption by the Legislator	End 2017
Specific objective: To create a culture of compliance and smart enforcement		Not related to spending programme(s)
Main outputs in 2017:		
Policy-related outputs		
Description	Indicator	Target date
Intellectual Property Rights package including the review of the Intellectual Property Rights Directive – 2017/GROW/009 and 2016/GROW/002 – REFIT legislative action	Adoption by the Commission	2017
Single Market Information Tool – 2017/GROW/014	Adoption by the Commission	March 2017
SOLVIT Action Plan – 2016/GROW/096	Adoption by the Commission	March 2017
Optimising the Internal Market's industrial property legal framework re. SPC and patent research – 2017/GROW/051	Adoption by the Commission	End 2017

Relevant general objective: A Strong Global Actor		
Specific objective: To achieve closer co-operation in European defence		Not related to spending programme(s)
Main outputs in 2016:		
Policy-related outputs		
Description	Indicator	Target date
Launch of the Preparatory Action on Defence Research ⁸ : Towards a European Defence Research Programme (European Defence Action Plan delivery) with a budget of € 90 million for three years– 2016/GROW/106	Adoption by the Commission	2017

⁸ The main objective of the Preparatory Action is to prepare and test mechanisms that can facilitate, organise and deliver a variety of cooperative defence research, technology and innovation activities to improve the competitiveness and innovation in the European defence industry and to stimulate cooperation amongst Member States. It should incentivize inventing and maturing technologies and mitigating risks upstream development and realisation programmes, while promoting inclusive and enduring cross-borders partnerships within the EU.