



Strategic Plan 2016-2020*

DG TRADE

*The current Commission's term of office runs until 31 October 2019. New political orientations provided by the incoming Commission for the subsequent period will be appropriately reflected in the strategic planning process.

Contents

PART 1. STRATEGIC VISION FOR 2016-2020	3
A. Mission statement.....	3
B. Operating context	4
C. Strategy.....	6
Three Commission general objectives to which DG Trade contributes.....	9
Four specific objectives for DG Trade's operations	10
Specific objective 1: Trade Negotiations	10
Specific objective 2: Effective Implementation	12
Specific objective 3: Tackling Unfair Trade	13
Specific objective 4: A Sustainable Approach to Trade.....	14
D. Key performance indicators (KPIs).....	16
PART 2. ORGANISATIONAL MANAGEMENT.....	17
A. Human Resource Management	17
B. Financial Management: Internal control and Risk management.....	18
C. Better Regulation.....	19
D. Information management aspects	19
E. External communication activities	20
ANNEX 1. POLICY PERFORMANCE TABLES.....	22
General objective 1 A New Boost for Jobs, Growth and Investment	22
General objective 6. A Reasonable and Balanced Free Trade Agreement with the U.S.....	29
General objective 9. A Stronger Global Actor	30
ANNEX 2. ORGANISATIONAL MANAGEMENT PERFORMANCE TABLES.....	32
Human Resource Management	32
Financial Management: Internal control and Risk management.....	32
Better Regulation.....	33
Information management aspects	33
External communication activities	34

PART 1. Strategic vision for 2016-2020

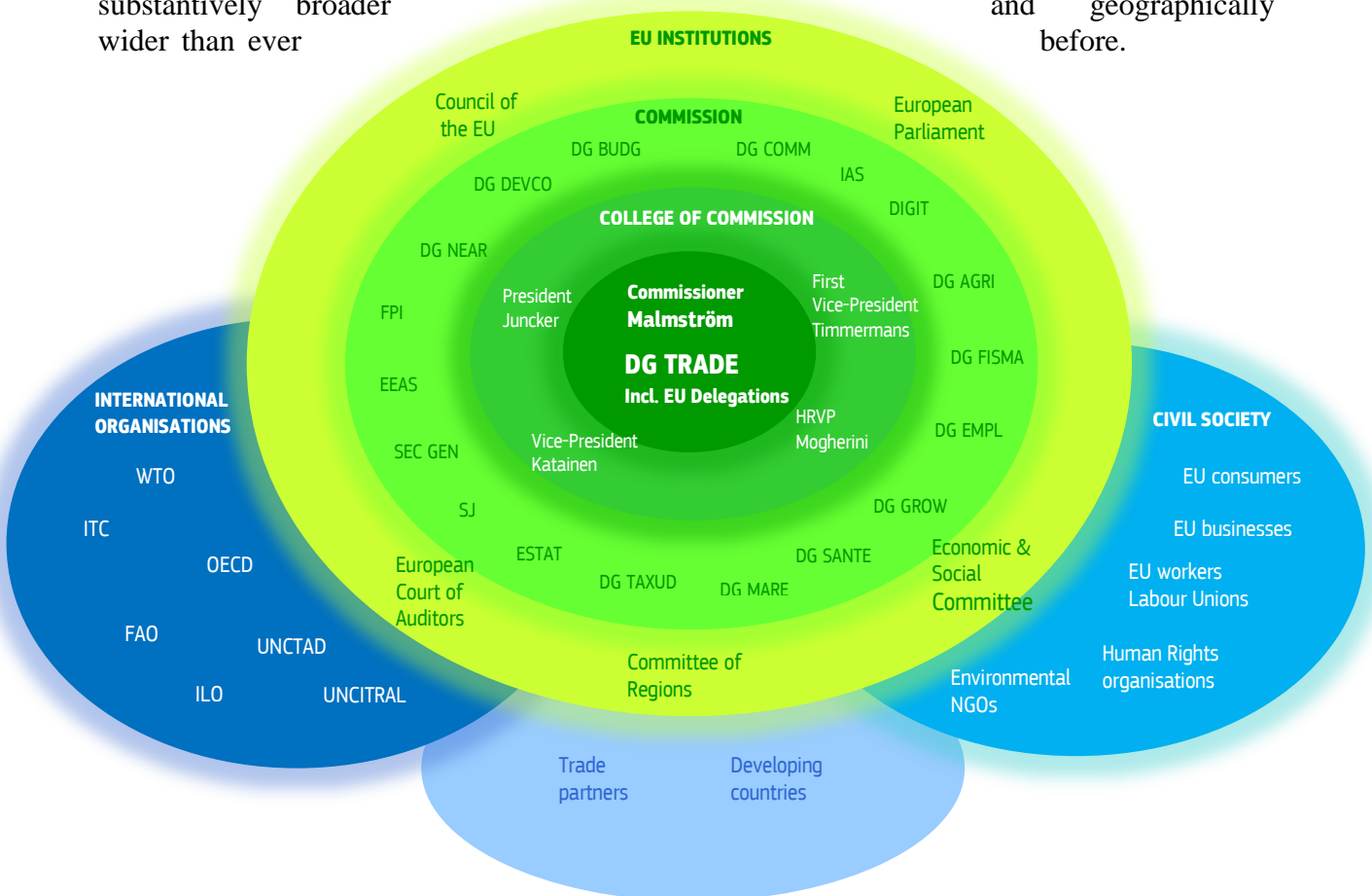
A. Mission statement

The European Commission's Directorate-General for Trade develops and implements the EU's trade policy in order to help secure prosperity, solidarity and security in Europe and around the globe. Trade policy must deliver growth, jobs, investment and innovation while seeking to improve conditions for citizens, consumers, workers and self-employed, small, medium and large enterprises, and the poorest in developing countries. It shall do so in line with the principles and objectives of the Union's external action, and with the external objectives of EU internal policies, as well as in consistency with the European social model and values.

B. Operating context

DG Trade is in charge of developing and implementing the common trade policy of the European Union in accordance with the objectives set out in Article 207 of the Treaty on the Functioning of the EU (TFEU). The common commercial policy as it is referred to in the Treaty is one of the exclusive competences of the European Union mandated to the European Commission in accordance with article 3 of the TFEU.

As the EU's prime negotiator and guardian of an effectively implemented EU trade policy, DG Trade's mission is largely dependent on close working relations with its partners, both inside and outside the Commission. In playing its role in trade policy, DG Trade works very closely with the European Parliament and the Council of the European Union and other international organisations, such as the WTO and OECD, as well as the Civil Society. Its success draws strongly on its close working relationships with the European External Action Service (EEAS) and other Commission services. The figure below depicts DG Trade's key stakeholders in a static format, but in reality this is a dynamic and interactive set of relationships. The level of influence of the different groups of stakeholders varies and has changed greatly over time. Trade policy has been under increased scrutiny from the broader civil society, in particular due to, on the one hand, growing expectations to deliver economic growth, and, on the other, evolving public interest over trade policy's potential negative and positive impact on a broader range of societal issues, such as the level of social and environmental protection, access to public goods and services, data protection etc. In order to respond to these expectations and concerns, DG Trade undertook to ensure more transparency and accountability vis-à-vis all stakeholders concerned in its policy making, including trade negotiations, and implementation. The Commission pursues a policy that benefits society as a whole and promotes European and universal standards and values alongside core economic interests. Its trade policy agenda is substantively broader and geographically wider than ever before.



This requires a well-managed and efficiently working Directorate General. DG Trade's workforce is its most valuable asset covering 740 staff, out of which 200 are placed in 58 of the EU Delegations around the world. However, in a climate of staff reductions across the Commission, it will be extremely challenging over the life of this Commission to continue to support and expand the current agenda, promote transparency and reach out to civil society and the public, and effectively carry out the continuously increasing implementation work.

While DG Trade does not manage a dedicated spending programme, it has a small budget to support trade policy (studies and sustainability impact assessments, information and communication activities, logistics for negotiation rounds, IT) and provide funding to international organisations to support the integration of Least Developed Countries into the international trading system and to support trade for all through the standard setting activities of these organisations. At the same time trade-related objectives are embedded in the different financial programmes managed by other Commission departments. This is particularly the case with the Partnership Instrument (PI), which is a recent instrument that supports the EU's interests abroad and encompasses a specific trade-related objective.

DG Trade's activities rely on the continued availability of IT services; for example to support the negotiations and handle trade defence cases and investigations. These systems are increasingly important to support the transparency and improve the way we share knowledge inside the Directorate General. The risk of systems being unavailable is mitigated by constant efforts to maintain, upgrade and improve the system and well tested recovery plans.

C. Strategy

The EU is responsible for trade relations with the wider world. Speaking with a single voice, the EU carries considerably more weight in international trade negotiations than any of its individual members would. It is an active economic and political player with growing regional and global interests and responsibilities.

The Union is one of the world's most outward-oriented economies and intends to remain so. Trade with the rest of the world doubled from 1999 to 2010, and currently more than three quarters of imports into the EU pay no, or reduced duties.

The EU is the biggest trading partner for 59 countries as compared to 36 for China and 24 for the US. European external trade in goods and services accounts for 35% of EU GDP.

The EU's trade policy is an integral part of its wider 2020 strategy to boost employment and create a more modern, viable and sustainable economy. A vibrant domestic economy requires the Union to be increasingly competitive abroad.

Trade has never been more important for the EU economy. The recent economic crisis has brought a realisation that trade can be a stabilising force in tough times. When EU domestic demand was weak, trade softened the blow of recession by channelling demand from growing economies back to Europe.

Trade will be an even more important source of growth in the future. Approximately 90% of global economic growth in the next 10 to 15 years is expected to be generated outside Europe. Economic recovery will need to be consolidated through stronger links with the new centres of global growth.

EU companies are highly competitive at the global level. The EU is therefore well placed to benefit from increased international engagement. Since the beginning of the century, exports of European goods have almost tripled, increasing by approximately EUR 1.5 trillion. The EU's share of world exports of goods remains above 15% of the total, having slightly declined — from just over 16% — since the turn of the century. This must be seen in the context of the rise of China, whose share of world goods exports grew from 5% to more than 15% in the same period. Given that fact, the EU's performance is exceptional.

DG Trade supports the EU's Trade Commissioner in shaping a trade environment that is good for European citizens, workers, business and consumers and helping world trade and development, thereby boosting competitiveness, jobs and growth in the process. The current Commission has placed this among its top political priorities. As trade is one of the few instruments available for improving the economy without burdening state budgets, it contributes to the achievement of a number of the ten priorities identified by the Juncker Commission, in particular priority 1 giving a *"New Boost to Jobs, Growth and Investment"*. At the same level, the Commission has recognised that concluding trade agreements with the world's trade partners, and in particular with the US, is a prime objective and has spelled this out in its priority 6 for a *"A Reasonable and Balanced Free Trade Agreement with the US"*. Finally, success in the EU is inextricably bound up with the success of our trading partners, both in the developed and developing world, which links our policy closely with the Commission's ninth priority *"EU A Stronger Global Actor"*.

Whilst defining trade policy, we must embrace the reality of the changing economic system of the world, looking at all the ways EU companies interact with the rest of the world. Today's

global and digital system is based on international value chains that see conception, design and production happen in a series of steps across many countries.

In recent years, the debate about trade has intensified and broadened. We are aware of the high and legitimate expectations from our stakeholders to follow and influence how trade policy is made. We are therefore putting increased emphasis on transparency.

Public concerns cover substantive issues such as the way regulation and investment will be dealt with in trade agreements and the consistency of EU trade policy with broader European and international values. These issues remain at the core of our negotiation positions.

All these elements have been set out in the trade and investment policy strategy Communication "Trade for All", adopted by the College of Commissioners on 14 October 2015¹. This strategy announces that during the coming years we will focus our attention on achieving the following:

A more **effective** policy that tackles new economic realities and lives up to its promises by:

- Updating trade policy to take account of the new economic realities such as global value chains, the digital economy and the importance of services.
- Supporting mobility of technicians, experts and service providers.
- Setting up an enhanced partnership with the Member States, the European Parliament and stakeholders to implement trade and investment agreements better.
- Including effective SME provisions in future trade agreements.

A **more transparent** trade and investment policy by:

- Extending the TTIP transparency initiative to all the EU's trade negotiations.

A trade and investment policy based on **values** by:

- Responding to the public's expectations on regulations and investment: a clear pledge on safeguarding EU regulatory protection and a strategy to lead the reform of investment policy globally.
- Expanding measures to support sustainable development, fair and ethical trade and human rights, including by ensuring effective implementation of related FTA provisions and the Generalised Scheme of Preferences.
- Including anti-corruption rules in future trade agreements.

Progress in **negotiations** to shape globalisation by:

- Reenergising multilateral negotiations and designing an open approach to bilateral and regional agreements, including TTIP.
- Strengthening our presence in Asia:
 - setting ambitious objectives with China,
 - requesting a mandate for FTA negotiations with Australia and New Zealand,
 - exploring launching new investment negotiations with Hong Kong, Taiwan and South Korea,
 - starting new ASEAN FTA negotiations with the Philippines and Indonesia, when appropriate.

¹ COM(2015)497

- Ensuring EPAs are implemented effectively and deepening relationships with African partners that are willing to go further and with the African Union.
- Modernising existing agreements with Turkey, Mexico and Chile.
- Ensuring conclusion of FTA negotiations in the Neighbourhood and effective implementation of those that have been concluded.

Three Commission general objectives to which DG Trade contributes

From the Commission general objectives established on the basis of the ten priorities of the Juncker Commission, DG Trade has identified three general objectives to which its four specific objectives mainly contribute. These are:

- 1. A New Boost for Jobs, Growth and Investment
- 6. A Reasonable and Balanced Free Trade Agreement with the U.S.
- 9. A Stronger Global Actor

Activities carried out in accordance with the following specific objectives pave the way to reaching exactly those goals.

1. A New Boost for Jobs, Growth and Investment	6. A Reasonable and Balanced Free Trade Agreement with the U.S	9. A Stronger Global Actor
<p>Specific objective 1: Trade Negotiations A wide coverage of the world's trade through regional, multi-, pluri- and bilateral agreements concluded by the EU ensuring the best economic conditions and opportunities for consumers, workers, citizens and enterprises, including SMEs, in the EU and non-EU Member States, particularly in Developing Countries</p> <p>Specific objective 2: Effective implementation Effective implementation of the EU's trade and investment policies secured, amongst other, through proper monitoring, enforcement and support</p> <p>Specific objective 3: Tackling unfair trade Maintain and improve a transparent, efficient and effective system to combat distortions and unfair trade practices in international trade</p>	<p>Specific objective 1: Trade Negotiations A wide coverage of the world's trade through regional, multi-, pluri- and bilateral agreements concluded by the EU ensuring the best economic conditions and opportunities for consumers, workers, citizens and enterprises, including SMEs, in the EU and non-EU Member States <i>[in particular the US]</i></p> <p>Specific objective 2: Effective implementation Effective implementation of the EU's trade and investment policies secured, amongst other, through proper monitoring, enforcement and support</p>	<p>Specific objective 1: Trade Negotiations A wide coverage of the world's trade through regional, multi-, pluri- and bilateral agreements concluded by the EU ensuring the best economic conditions and opportunities for consumers, workers, citizens and enterprises, including SMEs, in the EU and non-EU Member States, particularly in Developing Countries</p> <p>Specific objective 2: Effective implementation Effective implementation of the EU's trade and investment policies secured, amongst other, through proper monitoring, enforcement and support</p> <p>Specific objective 4: A sustainable approach to trade Improved sustainable economic, social and environmental conditions for consumers, workers, citizens and businesses in the EU and in non-EU countries and a special focus on human rights, responsible management of supply chains and good governance</p>

Four specific objectives for DG Trade's operations

DG Trade has identified four specific objectives as its mainstream goals. They do not cover all activities of the DG, but all services contribute in one or the other way to the achievement of the objectives.

Specific objective 1: Trade Negotiations

A wide coverage of the world's trade through regional, multi-, pluri- and bilateral agreements concluded by the EU ensuring the best economic conditions and opportunities for consumers, workers, citizens and enterprises, including SMEs, in the EU and non-EU Member States, particularly in Developing Countries

This objective contributes to the Commission's general objective 1 on job creation and growth in the EU by opening up markets around the world and combatting protectionism. The more free trade agreements that we have in place with countries outside the Union, the more opportunities are created for exporting and importing, including for SMEs. Sales to the rest of the world have become an increasingly significant source of jobs for the Europeans. More than 30 million jobs are now supported by exports outside the European Union — two thirds more than 15 years ago — meaning exports now support almost one in seven jobs in Europe. These jobs are highly skilled and better paid than average. They are spread across all EU Member States, and are directly or indirectly linked to exports outside the EU. As a result, the benefits of trade are spread much more widely than is often realised.

The different measures that the EU uses in trade policy can be divided into two large groups: those that are pursued through negotiations and those that are pursued unilaterally with other countries. Many trade policy measures are the result of international agreements with one or more other countries. Negotiations for trade agreements are carried out either multilaterally under the aegis of the World Trade Organisation, plurilaterally amongst a group of like-minded countries or bilaterally with a non-EU country or a group of countries acting as a single negotiating partner.

Trade policy is, however, not a "one-size fits all" policy and so is tailored to the specific situation of its partners, including that of different developing countries.

The process of trade liberalisation in the context of the WTO remains central to EU trade policy. The main objective of multilateral and plurilateral negotiations is to liberalise trade in goods and services as well as trade-related aspects of intellectual property. This is pursued through the WTO and through various settings of plurilateral discussions for sectoral agreements, such as the **Information Technology Agreement (ITA)**, **Trade in Services Agreement (TiSA)** and the **Environmental Goods Agreement (EGA)**. The EU has embarked on this route further to a realisation of the difficulties encountered in the multilateral setting. To this extent, the EU is keeping the doors open for interested partners both in the plurilateral negotiations as well as in its bilateral and regional talks.

Free Trade Agreements (FTAs) including Deep and Comprehensive FTAs (which are part of Association Agreements with the EU's neighbours) are preferential trade agreements. The EU also enters into non-preferential trade agreements, as part of broader agreements such as Partnership and Cooperation Agreements with countries like Iraq and Kazakhstan.

Our FTAs go beyond the WTO rules in liberalising trade. The new generation of EU FTAs cover goods, services, intellectual property, investment, government procurement, access to energy and raw materials, customs and trade facilitation, competition (incl. subsidies and State Owned Enterprises), regulatory co-operation and contain commitments on customs duty reduction, access to services markets – to be able to fully take advantage of the tariff engagements – tools to reduce or eliminate "non-tariff barriers" such as technical regulations or unjustified sanitary barriers. In addition, we push areas which are important in terms of our values such as sustainable development and the link to the protection of human rights. Any new trade agreement, concluded in the period 2016-2020 will also include provisions concerning fight against corruption and a special focus on SMEs. In order to ensure the agreements' enforcement, we aim to include provisions for an effective state-to-state dispute settlement as well as an effective and balanced Investment Court System (ICS SDS) in new deals replacing earlier approaches to investor-to-state dispute settlement. Such provisions will be included in agreements, which include investment agreements and in free-standing investment protection provisions while preserving States' right to regulate in the public interest. Once negotiations are concluded agreements are legally scrubbed before they are translated and recommended by the Commission for adoption by the Council and the European Parliament.

The EU–South Korea FTA is the first of a new generation of FTAs negotiated by the EU. It entered into force in 2011 and it provides one of the best examples of the benefits of the EU's trade agreements. In four years, EU exports of goods increased by 55% overall and by 59% on products on which tariffs have been reduced since the agreement entered into force. This has generated EUR 4.7 billion worth of extra exports in the first three years. Vehicle exports have more than doubled. The long-standing EU trade deficit has now turned into a surplus.

DG Trade on behalf of the EU is equally involved in negotiations in the "International Working Group on Export Credits" ("IWG") launched in 2012, which aims at agreeing a new set of international disciplines on export credits between 18 Members, including the participants to the OECD Arrangement as well as non-OECD export credit providers.

The EU is currently engaged in **28 negotiations** with countries and regions around the world, including some which have been concluded and are in the process of legal scrubbing and finalisation before being provisionally applied and others where negotiation rounds are starting or well under way. We will continue to take forward this agenda and consider new opportunities that lie ahead of us.

In particular we have proposed to launch negotiations to update the Mexico agreement, while preparatory work is under way to examine the possible scope of future negotiations with Australia and New Zealand, and modernise the existing agreement with Chile and the Customs Union with Turkey.

We will also start new ASEAN FTA negotiations with the Philippines and with Indonesia, when appropriate, and will explore launching new investment talks with South Korea, Hong Kong and Taiwan.

As to the ACP countries, we will deepen relationships with African partners that are willing to go further and with the African Union.

In parallel to this, DG Trade is negotiating the transatlantic trade and investment partnership (TTIP) with the United States. The aim of the agreement is to create growth and jobs on both sides of the Atlantic by removing trade barriers. Removing trade barriers would boost and facilitate the buying and selling of goods and services, as well as investment in each of the economies. The agreement has three main elements: i) Market access: removing customs duties

on goods and restrictions on services, gaining better access to public markets, and making it easier to invest, ii) improved regulatory coherence and cooperation by dismantling unnecessary regulatory barriers such as bureaucratic duplication of effort, and iii) Improved cooperation when it comes to setting international standards. **This is the main element contributing to the Commission's general objective 6.**

This negotiation agenda will reinforce the EU's position as the world's largest trading block and the largest source and destination of foreign direct investment, in turn underpinning the **contribution of the specific objective to the Commission's general objective 9 EU a stronger global actor.**

Specific objective 2: Effective Implementation

Effective implementation of the EU's trade and investment policies secured, amongst other, through proper monitoring, enforcement and support

This objective contributes to the Commission's general objective 1 on job creation and growth in the EU by reaping the benefits of WTO membership, bilateral and plurilateral trade agreements, through the effective implementation of the signed agreements including tackling any remaining (tariff and non-tariff) barriers with the necessary means such as using the structures under each agreement including the use of bilateral dispute settlement mechanisms contained in those deals. Once the TTIP negotiations with the US have been concluded, the effective and efficient implementation of the agreement will equally **contribute to the Commission's general objective 6.**

Trade negotiations can help prepare the ground for future economic prosperity, but equally important is the need to ensure existing rights and rules are respected and enforced. When this is not the case, the Union's ability to compete internationally can be undermined, harming jobs at home. In this perspective, the effective implementation of the EU's trade and investment rights also **contribute to the Commission's general objective 9 EU a stronger global actor.**

The Commission attaches particular importance to proper implementation and enforcement. It carefully monitors the behaviour of its trading partners to be able to move quickly to prevent or rectify discriminatory or disproportionate barriers to trade, such as difficulties in obtaining patents or licences, or where unfair or unjustified practices are identified. To that effect, the Commission will continue using and reinforce the current Market Access Partnership². Furthermore, the Commission will propose an enhanced partnership with Member States, the European Parliament and stakeholders for the implementation of trade agreements. This Partnership will encompass an array of activities ranging from awareness raising, customs co-operation, better coordinated trade promotion activities and SME internationalisation to annual reporting on FTA implementation.

² The Market Access Strategy creates new opportunities for EU companies exporting to non EU-countries' markets, including those where a free trade agreement does not exist. A partnership between the Commission, EU member states, businesses and local expertise, such as chambers of commerce, helps to identify, prevent and tackle trade barriers that arise. This is supplemented by a market access database managed by the Commission, which provides information on conditions also in countries outside the EU. The work of the Market Access Partnership and regular reports offers place to form an agreed view on the prioritisation, prevention or resolution of market access barriers, and on a longer term strategy for their resolution, the improvement of the relevant rules and standards framework, or a more responsive EU set-up where necessary to better respond to real needs or concerns by trading partners. The market access partnership covers sector-specific trade barriers, import formalities, databases on statistics and various studies and documents that reflect views on priorities or common lines to take.

Enforcement of the rights stemming from the preferential as well as multilateral trading rules may be achieved through technical, diplomatic and political contacts, negotiation, regulatory cooperation or dispute settlement, at the WTO or bilaterally. This includes comments and follow-up to WTO Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary (SPS) notifications issued by trading partners.

The enforcement of the EU's multilateral and bilateral rights and obligations is done through dispute settlement in the WTO, or through bilateral dispute settlement mechanisms. DG Trade also manages cases brought in investor-state dispute settlement mechanisms, i.e. the Energy Charter Treaty and under the Grandfathering Regulation³. We will continue to monitor the compliance of WTO members' commitments under their membership. Any of its members may bring a case which a special panel examines in line with the internationally agreed rules in force. If a member does not comply with the recommendations, trade compensation or retaliation may be applied.

With the EU comprehensive investment policy being introduced progressively, nearly 1200 Bilateral Investment Agreements of Member States that currently offer investment protection to many European investors will be kept in place until they are replaced by EU agreements. Regulation No 1219/2012 grants legal security to the existing BIAs between EU Member States and non-EU Member countries until they are replaced by EU-wide investment protection provisions.

As from 2017, an FTA Annual Implementation Report (FAIR) is intended to report annually on the implementation of the most significant FTAs and give more in-depth analysis ex-post of the effectiveness of EU trade agreements, looking at sectors and Member States and the impact on the economies of partner countries in selected cases. The FAIR is intended to give greater visibility and coherence to the work already ongoing in this area for each individual FTA that is in place between the EU and a given third-country or region.

Specific objective 3: Tackling Unfair Trade

Maintain and improve a transparent, efficient and effective system to combat distortions and unfair trade practices in international trade

Within the WTO framework, the EU has its own system of Trade Defence Instruments (TDI) to combat unfair trade practices in international trade. The instruments are carefully designed to ensure a level playing field and reintroduce balance in place of distortion. The EU uses trade defense instruments to re-establish a competitive environment for the EU industry when harmed by unfair imports. **This specific objective is thus contributing to the Commission's general objective 1 to boost growth and jobs.**

The Commission principally targets two forms of unfair trade practices: subsidization or dumping. Subsidisation is when a non-EU government provides financial assistance to companies to produce or export goods. Dumping occurs when manufacturers from a non-EU country sell goods in the EU below the sales prices in their domestic market or below the cost of production.

³ Regulation (EU) No 1219/2012 of the European Parliament and of the Council of 12 December 2012 establishing transitional arrangements for bilateral investment agreements between Member States and third countries

If the Commission can establish – through an investigation – that dumping or subsidization is happening, it may correct any damage to EU companies by imposing anti-dumping or anti-subsidy measures.

DG Trade will continue to maintain and improve a transparent, efficient and effective system to combat distortions and unfair trade practices. DG Trade will continue to complete investigations within the mandatory deadlines and even seek to do so earlier. DG Trade will increase transparency and efficiency of investigations by using a new web platform (TRON) for consultation of files and communications with parties participating in the investigations.

Specific objective 4: A Sustainable Approach to Trade

Improved sustainable economic, social and environmental conditions for consumers, workers, citizens and businesses in the EU and in non-EU countries and a special focus on human rights, responsible management of supply chains and good governance

This specific objective is a contributor to the Commission's general objective 9 EU as a Stronger Global Actor as trade policy is one of the instruments used by the EU to manage its external relations and forms part of the EU's external action. Within this context, trade policy is also a vehicle for promoting European and universal principles and values.

The Commission will put in place actions to increase consumers' confidence in the products they buy and how products are made, e.g. through increased transparency and broader impact evaluations. The Commission will protect and promote Europe's level of consumer, environmental and social protection and will ensure that these will also be reflected in EU trade agreements.

Investment protection provisions will reassert public authorities' right to regulate in the public interest.

DG Trade will give greater support to fair and ethical trade schemes and to broader efforts to ensure responsible management of supply chains, helping consumers to make informed, sustainable choices.

In the same vein, DG Trade embarks on an expansion of measures to fight against corruption, support sustainable development and human rights, including by ensuring effective implementation of related FTA provisions and the Generalised Scheme of Preferences⁴. Support to sustainable development will build on the 2030 Agenda for Sustainable Development.

EU FTAs also contain strong provisions to promote the respect of labour rights around the world, and the Commission will continue to negotiate robust disciplines in this area in ongoing and upcoming negotiations. Once FTAs enter into force, the Commission will make it a priority to see that our trading partners implement provisions on core labour standards like the abolition of child labour, the rights of workers to organise and non-discrimination at work.

⁴ The EU's Generalised Scheme of Preferences (GSP) is designed to help developing countries integrate in the international trade system by making it easier for them to export their products to the EU. This is done in the form of partly or fully reduced tariffs for their goods when entering the EU market. Through the additional export revenue which is generated, GSP fosters growth in their income and supports their development.

The GSP+ scheme⁵ is a flagship EU trade policy instrument to support sustainable development and good governance in developing countries, granting special tariff rate cuts to developing countries committed to core international agreements on human and labour rights, the environment, and good governance. It allows developing country exporters to pay less or no duties on their exports to the EU. This gives them vital access to EU markets and contributes to their economic growth. The Commission will continue to ensure full compliance through continuation of an intensive interaction with GSP+ beneficiaries through GSP+ dialogues.

In the current deteriorating security environment, it is also important that trade policy contributes to the preservation of international peace and security, and to the protection of human rights. DG Trade will therefore promote an ambitious modernisation of the EU export control regime⁶ and will table a new legislative proposal to this effect in 2016.

External factors influencing trade policy making

The outcome of DG Trade's work is not only dependent on its services' efforts, but is also influenced by other broader factors, such as socio-economic changes, political priorities and third party engagement. Negotiations are a two way process often including several partners and account needs also to be taken of a wider political context, the general direction of domestic reforms, trade policy, and economic and political developments in our partner countries. Economic and political developments in the EU and its Member States also impact decision making.

Equally, it is not possible to anticipate with absolute certainty the number of negotiating opportunities or trade disputes that may come up at any given moment during the life of this Plan. This also depends on economic and political circumstances in potential partner countries, and to an increasing extent public opinion.

Even when an agreement has been concluded and ratified, it is not a guarantee of success. It simply creates opportunities which depend on the take-up by economic operators in the EU and the country(ies) covered by the agreement to deliver the agreements' potential. Building awareness is therefore crucial and a share responsibility with EU Member States and the European Parliament. They must inform their citizens/voters and business about the opportunities available and actively seek to promote them. In addition, civil society stakeholders including business representatives also have an important constructive role to play in order to render the implementation of the agreements effective.

In addition, most impact indicators related to DG Trade's long-term general objectives will only be relevant if used over time, since we face a long time-gap between the conclusion of an agreement and its practical impact on day-to-day business and related trade flows, usually around a minimum of 5 years. Moreover it is not the measurement of these impact indicators as such but their comparative analysis over time which will prove to be most useful.

Finally, long-term changes in aggregated economic metrics depend on the overall economic climate as mentioned above and are thus only partially due to the achievements of the EU's trade policy.

Policy performance tables can be found in annex 1.

⁵ GSP/GSP+ Reg. 978/2012

⁶ This regime is governed by Regulation (EC) No 428/2009

D. Key performance indicators (KPIs)

In order to measure whether the Commission is making satisfactory progress in the trade policy area, DG Trade has identified the following 3 key performance indicators:

KPI 1

✓ Preference utilisation rates of agreements provisionally applied or entered into force

KPI 2

✓ Percentage of trade covered by applied bi-lateral and regional agreements

KPI 3

✓ Percentage of fully liberalised trade with the world

PART 2. Organisational management

This part focuses on the strategic organisational components that are critical for the execution of DG Trade's strategy. The objectives and most indicators are Commission wide.

A. Human Resource Management

Objective 1

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

DG Trade is seen as a well-managed, modern and efficient DG, benefitting from hardworking and dedicated staff. Our main challenge currently and for the coming years is to handle the continuously increasing workload in combination with reduced human resources at the same as we see a skills- and workload shift towards work relating to legal scrubbing, implementation, law monitoring and enforcement while keeping our staff motivated.

The staff allocation and mobility process in DG Trade is in line with the priorities and objectives of the DG. The HR processes, and in particular mobility, are closely monitored through several instruments, on the one hand through the processes stemming from the SPP and budgetary cycle and on the other hand through internal DG Trade Resource reports, performance indicators and strategic planning tools provided by DG HR. Mitigating actions are taken where necessary. Particular analytical focus is put on vacancy rates, number of sensitive posts, and length of time people occupy such posts, turnover of staff, proportion of external/statutory staff, equal opportunities, gender diversity in AD and middle management positions, absence management and work-life balance indicators (use of teleworking/flexitime etc.)

In line with the aim of making the Commission a knowledgeable, skilled, flexible and networked organisation, DG Trade has put in place a DG specific Career Management Policy in order to deepen and structure our approach to future needs with actions to assist in forward planning with the aim of placing the right skills at the right time. As building blocks of our Career Management Policy we have set out three main goals. First, focusing on professionalism, we will work on ensuring the excellence of each and every member of the staff in DG Trade. Second, we will strive to enhance the HR communication and a culture of collaboration throughout the DG. Finally, our third goal is to ensure a good working environment. Actions such as mentoring, coaching, job shadowing and trade specific training courses contribute to these goals and help to keep staff mobile within the DG.

While we need to continue our efforts to ensure we focus on priorities as efficiently and effectively as possible, DG Trade is likely to face a considerable challenge based on current staffing levels to fulfil this ambition plan. Without further substantial reinforcement the further refinement of these priorities and their sequencing will need to be reviewed. DG Trade will continue to look at all possibilities of redeploying internally and increasing the efficiency of internal working procedure as far as possible without jeopardising our deliverables.

B. Financial Management: Internal control and Risk management

Overarching objective:

The Authorising Officer by Delegation should have reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions including prevention, detection, correction and follow-up of fraud and irregularities

Objective 1

Effective and reliable internal control system giving the necessary guarantees concerning the legality and the regularity of the underlying transactions

Objective 2

Effective and reliable internal control system in line with sound financial management

Objective 3

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

DG Trade has a relatively small operational budget, implemented 100% through direct management. This budget amounts to € 16.5 million in 2016 (0.2% of Heading 4) and is expected to stay stable until 2020, with the exception of the additional funding required for operating the Investment Court System. Although rough estimates, it is estimated that this will require an additional €1.5 million in 2017, going up to maximum € 10 Mio in 2020. Within this allocation DG Trade acquires intellectual services and awards direct grants to international organisations. This budget is mainly implemented as an institutional prerogative, because of the Union's exclusive competence for trade matters under the TFEU. Without pre-empting the decisions by the budgetary authorities on the annual budgets, the budget is expected to grow modestly over the coming years.

The bulk of the funding of trade-related activities is implemented through the different financial instruments under Heading 4 of the Multi-annual Financial Framework (called “Global Europe”) and the European Development Fund. The instruments cover a wide area of beneficiary countries and regions (Neighbourhood, African, Caribbean and Pacific and Least Developed Countries). Furthermore, DG Trade can also draw on funds from the new Partnership Instrument which focuses on supporting the negotiation and implementation of trade agreements in non EU Member countries, in particular strategic partners. DG Trade is closely involved, both in Brussels and via its staff in Delegations, in the programming and implementation of trade-related projects under this instrument which is managed by the Service for Foreign Policy Instruments (FPI). DG Trade is likewise involved in the thematic and geographic programmes of the Development Cooperation Instrument (DCI), the European Development Fund and the European Neighbourhood Instrument (ENI) under which the EU funds technical assistance and aid for trade related projects in developing countries. For example, linked to the Trade Facilitation Agreement, €400 Mio will be provided to support Developing Countries in its implementation.

DG Trade has set up internal control processes aimed to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the nature of the payments concerned. The control objective is to ensure that the residual error rate does not exceed 2% per annum. In DG Trade this threshold applies to any

transaction that has been registered as a non-compliance event. Indeed, DG Trade's activities are predominantly of a political or procedural nature, involving a very modest level of financial management. In such an environment, DG Trade relies on ex-ante controls (100%) and the Internal and External auditors to assess the adequacy and effectiveness of internal control systems. DG Trade operates a decentralised financial circuit with counter-weight. All transactions are therefore subject to an independent ex-ante financial verification and no ex-post control function is set up. With a view to preventing and detecting fraudulent use of the EU's budget, DG Trade adopted its own anti-fraud strategy. Apart from specifying the internal governance and reporting channels (including reference to the whistleblowing guidelines), the strategy focuses on detecting financial errors, outlining administrative and financial procedures and ethical values.

C. 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

Impact assessments and evaluations are instrumental in the formulation of sound, evidence-based trade policies. Procedures have been put in place to ensure that trade policy is prepared and reviewed in an open and transparent manner and informed by the best available evidence.

In line with the Better Regulation Agenda, DG Trade carries out impact assessment in support of its major trade initiatives, and ex-post evaluations of major trade instruments and agreements after they have been in force for sufficient time to ensure availability of meaningful data. In addition, during the negotiations of major trade agreements, DG Trade also carries out sustainability impact assessments which allow an in-depth analysis of the potential economic, social, human rights and environmental impacts of the trade agreement and consultation of stakeholders, and an economic analysis of those agreements after their conclusion.

As highlighted in the Trade for All communication, we will further enhance the depth and scope of the analyses carried out in IAs, SIAs and ex-post evaluations.

D. Information management aspects

Objective

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

Information is a main asset for DG Trade. There is a need to move away from managing documents in a registry-like fashion to managing the whole lifecycle of the information. For that purpose, collaboration should be supported by efficient tools. DG Trade intends to extend the use of current and future corporate tools for information & knowledge management taking into account its specific security needs. In this context, DG Trade is developing a more strategic approach to encourage knowledge sharing and collaborative working in line with the corporate framework.

Concerning document management, systematic filing of documents in ARES is a prerequisite for the effective and efficient sharing and reuse of the information managed by HAN (Hermes-Ares-Nomcom). It is also important with a view to ensuring a transparent approach to policy making. DG Trade will pursue its strategy of awareness raising and promoting

the active use of ARES by all staff and management, together with a systematic monitoring of the use made by all TRADE departments.

Sharing files with other DGs will be subject to analysis and consultation with stakeholders in DG Trade in order to identify the areas where open sharing would generate more benefits. This approach is to be gradually expanded to all other possible areas of activity.

These initiatives should generate efficiency gains, improve the speed of processes and facilitate a more comprehensive use of the HAN tools.

E. External communication activities

Objective 1

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

Objective 2

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

As part of the Commission's growth and jobs agenda, trade policy remains at the heart of the EU's external action in the Europe 2020 context. Trade policy is integral part of a number of the Juncker Commission's priorities. Trade policy also has to be seen through the prism of democratic accountability, in particular the transparency efforts and participatory elements in trade policy implementation.

The EU's trade policy has come under political and public scrutiny as never before with increasing demands for more information and greater transparency. In a new trade strategy ("Trade for All") adopted in October 2015, the Commission has responded with a commitment to being more effective at delivering new economic opportunities; more transparent in terms of opening up negotiations to more public scrutiny; and to address not just interests but also values. To effectively communicate on these points will also impact the general perception of the EU's trade policy. DG Trade will seek to evaluate the impact of the Trade for All Communication 2-3 years after its adoption, i.e. in 2017/18.

In that context, DG Trade will continue to develop its integrated approach of being more transparent about its work; providing comprehensive information about trade negotiations and EU trade policy; engaging with civil society, stakeholders and the general public; and explaining the benefits of trade such as jobs and growth. Within the resources available, DG Trade will continue to pursue this approach not only from Commission headquarters in Brussels, but also in the Member States. The Commission will also pursue its approach of looking beyond its traditional specialised trade audience to reach out to a broader public. It will continue to deploy staff to participate in grass roots level events and to work closely with Commission Representations, with a particular focus on those in Member States where public opinion is more negative. It will continue to encourage Member State governments to play their part in communicating about EU trade policy.

It is clear that there are a number of factors having a strong impact on the citizens' perceptions of the EU's trade policy which are out of the Commission's control. Communication activities

can at best only partly mitigate these factors. This concerns, for example, the fact that issues related to globalisation effects, competitiveness of EU companies and job losses are sometimes unduly attributed to trade agreements and thus generate a negative perception.

The Commission's corporate communication strategy and instruments will play an important role in the work towards the above mentioned objectives, including the use of external expertise in support of communication, information and outreach activities.

Annex 1. Policy Performance Tables

The following specific, medium-term objectives identify the effects DG Trade seeks to achieve for the benefit of wider society, meaning in particular for Member States, consumers, businesses and civil society. The result indicators aim to measure the direct effect on the target population of the pursuit of the action taken.

General objective 1 A New Boost for Jobs, Growth and Investment

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

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

Source of the data: Eurostat

Baseline				Interim Milestone 2018			Target 2020		
<i>Goods average 2013-15</i>	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
	25%	30%	28%	32%	37%	34%	51%	61%	56%
<i>Services average 2012-14</i>	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
	19%	23%	22%	28%	31%	30%	63%	63%	63%
<i>FDI stocks 2013-14</i>	Inwards	Outwards	Total	Inwards	Outwards	Total	Inwards	Outwards	Total
	14%	17%	16%	19%	26%	23%	66%	69%	68%

Specific objective 1: Trade Negotiations

Result indicator 1.1 : Number of on-going⁷ EU trade and investment negotiations and number of applied⁸ EU trade and investment agreements

This indicator will show the extent of the EU's negotiating agenda in terms of its potential to cover the world's trade, and how it evolves. The broader the agenda, the wider the potential coverage. It also shows the extent of the world's trade covered by EU's applied preferential trade and investment agreements and the evolution of this coverage.

Source of data: DG Trade

Baseline 2015	Interim Milestone 2018	Target 2020
<p>28 on-going negotiations or agreements⁹ in the process of finalisation with countries/regions in the world.</p> <p>In finalisation: Canada, Singapore, Ecuador, West Africa, SADC, EAC, Kazakhstan, Vietnam</p> <p>Negotiations not yet completed: US, Japan, Morocco, Tunisia, Mercosur, Azerbaijan, China investment, Myanmar investment, ITA, TISA, EGA</p> <p>Negotiations (formally or informally paused) Thailand, Malaysia, India, Central Africa, ESA, Pacific, Libya, Gulf Cooperation Council, Russia</p>	<p>Open FTA negotiations with Australia, New Zealand and the Philippines.</p> <p>Open negotiations for modernising free trade agreements with Mexico, Chile and the Customs Union with Turkey</p>	<p>Launch a revision of the EU-Korea FTA and, in that context, negotiate a new investment chapter.</p> <p>Open negotiations with other Asian countries, if conditions right (Indonesia)</p> <p>Open negotiations for Investment agreements with Taiwan and Hong Kong</p>
<p>35 Agreements (Countries and regions) in force or provisionally applied</p> <p>Customs Unions: Andorra, Turkey, San Marino.</p> <p>Free Trade Agreements (FTAs): Faroe Islands, Norway, Iceland, Switzerland, The former Yugoslav Republic of Macedonia (Stabilisation and Association Agreement (SAA), Albania (SAA), Montenegro (SAA), Bosnia and Herzegovina (Interim Agreement on trade) Serbia (SAA), Algeria (Association Agreement (AA), Egypt (AA), Israel (AA), Jordan (AA), Lebanon (AA), Morocco (AA), Palestinian Authority (Interim AA), Syria (Co-operation Agreement), Tunisia (AA), Iraq (Partnership and Cooperation Agreement), Chile (Association Agreement and Additional Protocol), Mexico (Economic Partnership, Political Coordination and Cooperation Agreement, Korea (New Generation FTA) Central America (AA), Peru - Colombia FTA, Georgia (Association Agreement), Moldova (Association Agreement), South Africa (Trade, Development and Co-operation Agreement), Ukraine (DCFTA)</p> <p>Economic Partnership Agreements: CARIFORUM States, Central Africa (Cameroon), ESA (4 countries), Pacific (Papua New Guinea, Fiji).</p>	<p>Canada CETA</p> <p>Singapore FTA (trade and investment)</p> <p>Ecuador (integrating Colombia/Peru agreement)</p> <p>West Africa EPA</p> <p>SADC EPA</p> <p>EAC EPA</p> <p>Kazakhstan PCA</p> <p>Vietnam FTA</p>	<p>US</p> <p>Japan</p> <p>Morocco</p> <p>Tunisia</p> <p>China investment</p> <p>Myanmar investment</p> <p><i>If the reasons for pausing the negotiations are lifted:</i></p> <p>Thailand</p> <p>Malaysia</p> <p>India</p> <p>Mercosur</p> <p>Azerbaijan</p>

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

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

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

Result indicator 1.2 : Percentage of trade covered by applied bi-lateral and regional agreements,¹⁰								
<i>This indicator will show the extent of the world's trade covered by EU's applied preferential trade and investment agreements and the evolution of this coverage.</i>								
Source of data: DG Trade / Eurostat								
Baseline 2013-15 goods / 2012-14 services			Interim Milestone 2018			Target 2020		
Percentage of trade in goods and services			Percentage of trade in goods and services			Percentage of trade in goods and services		
Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
24%	28%	26%	31%	35%	33%	54%	62%	58%
Result indicator 1.3 : Percentage of fully liberalised imports from the world (i.e. at zero duty¹¹)								
<i>This indicator will show the extent of the EU's applied preferential treatment for imports and its evolution. The bigger the share, the better economic conditions and opportunities for EU consumers, and EU operators using imports as inputs in their businesses.</i>								
Source of data: Eurostat								
Baseline 2015			Interim Milestone 2018			Target 2020		
Merchandise imports EU imports extra EU			Increase			Increase		
70%								
Result indicator 1.4 : China share in total EU trade in goods, specifying also percentage of liberalised trade under the ITA2								
<i>China is the EU's largest non-preferential trading partner. Trade with China is thus not captured in any of the other indicators, This indicator will show the importance of this trading partner and will serve as an example of the impact of the plurilateral negotiations/agreement lead by DG Trade</i>								
Source of data: Eurostat								
Baseline 2014			Interim Milestone 2018			Target 2020		
Total	17%	9%	13%	Maintain or increase growth rate		Maintain or increase growth rate		
ITA2	1.7%	1.3%	1.5%					
Result indicator 1.5 : Share of preferential and zero duty imports from ACP countries								
<i>This indicator will illustrate the extent of EU's contribution to economic growth specifically in the ACP countries.</i>								
Source of data: Eurostat								
Baseline			Interim Milestone 2018			Target 2020		
	ACP		Keep ACP share close to 100%			Keep ACP share close to 100%		
2012	97%							
2013	97%							
2014	97%							

¹⁰ This indicator does not cover multilateral WTO nor the plurilateral sectoral negotiations and agreements

¹¹ MFN duty free, GSP duty free and other duty free

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

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

Source of data: Eurostat

Baseline			Interim Milestone		Target	
Number of trading SMEs extra EU			2018		2020	
Year	Importing	Exporting	Importing	Exporting	Importing	Exporting
2011	759,000	615,000				
2012	741,000	633,000	Increase	Increase	Increase	Increase
2013	763,000	660,000				

Planned evaluations:

- 1/ EU Korea FTA launched in 2015 to be completed in 2016
- 2/ Interim evaluation of the EU's trade agreements with Peru and Colombia and of the EU's trade pillar agreements with Central American countries.
- 3/ Interim evaluation of the EU's trade pillar agreements with Georgia and Moldova to be launched in 2019 completed in 2020

Specific objective 2. Effective Implementation

Result indicator 2.1 : Preference utilisation rates of EU preferential trade arrangements¹² for the EU and partners' side

This indicator will show the extent to which operators will be making use of the EU preferential arrangements. It will give an indication how well these agreements are formulated and how the uptake is handled in the EU Member States and the partner countries.

Source of data: Eurostat and national customs registrations

Baseline				Interim Milestone		Target	
2012				2018		2020	
Preference utilisation EU importers				Increase of rates		The target is to increase the percentage according to recent trend. It is difficult to predict an exact percentage at a specific moment in time. Ultimately, the desire is of course to have full coverage over time as this will have the greatest impact on the economy	
FTA	2012	2013	2014				
Chile	93%	93%	94%				
Mexico	70%	70%	62%				
South Africa	91%	91%	88%				
South Korea	78%	82%	85%				
Turkey	92%	92%	93%				
Preference utilisation EU exporters							
FTA	2012	2013	2014				
Chile	79%	78%	78%				
South Korea	63%	66%	66%				
Turkey	79%	78%					
Montenegro	76%	86%	86%				
FYROM			90%				

¹² A selection of countries is shown, where agreements have been in place for a certain time. This might be complemented in due course with more recently concluded agreements.

Result indicator 2.2 : EU share in imports of partner countries with which the EU has a preferential trade agreement in force¹³

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

Source of data: DG Trade / Eurostat

Baseline 2014	Interim Milestone 2018	Target 2020												
<table border="1"> <caption>Data for Result Indicator 2.2 Pie Chart</caption> <thead> <tr> <th>Partner</th> <th>Share (%)</th> </tr> </thead> <tbody> <tr> <td>EU</td> <td>27%</td> </tr> <tr> <td>Other</td> <td>37%</td> </tr> <tr> <td>US</td> <td>18%</td> </tr> <tr> <td>China</td> <td>14%</td> </tr> <tr> <td>Japan</td> <td>4%</td> </tr> </tbody> </table>	Partner	Share (%)	EU	27%	Other	37%	US	18%	China	14%	Japan	4%	Maintain EU share	Maintain EU share
Partner	Share (%)													
EU	27%													
Other	37%													
US	18%													
China	14%													
Japan	4%													

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

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

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

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

Source of data: DG Trade / Eurostat

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

¹³ This indicator will be calculated annually only in the first 10 years since the entry into force of the preferential agreement, starting after three years of implementation, and using a three year average preceding the entry into force as the benchmark for the comparison. Furthermore, it is not appropriate for EPAs without EU offensive interests and back-loaded liberalisation

Result indicator 2.4 : Outcome of dispute settlement cases		
<i>This indicator will measure whether cases are successfully defended with EU as a respondent or brought by EU as a complainant according to existing law and taking into account the initial analysis of strength of the case. Ensuring successful dispute settlement leads to maintaining the markets at the legally expected level of openness, and in turn generates opportunities for export and the inherent creation of jobs and economic growth.</i>		
Source of data: DG Trade and the WTO (http://trade.ec.europa.eu/wtodispute/search.cfm)		
Baseline 2015	Interim Milestone 2018	Target 2020
Compliance of the EU and its trade partners to the agreement(s) in place	Successful outcome in cases up for decision and other positive developments in main ongoing disputes, including where feasible the settlement of disputes	Successful outcome in cases up for decision and other positive developments in main ongoing disputes, including where feasible the settlement of disputes The target is not defined in time, but on a case-by-case basis
Planned evaluations: 1/Evaluation of Regulation 1219/2012 on transitional arrangements for BITs and other elements of the investment policy to be launched in 2018, completed in 2019 2/ Evaluation of Regulation 654/2014 on the EU's rights for application and enforcement of international trade rules to be launched in 2017, completed in 2018		
Specific objective 3. Tackling Unfair Trade		
Result indicator 3.1 : Efficiency and transparency in TDI investigations using latest IT tools and electronic means of communication with parties		
Source of data: DG Trade		
Baseline 2015	Interim Milestone 2017	Target 2020
Pilot phase for the TRON web platform for consultation of files completed	The TRON web platform used in all investigations for continuous web consultation; extend TRON web platform to also cover web submissions, notifications, and registration	Fully functioning web platform for all communication with parties in the context of investigations
Result indicator 3.2 : Efficiency of investigations by their conclusion within mandatory deadlines or whenever possible before such deadlines		
Source of data: DG Trade		
Baseline 2015	Interim Milestone 2018	Target 2020
100% of new investigations completed within mandatory deadlines	10% of new investigations completed before the mandatory deadline (by at least a month); setting of the new 2020 target based on the review of the length of investigations	New target for investigations completed before the mandatory deadline achieved based on experience gained until 2018
Result indicator 3.3 : Number of jobs in sectors covered by the trade defence measures		
Source of data: DG Trade		
Baseline 2015	Interim Milestone 2018	Target 2020
Development of employment in relevant industry sector between imposition of original measures and expiry reviews completed in 2015	For measures under review at the end of their statutory duration, the level of employment while the measures were in force shows a status quo or an increase	On a yearly basis, the comparison of employment between the original imposition of measures and their expiry shows a status quo or an increase

Planned evaluations:

1/ Evaluation of the EU's trade defence instruments to be launched in 2018, completed in 2019.

General objective 6. A Reasonable and Balanced Free Trade Agreement with the U.S

Impact indicator: US Share in total EU FDI stocks						
<i>Trade and investment liberalisation create conditions for increased exports, imports, and investment which have become an increasingly significant source of growth and jobs for Europeans. Therefore the higher percentage of trade and investment covered by free trade agreements, the more jobs and the more economic activity. Furthermore, broader access to cheaper imported inputs, new export opportunities as well as outward investment stimulate or even directly contribute to boosting the EU's competitiveness.</i>						
Source of the data: Eurostat						
Baseline 2014				Interim Milestone 2018		Target 2020
<i>FDI stocks</i>	Inwards	Outwards	Total	Increase		Increase
	35.6%	33.1%	34.4%			
Specific objective 1: Trade Negotiations						
Result indicator 1.2 : Percentage of trade in goods and services and investment covered with the US						
<i>This indicator will show the extent of the EU's negotiating agenda with the US in terms of its potential to cover the world's trade, and how it evolves. The more ambitious the agreement the more impact on jobs and growth.</i>						
Source of data: Eurostat						
Baseline 2014				Interim Milestone 2018		Target 2020
Share US in total EU trade				Increase		Increase
<i>Goods</i>	Imports	Exports	Total			
	12%	17%	15%			
<i>Services</i>	Imports	Exports	Total			
	31%	26%	28%			
<i>FDI flows</i>	Imports	Exports	Total			
	56%	30%	44%			

General objective 9. A Stronger Global Actor

Specific objective 1: Trade Negotiations

Result indicator 1.1 : Number of on-going EU trade and investment negotiations and number of applied EU trade and investment agreements

This indicator will show the extent of the EU's negotiating agenda in terms of its potential to reinforce the EU's position as the world's largest trading block and the largest source and destination of foreign direct investment, thereby underpinning its position as a strong economic player.

Source of data: DG Trade

For baseline, milestone and target, please refer to general objective 1 for details

Specific objective 2. Effective Implementation

Result indicator 2.2 : EU share in imports of partner countries with which the EU has a preferential trade agreement in force

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

Source of data: DG Trade / Eurostat

For baseline, milestone and target, please refer to general objective 1 for details

Specific objective 4: A Sustainable Approach to Trade

Result indicator 4.1 : Number of FTAs¹⁴ with dedicated anti-corruption provisions or appropriate links to framework agreements covering anti-corruption

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

Source of data: DG Trade

Baseline	Interim Milestone	Target
2015	2018	2020
None ¹⁵	None	4 depending on outcome of on-going negotiations ¹⁶

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

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

Source of data: DG Trade

¹⁴ This includes FTAs that are not yet being applied but where negotiations have been concluded

¹⁵ Article 97 of the "Cotonou Agreement" is not counted in this context, as it is not an FTA

¹⁶ See result indicator 1.1

Baseline 2015	Interim Milestone 2018	Target 2020
1 dialogue per year per GSP+ beneficiary	1 dialogue per year for selected standard GSP/EBA beneficiaries 2 dialogues/year for selected GSP+ beneficiaries (likely 4)	1 dialogue per year for selected standard GSP/EBA beneficiaries 2 dialogues/year with each GSP+ beneficiary

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

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

Source of data: DG Trade

Baseline 2015	Interim Milestone 2018	Target 2020
15	25	35

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

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

Source of data: DG Trade

Baseline 2015	Interim Milestone 2018	Target 2020
<p>Under TSD chapters in FTAs: On average, 4 meetings/year/agreement (3 DAG meetings, 1 joint civil society meeting) – for 5 FTAs</p> <p>Under EPAs, the regional CARIFORUM-EU Consultative Committee met once, in 2014, but not in 2015. The annual Pacific EPA Committee meeting in 2015 included civil-society participation and TSD discussion.</p> <p>8 meetings of the Civil Society Dialogue on TSD issues, including GSP and Trade Sustainability Impact Assessments (SIAs), with more than 350 registered participants in total.</p> <p>Other events:</p> <ul style="list-style-type: none"> - 1 stakeholder meeting on Vietnam & TSD with more than 130 participants. - 1 session of the Trade Policy Day on TSD with 150 participants. 	<p>Under TSD chapters in FTAs: On average, 4/5 meetings per year per agreement (3/4 DAG meetings, 1 joint civil society meeting) – for 8 FTAs (?)</p> <p>On average 1 joint <i>regional</i> meeting per year per EPA applied that involves civil-society representatives and/or addresses TSD issues</p> <p>CSD meetings on SIAs in support of ongoing negotiations. For each SIA, civil society is consulted on the draft report. (2-3 meetings per SIA)</p> <p>CSD and stakeholder meetings on updates on TSD issues and new initiatives in this field will be organised, including the follow up of TSD aspects of the new trade strategy</p>	<p>Under TSD chapters in FTAs: On average, 5 meetings per year per agreement (4 DAG meetings, 1 joint civil society meeting) – for 10 FTAs (?)</p> <p>1 joint <i>regional</i> meeting per year per EPA applied that involves civil-society representatives and/or addresses TSD issues</p> <p>CSD meetings on SIAs in support of ongoing negotiations. For each SIA, civil society is consulted on the draft report. (2-3 meetings per SIA)</p> <p>CSD and stakeholder meetings on updates on TSD issues and new initiatives in this field will be organised, including the follow up of TSD aspects of the new trade strategy</p>

Annex 2. Organisational Management Performance Tables

Human Resource Management

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: DG Trade HR Report (Sysper2 data)	
Baseline 2015: 18.5%	Target: 30% female representation in middle management by 2019
Indicator 2 (mandatory – data to be provided by DG HR): Percentage of staff who feel that the Commission cares about their well-being	
Source of data: Commission staff survey	
Baseline 2014 30%	Target: To reach the Commission average of the next Staff Survey
Indicator 3 (mandatory – data to be provided by DG HR): Staff engagement index	
Source of data: Commission staff survey	
Baseline: 2014 66%	Target: Remain above the Commission average for the next Staff Survey

Financial Management: Internal control and Risk management

Overarching objective: The Authorising Officer by Delegation should have reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions including prevention, detection, correction and follow-up of fraud and irregularities.	
Objective 1: Effective and reliable internal control system giving the necessary guarantees concerning the legality and the regularity of the underlying transactions	
Indicator 1 (mandatory): Estimated residual error rate	
Source of data: Register of non-compliance events	
Baseline (2014) between 0 and 2%	Target <i>Below the materiality criteria.</i>
Indicator 2 (mandatory): Estimated overall amount at risk for the year for the entire budget under the DGs responsibility.	
Source of data: Annual Activity Report	
Baseline (2014) Maximum 2% of the expenditure authorised. 2% of €15,943 million in 2014: €0,318 million	Target Maximum 2% of the expenditure authorised.
Indicator 3 (mandatory): Estimated future corrections	
Source of data: Annual Activity Report	
Baseline (2014) In the period 2009-2014, 1.8% of average payments led to recoveries and financial	Target (<i>none</i>)

corrections. This represented € 0.286 million in 2014		
Objective 2: Effective and reliable internal control system in line with sound financial management		
Indicator 1 (mandatory): conclusion reached on cost effectiveness of controls		
Source of data: Annual Activity Report		
Baseline (2014)	Target	
Yes	Yes	
Indicator 2 (optional): cost effectiveness of controls		
Source of data: Annual Activity Report		
Baseline (2014)	Target (none)	
Costs of controls over expenditure authorised: 9.74%		
Objective 3: 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		
Indicator 1 (mandatory – information available in DG's AFS): Updated anti-fraud strategy of DG Trade, elaborated on the basis of the methodology provided by OLAF		
Source of data: DG Trade Anti-Fraud Strategy		
Baseline	Interim Milestone	Target
Date of the last update 2015		Update every 2 years, as set out in the AFS.

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 (mandatory – monitored by the DGs concerned): Percentage of Impact assessments submitted by DG Trade to the Regulatory Scrutiny Board that received a favourable opinion on first submission.		
<i>Explanation: The opinion of the RSB will take into account the better regulation practices followed for new policy initiatives. Gradual improvement of the percentage of positive opinions on first submission is an indicator of progress made by the DG in applying better regulation practices.</i>		
Source of data: DG Trade		
Baseline 2015	Interim Milestone 2016	Target 2020
68% = Commission average in 2014	Above 2014 Commission average	Above 2016 Commission average

Information management aspects

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: <i>Hermes-Ares-Nomcom (HAN) statistics</i>	
Baseline 2014	Target
5.6%	≤ 2 %
The average of the EC services is 3.51%.	
Indicator 2: Percentage of HAN files readable/accessible by all units in the DG	

Source of data: HAN statistics	
Baseline	Target
66%	70% (to be determined by each DG)
	The average of the EC services is 78%. Lower findings of DG Trade are mainly due to the need-to-know restrictions in the Trade Defence, the dispute settlement and the negotiations activities.
Indicator 3: Percentage of HAN files shared with other DGs	
Source of data: HAN statistics	
Baseline	Target
0.08%	Nnone
	The baseline of the EC is 6%. The opening of files to other DGs is still rare in the Commission and DG TRADE, as most DGs, is still in an early phase.

External communication activities

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

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

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

Source of data: Standard Eurobarometer (DG COMM budget)

Baseline: November 2010	Target: 2020
Benefited from trade: 44%	Benefited from trade > 50%
Did not benefit from trade: 39%	

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

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

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

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

Baseline: 2015 (spring wave)	Target: 2020
Awareness: 84 %	Awareness: >84 %
Positive opinion: 56 %	Positive opinion: >50%