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1. MISSION STATEMENT

The European Commission's Directorate-General for Trade helps through the EU's trade policy to secure prosperity, solidarity and security in Europe and around the globe.

- We contribute to shape a trade environment that is good for European citizens and European business.
- We are committed to liberalise world trade and foster sustainable economic, social and environmental development, thereby boosting competitiveness, jobs and growth in the process.
- DG Trade has a full agenda: negotiating bilateral and multilateral trade agreements, ensuring that the rules we agree are actually applied, and working closely with the WTO and other multilateral institutions. This allows us to tackle international trade and customs barriers, backed up where needed with EU legislation. Our aim is to meet the challenges posed by globalisation and to ensure that as many people as possible can seize the opportunities it offers.
- We cover all areas of activity from manufactured goods to services, intellectual property and investment. We ensure that our businesses can operate fairly in the EU and across the world and are ready to make full use of our powers to tackle unfair competition, dumping and subsidization.
- We work closely with many other services of the Commission - both those shaping our external agenda and those making sure our internal market works - in order to deliver joined up, coherent policies that strengthen Europe's voice in the world and allow people to learn from our experience of integration.
- Our success in Europe is inextricably bound up with the success of our trading partners, both in the developed and developing world. And as the EU's negotiator in most areas our success is equally dependent on our close working relationship with the European External Action Service (EEAS), other European Institutions and with the Member States.



2. THIS YEAR'S CHALLENGES: PERSONAL MESSAGE BY JEAN-LUC DEMARTY, DIRECTOR GENERAL, DG TRADE

DG Trade's efforts in conducting EU's trade policy this year will be coloured by the very difficult economic conditions the EU faces. We find ourselves confronted with an economic slowdown, the euro-crisis, and a lack of consumer demand, all of which may impact the attractiveness of the EU as a trading partner. The economic crisis will certainly continue to dominate the political agenda for the months to come. This makes it all the more important that we use trade and investment policy to push forward the EU's objectives of economic stability, growth and jobs. An active trade policy can deliver a greater mutual level of openness with our trade partners around the world to support Europe's future economic growth.

First, the multilateral negotiations on the Doha Development Agenda and the broader framework of the WTO clearly remain a priority. WTO members need to show that they can support the global system of open markets.

Second, the bilateral agenda remains important and ambitious. This was stressed by the European Council in October 2011: the EU's external economic policy is a core part of the growth plan. 2012 is likely to see us add to the list of on-going negotiations on at least three fronts: Eastwards (Georgia and perhaps Moldova and Armenia), Southwards to the Southern Mediterranean; and further East to other Asean countries and, crucially, the possible FTA with Japan. I trust that we can consolidate our success with Ukraine by concluding negotiations with Singapore, India, Canada and Mercosur in the near future.

With China we are likely to see movement towards an investment negotiation. In relation to the US, we are determined to strengthening trans-Atlantic relations. Whilst Russia's WTO accession will redefine this relationship, and we will be making plans for moving ahead on the New Agreement.

In addition to this, the agreements that we have concluded with Colombia and Peru as well as with Central America are likely to enter into force in the course of 2012, following approval by the Council and the EP.

Two years into the Treaty of Lisbon we are reaching cruising speed. The Treaty has opened up investment as a new area of negotiations, and over the next months we should conclude the so-called grandfathering regulation.

This year will have a strong development flavour with the adoption of the Trade, Growth and Development Communication on the conclusion of the legislative process for the Proposal for a Regulation reviewing the Generalised System of Preference (GSP) scheme, the amendment to the Market Access Regulation and negotiations for Economic Partnership Agreements.

Our new organisation will allow us to reinforce the coherence of trade policy with other policy areas and to manage the balance between opening markets and ensuring EU businesses get a fair chance to share in the benefits trade brings.

This is especially true for our market access and trade defence work; but it will also be true in areas like procurement and in how we address the interface between trade and internal market policies, trade and human and labour rights, etc.

In this context, we will seek to further improving the EU's **trade defence instruments** in a constructive and balanced way for the benefit of all stakeholders. The objective of this



initiative is to make sure that the instruments are fit for purpose given the unprecedented and exceptionally difficult trading environment of today while also ensuring their effectiveness in the future

In conclusion, I believe that the trade agenda for 2012 will challenge us across the board: the depth and breadth of our ambition on trade policy to deliver open markets, bringing growth and jobs.



3. GENERAL OBJECTIVES OF THE POLICY AREA WITH A MULTI-ANNUAL PERSPECTIVE (5 YEARS)

The European Union is the world's biggest trading partner, accounting for 17.2% of global imports and exports of goods and commercial services. It is the largest exporter, with sales to the rest of the world reaching a total of €1.87 trillion in 2010 i.e. approx. 15.3% of the EU GDP. In 2010, the EU was also the second biggest global investor (€106.7 bn) and the third largest destination for foreign direct investment flows (€54.2 bn).

Trade and investment policies have a key role to play in contributing to the Europe 2020 objectives of smart, inclusive and sustainable growth. In the communication 'Trade, Growth and World Affairs: trade policy as a core component of the EU's 2020 strategy' adopted on 9 November 2010¹, we have set out our future priority areas and actions to respond to this challenge.

Free trade among its Members underpinned the successful launch nearly 60 years ago of the European Union. European States were among the founding members of the modern international system of trade rules. This system, which has grown into the network of agreements and obligations overseen by the World Trade Organisation (WTO), helps ensure that trade is open, predictable and fair. Over the years, the EU has been and remains a leading player in efforts to liberalise world trade for the mutual benefit of rich and poor countries alike. Members States of the European Union have a common commercial policy towards non-member countries, and DG Trade has the task of conducting that policy in line with the objectives set out in Article 207 of the Treaty on the Functioning of the EU (TFEU).

Against this background, the general objectives of DG Trade in pursuit of its mission are as follows:

- ***Contribute to European smart, inclusive and sustainable growth by ensuring the best trade conditions and opportunities for EU operators, workers and consumers***

The Commission aims at ensuring the best competitive conditions and opportunities for European firms, thus giving a substantial contribution to the growth and the competitiveness of the European economy, for the benefit of European citizens, workers and consumers.

Open economies tend to grow faster than closed economies. Trade raises EU growth by fostering our efficiency and innovation. It boosts foreign demand for our goods and services. Open trade also gives EU consumers access to a wider variety of goods at lower prices. Europe's openness to foreign direct investment (FDI) increases our competitiveness. Equally, the ability of our firms to invest abroad enables them to grow globally and create jobs both at home and abroad. In short, whilst remaining vigilant to adjustment costs, Europe must seize the triple benefit from more open trade and investment: more growth and jobs and lower consumer prices.

¹ COM(2010)612, available at: <http://ec.europa.eu/trade/trade-growth-and-jobs/>



THE TRIPLE BENEFITS FROM TRADE OPENING

ECONOMIC GROWTH:

Finalizing all the ongoing negotiations (Doha Round and bilateral agreements) and making significant further progress in our relations with strategic partners would lead, by 2020, to a level of EU GDP more than 1% higher than it would otherwise be ⁷.

CONSUMER BENEFITS:

The gains from a wider variety of goods and services for the average European consumer are in the range of €600 a year, in addition to the gains from lower prices.

LABOUR EFFECTS:

It is generally agreed that the EU's integration in the global economy through increased trade generates more and better paid jobs. More than 36 million jobs in Europe depend, directly or indirectly, on our ability to trade with the rest of the world. More than 4.6 million people in the EU work for Japan and US-majority owned companies alone.

Source: European Commission estimates.

⁷ 1% of EU GDP in 2010 was equivalent to € 123 billion according to Commission forecasts.

⁸ "The transatlantic economy 2010" by D. Hamilton and J. Quinlan, Center for Transatlantic Relations, Johns Hopkins University, and 'Basic Survey of Overseas Business Activities, 2010', METI, Japan.

The global economy is slowing down. In 2011 and 2012 world GDP is due to expand by 4%, down from 5.1% in 2010². The slowdown is being felt across all regions but the developed economies will continue to be the main drag on global growth as their GDP is expected to grow at best 1.6% in 2011 and 1.9% in 2012. The outlook for the EU economy is particularly gloomy with a real possibility of another recession in 2012. Output growth in developing and emerging economies is also expected to ease due to the weakening external demand. However, some relative dynamism will be maintained as GDP is due to grow 6.4% in 2011 and 6.1% in 2012. The deterioration of the global economic situation is also visible in terms of the evolution of trade flows. Global trade volumes are expected to grow by 7.5% in 2011 and only by 5.8% in 2012. This is a marked slowdown from the 12.8% expansion of 2010³.

By 2015, 90 % of world growth will be generated outside Europe, with a third from China alone. This shows that in the coming years, we need to continue relying on trade to be able to seize the opportunity of higher levels of growth abroad, especially in East and South Asia.

Our agenda will evolve accordingly, as Europe 2020 makes clear. Cutting tariffs on industrial and agricultural goods is still important, but the challenge lies elsewhere. What will make a bigger difference is market access for services and investment, opening public procurement, better agreements on and enforcement of protection of Intellectual Property Rights (IPR), unrestricted supply of raw materials and energy, and overcoming regulatory barriers including via the promotion of international standards.

² IMF World Economic Outlook Report, September 2011

³ IMF World Economic Outlook Report, September 2011



- ***Foster a sustainable economic, social and environmental development, in particular for developing countries***

The European Union is committed to pursuing a strong trade policy that not only boosts economic growth and creates jobs in Europe, but which also contributes to a greener more sustainable economy and which actively helps people around the world to move out of poverty.

Trade policy can be used to reinforce other important international priorities such as: supporting the fight to protect our environment and reversing global warming; promoting decent work for all and supporting improvements in working conditions for workers worldwide and ensuring high standards of health and safety for the products we buy and sell while supporting developing countries (especially the Africa, Caribbean, Pacific region) to meet these standards.

Sustainable development is integrated in our trade policy at all levels – in the EU's trade preferences for developing countries, in bilateral agreements and in the WTO Doha Development Agenda and recent and on-going bilateral trade negotiations include specific provisions on sustainable development covering labour rights, environmental protection standards and promoting civil society involvement. Sustainable, secure and affordable access to raw materials is another important element, which is vital for industrial competitiveness in the EU.

Moreover, Europe has opened its markets fully to all imports from the world's poorest countries, and it works actively to help developing countries build the capacity to take advantage of trade. In this context, the Economic Partnership Agreements (EPA) negotiated in the ACP (Africa Caribbean and Pacific) region have an overarching development objective.

Measurement of results through indicators

To assess the outcome of our work we are using different impact and result indicators that represent the best approximation possible.

These indicators are however not only dependant on our efforts but are also influenced by other broader factors (e.g. socioeconomic changes, political priorities, third party willingness, media attention etc.). It is therefore important that the results are interpreted in that context and with the following caveats in mind:

- With respect to objectives and indicators referring to the conclusion of an agreement, DG Trade often only has a limited control in these matters. Since negotiations involve third parties, events often depend on uncontrollable factors, and can also be subject to a legitimate choice of political opportunity. Furthermore, we cannot define with absolute certainty the number of negotiation opportunities or trade disputes that may arise throughout the following year.
- Most impact indicators related to (long term) general objectives will only become relevant if used over time, since we face a time-gap between the conclusion of an agreement and its practical outcome on the day-to-day business (and related trade flows). 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.
- Long-term changes in aggregated economic metrics depend on the overall economic climate and are therefore only partially due to the achievements of the DG/Service.



GENERAL OBJECTIVES	Impact Indicators			
	Indicator*	Target	Milestones (if any)	Current Situation (n-1)
Contribute to European smart, inclusive and sustainable growth by ensuring the best trade conditions for EU operators, workers and consumers	Growth rate of trade flows between the EU and the rest of the world	Positive growth	Given the uncertainty of the global economic outlook, maintain trade growth	<p>EU Trade*, Monthly Growth Rate - 2011 (% year-on-year, nominal, non seasonally adjusted data)</p> <p>World excluding Intra-EU27 trade; European Union: 27 members. Source: Eurostat (Comext, Statistical regime 4)</p>
	EU exports/imports of manufactured products to third countries (extra EU-27)	Maintain positive growth	Given the uncertainty of the global economic outlook, maintain trade growth	<p>EU exports/imports of manufactured goods (Mio Euros)</p> <p>Source: EUROSTAT (Comext, Statistical regime 4) World excluding Intra-EU27 trade; European Union: 27 members. CTCI rev 3 Manufactures - 5, 6, 7, 8, excl. 68, excl. 891</p>
	EU exports/imports of services to third countries (extra EU-27)	Maintain positive growth	Given the uncertainty of the global economic outlook, maintain trade growth	<p>EU Trade in Commercial services with Extra EU-27 (Mio euro)</p> <p>* "Commercial services" is defined as being equal to "Services" minus "Government services, n.i.e." Source: Eurostat (Cronos) - P Provisional value</p>
	Level of EU investment in third countries and third country investment into the EU	Positive growth reducing negative impact of the global economic slowdown.	Given the uncertainty of the global economic outlook, maintain trade growth	<p>EU-FDI by Destination: Extra EU27 (Mio euro)</p> <p>*World excluding Intra-EU trade and European Union: 27 members. Source: Eurostat (Cronos) - P Provisional value</p>

* The mentioned indicators are not only dependant on DG Trade efforts but are also influenced by other risk factors (e.g. socioeconomic changes, political priorities, third party willingness, media attention etc.).



GENERAL OBJECTIVES	Impact Indicators			
	Indicator*	Target	Milestones (if any)	Current Situation (n-1)
Foster a sustainable economic, social and environmental development in particular for developing countries (DC) ⁴	Value and diversification of imports from ACP countries into the EU	Keep the growth momentum	Given the uncertainty of the global economic outlook, maintain trade growth to benefit from the higher dynamism of emerging and developing countries	<p>Mo euro</p> <p>EU Imports from ACP (excl South Africa)</p> <p>AMA: NAMA: Other</p> <p>AMA covers agricultural products, excluding fish and fish products NAMA covers manufacturing products, fuels and mining products, fish and fish products, and forestry products. World excluding Intra-EU27 trade; European Union: 27 members. Source: EUROSTAT (Comext, Statistical regime4)</p>
	Level of investment flows between the EU and ACP countries	Keep the growth momentum	Given the uncertainty of the global economic outlook, maintain trade growth to benefit from the higher dynamism of emerging and developing countries	<p>EU* FDI relationships with ACP (77 countries) (millions of euro)</p> <p>* EU is EU15 until 2003 and EU27 since 2004 Source: Eurostat (NewCronos)</p> <p>EU FDI Inward Stocks from ACP (77) EU FDI Outward Stocks into ACP (77) EU FDI Inflows from ACP (77) EU FDI Outflows to ACP (77)</p>

⁴ This applies primarily to ACP countries (Africa, Caribbean, Pacific region) and not to countries such as Brazil, Russia, India, China and South Korea.



4. ABB ACTIVITIES RELATED TO THE POLICY AREA "TRADE POLICY"

Trade policy is one of the principal components of the EU's external economic relations. It aims to promote the economic and political interests of the EU, on a multilateral, bilateral and sectoral level. In pursuit of this goal, the EU follows a policy of trade liberalisation, a strategy that rests on the belief that gradual and progressive elimination of barriers to trade and investment, as long as supported by enforceable rules, is in the best interests of Europe and of the world. This is, however, not a "one-size fits all" policy. EU trade policy is tailored to the specific situation of its partners, including developing countries.

DG Trade aims at ensuring the **best competitive conditions and opportunities for European firms**, small and large, both as regards exports and the possibility to source production inputs abroad, thus giving a substantial contribution to the growth and competitiveness of the European economy, for the benefit of European citizens, workers and consumers. In doing so, DG Trade strives to make the Union's trade policy an element of ever greater coherence of the Union's external action, as well as for mutual consistency between the Union's trade policy and all other policies set out in the Treaty.

Pursuit of these goals, and the exercise of the EU's rights under international trade rules in the framework of the common commercial policy, would be impeded were they not supported at the EU level by specific activities designed to assist in the removal of barriers to trade and to support a co-ordinated approach in trade negotiations that reflects EU interests.

Ensuring the best competitive conditions means also **tackling unfair trade practices**, since only undistorted trade contributes to the well-being of EU economic operators, as well as supporting EU exporters against the incorrect use of these instruments by third countries. This remains important in times of economic crisis, as market distortions are more likely to happen and the effects of unfair trading practices may be more strongly felt.

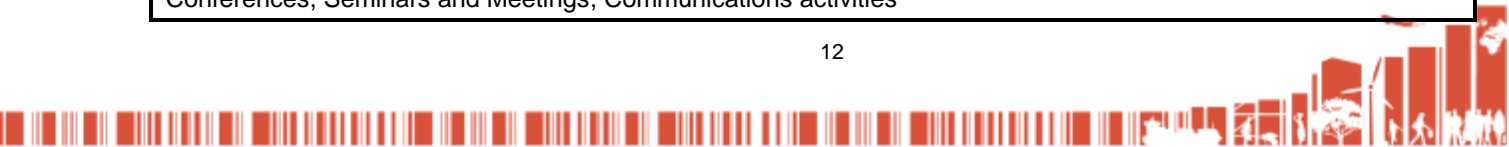
In this context, the Trade Defence Instruments (TDI) are there either to remedy market distortions created from these unfair trade practices or to address the deterioration of the situation of Union producers arising from sharp and sudden import surges. These measures aim at ensuring a level playing field between domestic and foreign producers based on genuine competitive advantages. These rules will be subject to a review in 2012.

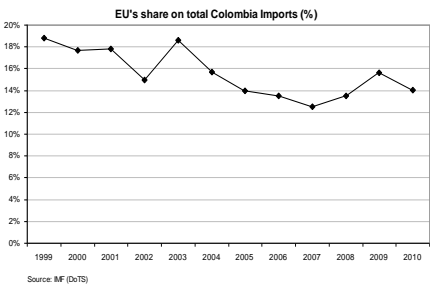
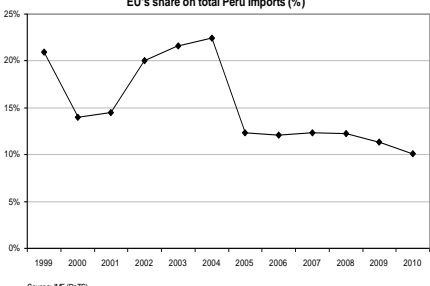
Trade defence measures are applied in compliance with EU law and WTO rules. They are triggered by requests from the producing EU industry or the Member States and follow the completion of a detailed and objective investigation by the Commission. At the same time, the Commission also seeks to ensure that EU goods can be imported into third countries in full respect of WTO rules or other international obligations (third country actions).

The following medium term specific objectives identify the effects we seek to achieve on our target population (Member States, consumers, economic operators, civil society). Result indicators aim to measure the direct effect on the target population of the pursuit of the action.

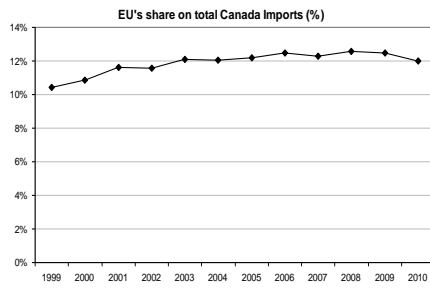


SPECIFIC OBJECTIVE 1	Pursue improved trade rules and further trade liberalisation at the multilateral level (incl. in the context of the Doha Development Agenda (DDA)), monitor EU trading partners' implementation of their WTO commitments and promote greater coherence and transparency in global trade relations	
Result indicators	Latest known result	Target (mid-term)
Regarding trade liberalisation in goods, average level of applied MFN (Most Favoured Nation) tariffs for all products in developed countries and key emerging economies	<p><i>EU:</i> 6.9% (2006), 6.7% (2009), 6,4% (2011),</p> <p><i>US:</i> 4.9% (2004), 4.8% (2007), 4.8% (2010)</p> <p><i>Japan:</i> 6.5% (2006), 6.1% (2007), 6.1% (2008), 5,8% (2010)</p> <p><i>Canada:</i> 6.8% (2002) 6.5% (2006), 5,4% (2010)</p> <p><i>China:</i> 9.7% (2005), 9.7% (2007), 9.5% (2009), 9,6% (2010)</p> <p><i>Russia:</i> 11.4% (2006), 10.8% (2008), 9,5% (2010)</p> <p><i>India:</i> 32% (2001/2002), 16% (2006/2007), 12% (2010/11)</p> <p><i>Brazil:</i> 10.4% (2004),11.5% (2008), 13, 7% (2010)</p> <p><i>Mexico:</i> 16.5% (2001), 11.2% (2007), 9,0% (2010)</p> <p><i>Source: WTO, Trade Policy reviews (2007-2011) and WTO statistics (Trade Profiles)</i></p>	Continuing path of reduction of the last 10 years
Regarding trade liberalisation in services, level of commitments undertaken by key emerging economies	Commitments undertaken by WTO members in the context of the GATS (General Agreement on Trade in Services) are by and large currently lower than their autonomous level of trade liberalisation.	Bring commitments from non-LDC (Least Developed Countries) WTO members close to their autonomous level of trade liberalisation
Main outputs for 2012		
<p>The main outputs for 2012 are the following:</p> <ul style="list-style-type: none"> • Bringing forward the WTO Doha Development Agenda (DDA) negotiations under the "early harvest" provision in areas where progress is possible despite the political impasse on broad-based tariff reductions, while preserving the current <i>acquis</i> of the market access negotiations. • Setting up of a group of eminent persons from developed and developing countries to obtain independent recommendations on the future agenda and functioning of the WTO post-Doha • Pursuing the strengthening of the WTO's "middle pillar" work regarding surveillance and implementation of trade policies, including as regards the relationship between regional initiatives and the multilateral system. • Active participation at main trading partners' Trade Policy Review meetings, scheduled for 2012 (China, the US, Norway, Turkey, Korea, Singapore, Saudi Arabia, United Arab Emirates, Israel, Philippines, Kuwait, Iceland, etc) • Reviewing the WTO ITA (Information Technology Agreement) • Council decision on the consolidation of the EU-27 GATS schedules (subject to the conclusion of the negotiation with WTO affected members) • Pursuing and if possible concluding WTO accessions of Kazakhstan, Serbia, Bosnia Herzegovina and some Least Developed Countries. 		
Main expenditure-related outputs for 2012		
Contribution to International Organisations		
Conferences, Seminars and Meetings, Communications activities		



SPECIFIC OBJECTIVE 2	Improve bilateral and regional trade relations and agreements to complement the level of trade liberalisation achievable through the WTO	
Result indicators	Latest known result	Target (mid-term)
<p>Number of on-going trade negotiations with countries/regions outside the EU (including Free Trade Agreements - FTA) but excluding Economic Partnership Agreements (EPA) with ACP countries</p>	<p>26 on-going negotiations at different stages with countries/regions in the world.</p> <p>Concerning Asia, the FTA with South Korea entered into force in July 2011.</p> <p>The Commission proposals for signature and conclusion of the EU-Peru and Columbia FTAs and of the EU-Central America Association Agreement were transmitted to Council in October 2011.</p> <p>FTA negotiation with Ukraine achieved at technical level at the end of 2011.</p> <p>FTA negotiations with India, Singapore and Canada are at an advanced stage, and continuing with Malaysia. Also EU-Mercosur Association Agreements negotiations are progressing.</p> <p>Negotiating directives for DCFTAs with Egypt, Jordan, Morocco and Tunisia were adopted by the Council in December 2011; possibility to launch DCFTA negotiations with some of them in 2012.</p>	<p>Continue and conclude negotiations for FTAs with some of our main trading partners</p>
<p>Proper implementation of concluded FTAs</p>	<p>Concerning Asia, implementation of the various chapters of the recent FTA with South Korea is continuing.</p>	<p>Meetings of the six specialised committees and the seven working groups as well the co-ordinating FTA Trade Committee according to needs. The Trade Committee at Ministerial level meets on an annual basis. Internally, a Task Force was set by Commission services.</p>
<p><i>Example of Columbia:</i></p> <p>Level of trade weighted average tariff facing EU exports of industrial products to Singapore (HS25-99)</p> <p>EU's share in country's total imports</p>	<p>Trade weighted average tariff (2010): 0%</p>  <p>Source: I/F (DcTS)</p>	<p>The agreement will fully relieve EU exporters of industrial and fisheries products to Peru and Colombia from paying customs duties (and vice versa). EU exporters of these products are expected to be saving at least €250 million annually in tariffs to both Colombia and Peru at the end of the transition period.</p>
<p><i>Example of Peru:</i></p> <p>Level of trade weighted average tariff facing EU exports of industrial products to India (HS25-99)</p> <p>EU's share in country's total imports</p>	<p>Trade weighted average tariff (2010): 7.5%</p>  <p>Source: I/F (DcTS)</p>	<p>The agreement will fully relieve EU exporters of industrial and fisheries products to Peru and Colombia from paying customs duties (and vice versa). EU exporters of these products are expected to be saving at least €250 million annually in tariffs to both Colombia and Peru at the end of the transition period.</p>



<p>Example of Canada:</p> <p>Level of trade weighted average tariff facing EU exports of industrial products to Canada (HS25-99)</p> <p>EU's share in country's total imports</p>	<p>Trade weighted average tariff (2010): 12 %</p>  <p>Source: IMF (DOTS)</p>	<p>Additional benefits to the two economies estimated at € 20 billion per year.</p>
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Main outputs for 2012

The following outputs relate to launching of negotiations:

- Launch of new trade negotiations with ASEAN countries (e.g. with Vietnam and/or Indonesia)
- If negotiating directives for DCFTAs with Egypt, Jordan, Morocco and Tunisia are adopted by Council and subsequent scoping exercise is positive, possibility to launch DCFTA negotiations with some of the 4 Southern Mediterranean countries in 2012.
- Possible relaunch of suspended FTA negotiations with Libya following an internal reassessment exercise.
- Launch of negotiations to upgrade the EU-Morocco Association Agreement (subordinated to the prior conclusion of the Protocol on Services and Investment) and pursuing negotiations with EU's neighbours
- Launch of DCFTA negotiations with Moldova and Georgia (possibly Armenia)
- Possibility of launching negotiations with Japan following the successful conclusion of the scoping exercise.
- Relaunching of negotiations for the entry of Ecuador and Bolivia in the Trade Agreement between the EU and Colombia and Peru.

The conclusion/signature of the following trade negotiations is envisaged in 2012-2013:

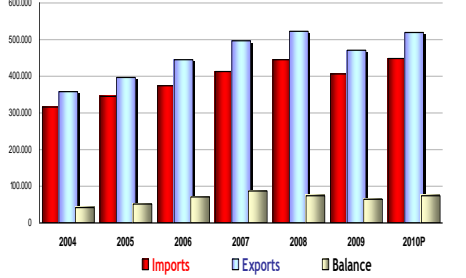
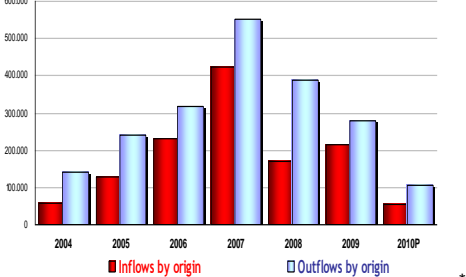
- Provisional application in second half of 2012 of the Trade Agreement with Columbia and Peru
- Provisional application in second half of 2012 of the trade part of the EU-Central America Association Agreement Conclusion of negotiations for an Association agreement with Mercosur
- FTA with Singapore
- FTA with Malaysia
- FTA with India
- Comprehensive Economic and Trade Agreement (CETA) with Canada
- FTA with Ukraine

Main expenditure-related outputs for 2012

Conferences, seminars and meetings.

Studies, sustainable impact assessments and evaluations



SPECIFIC OBJECTIVE 3	Increase trade openness in key areas with high growth potential (in particular public procurement, services, investment)	
Result indicators	Latest known result	Target (mid-term)
<p>Level of legally guaranteed market access for EU companies to key priority procurement markets</p>	<p>Access of EU firms to GPA partner's Public Procurement market:</p> <p>US: 12% Japan: 23% Canada: 3% Korea: 50%</p> <p>Source: EU Commission- DG MARKT</p>	<p>Increased level of legally guaranteed market access for EU companies to key priority procurement markets</p>
<p>Level of trade flows in commercial services for EU business</p>	<p>EU Trade in Commercial services with Extra EU-27 (Mio euro)</p>  <p>* "Commercial services" is defined as being equal to "Services" minus "Government services, n.i.e." Source: Eurostat (Cronos) P Provisional value</p>	<p>Maintain positive growth</p>
<p>Level of EU investment flows in third countries and third country investment into the EU</p>	<p>EU-FDI by Destination: Extra EU27 (Mio euro)</p>  <p>World excluding Intra-EU trade and European Union: 27 members. Source: Eurostat (Cronos) P Provisional value</p>	<p>Positive growth reducing negative impact of the global economic slowdown</p>



Main outputs for 2012

The main outputs in 2012 are the following:

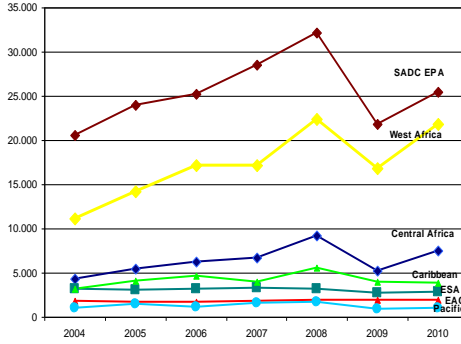
- Proposal for an initiative on the access of third country companies and goods to the EU public procurement market (MASP - Market Access Scheme for Procurement) and submission to the European Council and the European Parliament (1st quarter 2012), in cooperation with DG MARKT.
- Pursuing and intensifying negotiations on services with key partners in all ongoing negotiations
- Pursuing negotiations on investment with priority candidates including India, Canada and Singapore.
- Completion of the Impact Assessment for a possible investment agreement with China.
- Recommendation from the Commission for negotiating directives on investment with China, Russia, further ASEAN countries and other countries with which FTAs are either ongoing or concluded.

Main expenditure-related outputs for 2012

Conferences, seminars and Meetings

Studies, sustainable impact assessments and evaluations



SPECIFIC OBJECTIVE 4	Foster inclusive growth and regional integration outside the EU, in particular for African, Caribbean and Pacific (ACP) countries																																																									
Result indicators	Latest known result	Target (mid-term)																																																								
Number of ACP countries applying European Partnership Agreements (EPA)	<p>The Caribbean region (CARIFORUM) is applying a comprehensive regional EPA since 2008. Haiti signed in December 2009. Papua New Guinea and three Indian Ocean countries have ratified their interim EPA or moved towards ratification.</p> <p>As regards interim EPAs, 21 out of 62 ACP countries have initialled interim EPAs (covering mainly trade in goods). Amongst them, 12 countries have signed.</p>	Signature and application of EPAs with all interested ACP countries																																																								
Number of Developing countries (DC) benefiting from preferential market access to the EU (Everything But Arms + GSP) 5	176 DCs and transition economies are benefiting from the Generalised System of Preferences (GSP), including 49 LDCs (Least Developed Countries) benefiting from EBA (Everything But Arms).	Maintain Market Access for all LDCs and streamline preferential Market Access to DCs and transition economies from 1 January 2014 at the latest.																																																								
Number of DCs benefiting from GSP+	16 countries are benefiting from GSP+ on top of standard GSP treatment.. Intensified dialogues with GSP+ beneficiaries.	Grant GSP+ preferences to a maximum of eligible applicant countries.																																																								
Value and diversification of imports into the EU for the different ACP regions	<p>EU imports from ACP by region (mio €)</p>  <table border="1"> <caption>EU imports from ACP by region (mio €)</caption> <thead> <tr> <th>Year</th> <th>SADC EPA</th> <th>West Africa</th> <th>Central Africa</th> <th>Caribbean</th> <th>ESA</th> <th>EAC Pacific</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>21,000</td> <td>11,000</td> <td>4,000</td> <td>3,000</td> <td>2,000</td> <td>1,000</td> </tr> <tr> <td>2005</td> <td>24,000</td> <td>14,000</td> <td>5,000</td> <td>3,000</td> <td>2,000</td> <td>1,000</td> </tr> <tr> <td>2006</td> <td>25,000</td> <td>17,000</td> <td>6,000</td> <td>3,000</td> <td>2,000</td> <td>1,000</td> </tr> <tr> <td>2007</td> <td>28,000</td> <td>17,000</td> <td>6,000</td> <td>3,000</td> <td>2,000</td> <td>1,000</td> </tr> <tr> <td>2008</td> <td>32,000</td> <td>23,000</td> <td>9,000</td> <td>5,000</td> <td>3,000</td> <td>2,000</td> </tr> <tr> <td>2009</td> <td>22,000</td> <td>17,000</td> <td>5,000</td> <td>3,000</td> <td>2,000</td> <td>1,000</td> </tr> <tr> <td>2010</td> <td>25,000</td> <td>22,000</td> <td>7,000</td> <td>4,000</td> <td>3,000</td> <td>2,000</td> </tr> </tbody> </table>	Year	SADC EPA	West Africa	Central Africa	Caribbean	ESA	EAC Pacific	2004	21,000	11,000	4,000	3,000	2,000	1,000	2005	24,000	14,000	5,000	3,000	2,000	1,000	2006	25,000	17,000	6,000	3,000	2,000	1,000	2007	28,000	17,000	6,000	3,000	2,000	1,000	2008	32,000	23,000	9,000	5,000	3,000	2,000	2009	22,000	17,000	5,000	3,000	2,000	1,000	2010	25,000	22,000	7,000	4,000	3,000	2,000	Keep the growth momentum
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5 The EU's Generalised System of Preferences (GSP) is a trade arrangement through which the EU provides preferential access to the EU market to developing partners, in the form of reduced tariffs for their goods when entering the EU market. The standard GSP provides preferences to developing partners on over 6200 tariff lines; while the special incentive arrangement for sustainable development and good governance, known as GSP+ offers additional tariff reductions to support vulnerable developing countries in their ratification and implementation of international conventions in these areas. The Everything But Arms (EBA) arrangement provides Duty-Free, Quota-Free access for all products for the Least Developed Countries (LDCs)



Main outputs for 2012
<p>Trade will continue to be a key component of our relationship with the developing world, in providing support through Aid for trade, unilaterally and bilaterally. Achievement of a strong development component in the Doha Round is also essential to pursue our objectives.</p> <p>A key output is the completion and implementation of the Economic Partnership Agreements. Both negotiations and implementation should intensify in 2012. The European Parliament and the Council should adopt the Commission's proposal to reserve EPA market access to those ACP countries that have effectively moved towards ratification of their EPAs.</p> <p>Another key output is the successful advancement (and eventual finalisation) of the decision making on the Proposal for a Regulation reviewing the Generalised System of Preference (GSP) scheme</p> <p>A third key output is the release of the Commission communication on Trade and Investment for Development .</p> <p>In addition, in 2012, a number of important global development initiatives will focus on trade aspects where active preparation and contribution from the EU is indispensable. In particular, these include the G20 Development Working Groups and UNCTAD XIII.</p>
Main expenditure-related outputs for 2012
Export Helpdesk
Conferences, seminars and meetings
Communication activities
Studies and evaluations
Capacity-building activities towards developing countries (SPS training)
Aid for trade multilateral initiatives



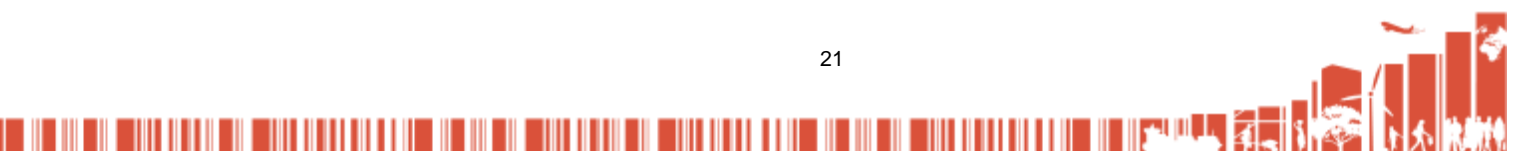
SPECIFIC OBJECTIVE 5	Promoting green and inclusive growth in the EU by integrating sustainable development objectives into trade policy and by ensuring sustainable and secure raw materials and energy supply.	
Result indicators	Latest known result	Target (mid-term)
Number of sustainable developments (SD) chapters in trade agreements	Stronger Sustainable Development provisions in FTAs with Korea, Colombia/Peru, and Central America, than in previous agreements. Labour, environmental issues and corporate social responsibility are being discussed in all active negotiations, SIAs completed or under preparation for on-going negotiations.	Integration of social, environmental and corporate social responsibility provisions in trade and investment policies. Ambitious SD chapters in all bilateral negotiations.
Number of trade negotiations with (green) energy-related provisions.	A comprehensive energy chapter was concluded in the context of the FTA with Ukraine. The issue is being put forward in all pending trade negotiations and WTO accessions with Russia and CIS countries. First round of negotiations on binding tariff scheme in the Energy Charter Treaty took place. A green tech annex is under negotiation with Singapore as a possible model for other ASEAN FTAs	Linked to conclusion of bilateral trade negotiations, ongoing WTO accessions and negotiations in the framework of the energy charter treaty.
Number of actions completed as defined in the Raw Materials trade strategy.	Integration of raw materials-related provisions in ongoing bilateral and multilateral negotiations and autonomous regimes; barriers being addressed, in particular through WTO dispute settlement case; progress made in outreach to third countries through OECD setting, G20 and bilateral dialogues (TEC, Japan, others).	Completion of all remaining actions.
Reduction of barriers to trade in environmental goods and services	Bound and applied duties on environmental goods result from WTO commitments, EU trade agreements in force and autonomous action	Linked to conclusion of bilateral and WTO negotiations
Main outputs for 2012		
<p>The main outputs for 2012 relate to:</p> <ul style="list-style-type: none"> • Implementation of the action plan related to raw materials in particular negotiating rules in ongoing bilateral negotiations and exploring multi- and plurilateral disciplines. Enforcement of rights through dispute settlement (WTO case against certain Chinese export restrictive measures) and pursuing the establishment of a monitoring mechanism of export restrictions including through the OECD work (inventory of export restrictions); • Advance, and where possible complete, the negotiations on sustainable development provisions in FTAs. • Complete the setting-up of the structures and means for the effective implementation of the Korea FTA SD chapter; • Finalise report to the Council on the worst forms of child labour and trade as requested in the Council Conclusions of 14 June 2010, and other follow-up action flowing from it; • Continuing the integration of energy in ongoing trade negotiations; 		
Main expenditure-related outputs for 2012		
Conferences, seminars and meetings		
Contribution to international organisations		
Communication activities, studies and evaluations		



SPECIFIC OBJECTIVE 6	Engaging with our strategic partners (mainly China, US, Japan, Russia) on trade and investment and regulatory convergence																					
Result indicators	Latest known result	Target (mid-term)																				
EU share in trade in goods of our major trading partners	<table border="1"> <caption>EU share in partner's trade in goods (% , 2010)</caption> <thead> <tr> <th>Partner</th> <th>Imports</th> <th>Exports</th> <th>Trade</th> </tr> </thead> <tbody> <tr> <td>China</td> <td>13.2%</td> <td>20.1%</td> <td>17.0%</td> </tr> <tr> <td>Russia</td> <td>43.1%</td> <td>48.4%</td> <td>47.1%</td> </tr> <tr> <td>Japan</td> <td>9.9%</td> <td>12.1%</td> <td>11.1%</td> </tr> <tr> <td>USA</td> <td>16.9%</td> <td>19.2%</td> <td>17.8%</td> </tr> </tbody> </table> <p>Source: IMF (DoTS)</p>	Partner	Imports	Exports	Trade	China	13.2%	20.1%	17.0%	Russia	43.1%	48.4%	47.1%	Japan	9.9%	12.1%	11.1%	USA	16.9%	19.2%	17.8%	Positive evolution
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EU share in services imports of major trading partners	<p>EU share in services imports of (2010): China: 14.0% Japan: 15.6% Russia: 42.7% United States: 46.4% Sources: WTO, Eurostat (NewCronos)</p>	Positive evolution																				
EU share in trade in FDI stocks of our major trading partners	<table border="1"> <caption>EU share in partner's FDI Stocks (% , 2009)</caption> <thead> <tr> <th>Partner</th> <th>Inward stocks</th> <th>Outward stocks</th> <th>In/Outward Stocks</th> </tr> </thead> <tbody> <tr> <td>China</td> <td>17.8%</td> <td>3.6%</td> <td>13.1%</td> </tr> <tr> <td>Russia</td> <td>33.5%</td> <td>12.9%</td> <td>24.3%</td> </tr> <tr> <td>Japan</td> <td>60.4%</td> <td>26.3%</td> <td>33.6%</td> </tr> <tr> <td>USA</td> <td>54.0%</td> <td>34.7%</td> <td>42.6%</td> </tr> </tbody> </table> <p>Sources: Unctad, Eurostat (NewCronos)</p>	Partner	Inward stocks	Outward stocks	In/Outward Stocks	China	17.8%	3.6%	13.1%	Russia	33.5%	12.9%	24.3%	Japan	60.4%	26.3%	33.6%	USA	54.0%	34.7%	42.6%	Positive evolution
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Main outputs for 2012																						
<p>While the US and the EU have the largest bilateral trade relationship in the world, the EU has developed strong relationships with other trade partners such as Japan, Russia and China, as well as with other emerging countries such as India and Brazil. China clearly remains the single most important challenge for EU trade policy. Enhancing regulatory dialogue with these partners to tackle non-tariff barriers and improve market access and conditions for European business are a high priority in 2012.</p> <p>Key policy outputs in 2012 include:</p> <ul style="list-style-type: none"> • Strengthening coherence and efficiency of our trade policy with other policy areas vis-à-vis strategic economic partners. • Progress on outstanding chapters of the Partnership and Cooperation Agreement with China • Progress on the objectives set for in the High Economic and Trade Dialogue (HED) with China • Functioning of the European Centre for business in Beijing • For Japan completing the scoping exercise with the view to a possible agreed launch of FTA negotiations • Enhancing regulatory dialogue with the US and reinforcing the TEC (Transatlantic Economic dialogue) joint assessment of all possible options to integrate further the transatlantic marketplace. • Pursuing negotiations on a New Agreement with Russia (to replace the existing PCA) that includes substantial trade and investment related provisions 																						



<i>Main expenditure-related outputs for 2012</i>
Conferences, seminars and Meetings
Studies/Evaluations
Technical expertise



SPECIFIC OBJECTIVE 7	Ensure effective enforcement and implementation of existing trade agreements that is translated into new Market Access opportunities for European business (including SMEs) with a focus on non-tariff barriers to trade and on defending European measures.	
Result indicators	Latest known result	Target (mid-term)
Number of active WTO dispute settlement cases involving the EU as complainant or defendant with our main trading partners	As of 11 November 2011, the EU is actively involved in 43 WTO disputes: in 19 of these cases the EU is the complaining party while in the remaining 24 cases the EU is on the defending side. These cases relate to the EU's relations with 15 of its trading partners (including with 7 offensive and 6 defensive cases with the US and 4 offensive and 2 defensive cases with China).	Successful outcome in WTO cases up for decision and other positive developments in main ongoing disputes, including where feasible the settlement of disputes.
Degree of success in removing identified barriers to trade (incl. behind the border measures such as TBTs, NTBs, SPS)	<p>Process of consolidating and updating key barriers identified since 2009 has continued. In 2011 progress achieved on ~40 cases. Protectionist tendencies in some third countries, in particular emerging markets, are monitored very closely.</p> <p>Recent success stories (in removing barriers) include export restrictions on cotton yarn and security provisions in telecom equipment in India and Chinese subsidies to wind power companies.</p> <p>Also in the SPS a number of barriers were removed, including: the lifting of bans imposed by some trading partners on EU meat exports following a 2011 dioxin incident and lifting of Ukraine ban on imports of poultry products from Sweden due to outbreak of New Castle disease.</p>	High number of cases addressed with third countries and partially/fully solved
<p>Monitoring of implementation of trade agreements</p> <p>- EU/Korea FTA</p> <p>- Russia wood quota</p> <p>- Other</p>	<p>Member States and business were informed about key issues related to the implementation of the EU/Korea FTA through comprehensive information campaigns.</p> <p>Since the entry into force of the agreement, the relevant Committee and Working Groups regularly deal with specific market access cases related to the implementation of the FTA.</p> <p>In the context of the negotiations on Russia's accession to the WTO, a quota for the export of certain types of wood products from Russia to the EU was agreed. Preparatory actions for the adoption of the necessary legislative/regulatory acts launched during 4Q 2011, as well as work on the necessary adaptation of the IT tools (SIGL).</p> <p>Follow-up implementation of various trade agreements such as commitments emerging from Russia WTO accession (automotive deal, gas deal)</p>	<p>Smooth implementation of the offensive aspects of the FTA</p> <p>Have implementing legislation and an redeployed SIGL system in place by mid 2012</p> <p>Smooth operation of the quota system</p> <p>Ongoing monitoring</p>
Number of SME-related trade policy actions	A Commission Communication adopted on 9 November 2011 ("Small Business, Big World – a new partnership to help SMEs seize global opportunities") sets out new actions to foster internationalisation of SMEs, such as a new online portal which will integrate the Market Access Database.	Increasing number of SME-related trade policy actions



	Workshops on SME related issues in 2011 established a work programme for exchange of best practices in a number of areas, IPR protection, standard setting and government procurement.	
Level of risk that the EU IPR (Intellectual Property Rights) holders run when exporting and carrying out FDI transactions	IPR protection scores for the EU and trading partners: ⁶ EU27: 6.9 (7.7 in 2010) ASEAN 2011 – 5.7 (5.7 in 2010) US: 7.5 (8.5 in 2010) Japan: 7.6 (8.3 in 2010) Korea: 6.3 (7.0 in 2010) India: 5.6 (5.3 in 2010) Mercosur: 5.0 (4.9 in 2010) Candidates / Balkans: 4.75 (4.5 in 2010) Ukraine 4.0 <i>(Source: IPRI 2011 Report)</i>	Improvement in scores of our main trading partners
Level of protection and enforcement of EU IP rights in key priority markets	The 2009 IPR Enforcement Report of the Commission identified three categories of priority countries ⁷ . Successful continuation of IP dialogues in 2012. Signature of ACTA. Successful negotiation of ambitious but calibrated IPR chapter in bilateral FTAs Successful continuation of technical assistance programmes in key third countries (e.g. China, ASEAN and Russia).	Successful negotiation of an ambitious IPR chapter in bilateral trade agreements. A revised Strategy for the protection and enforcement of IPR in 3 rd countries Successful IPR Dialogues with key priority countries Entry into force of ACTA.
Degree of cooperation between the Commission, Member States, industry and key countries to tackle barriers	The Market Access Advisory Committee and technical Working Groups coordinate market access related work amongst key players. Market Access Teams in major export markets promote market access issues at the local level. Cooperation with Member States is reinforced through the key barriers section in MADB. Key Market Access barriers are followed up with third countries in bilateral relations. The revamped MADB supports the broader pooling of intelligence, and thus deeper cooperation amongst key-players.	High degree of cooperation in all major markets

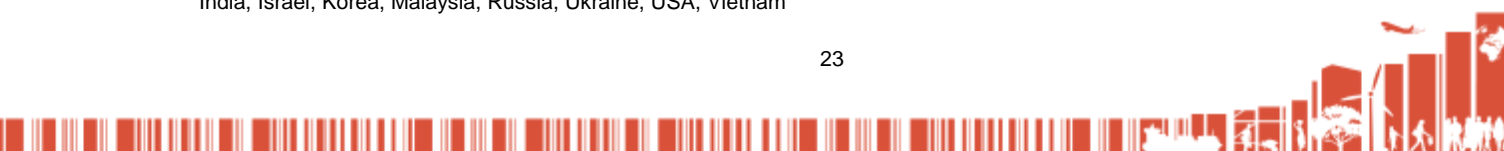
Main outputs for 2012

Work will continue to tackle barriers to ensure better market access in specific markets, to deliver stronger intellectual property protection (in particular through the proposed Anti-Counterfeiting Trade Agreement), and to ensure Europe stands up against unfair trade practices, protectionism and dumping/unfair subsidies, including where appropriate through dispute settlement mechanisms (WTO or bilaterally) - all this on the basis of a thorough understanding of the interests of economic sectors. The main policy outputs in 2011 include:

- Adoption and Implementation of the Communication from the Commission on a revised strategy for the protection and enforcement of intellectual property rights in third countries and customs regulation on IPR

⁶ the scores highlight the risks that EU IPR holders run when they export IPR-intensive goods, carry out FDI transactions in IPR-intensive sectors or licence their IPR rights to agents in these countries. The score can range from 0 (no protection i.e. high risk) to 10 (perfect protection i.e. no risk)

⁷ The 3 categories of countries are as follows: 1. China; 2. Indonesia, the Philippines, Thailand, Turkey; 3. Argentina, Brazil, Canada, India, Israel, Korea, Malaysia, Russia, Ukraine, USA, Vietnam



enforcement at the EU border (end 2012)

- Entry into force of the Anti-Counterfeiting Trade Agreement (first half of 2012)
- Trade and investment barriers report (March 2012)
- Green paper or working document on the mutual supportiveness of internal and external market opening, in particular in goods and services regulations (end 2011)
- Review of EU tools in relation to retaliation.
- To the extent feasible, completion of TiG/ SPS/TBT/IPR/PP and energy chapters within on-going FTA negotiations
- Regular reporting about identified barriers and suggested actions via market access reports, protectionism monitoring reports, newsletters and briefs as well as specific sector reports
- Implementing legislation and deployment of the IT tool (SIGL) for management of wood quota from Russia

These policy outputs will actively contribute to the Europe 2020 flagship initiative 'An industrial policy for the globalisation era' and in particular the strand on promoting the internationalisation of SMEs.

Main expenditure-related outputs for 2012

Information technology related (e.g. Market Access Database - MADB)

SIGL (management of licences)

Conferences, Seminars, Meetings and Technical Dialogue (including on technical matters such as SPS)

Communication activities (e.g. Market access and sectoral newsletters (e.g. SPS), reports)

Studies and evaluations



SPECIFIC OBJECTIVE 8	Ensure effective functioning of the EU export control system for dual-use goods⁸ that is translated into providing a level-playing field for EU exporters and enhancing their competitiveness, while ensuring efficient enforcement and the highest possible level of security	
Result indicators	Latest known result	Target (mid-term)
Degree of success with regard to engaging stakeholders on the functioning of the EU export control system	Last exporter conference held on 20 September 2011. Large number of responses from industry to the Commission's Green Paper on dual-use export controls	Holding regular industry fora and making wider use of consultation tools
Number of available EU General Export Authorisations for dual-use items	5 new EU General Export Authorisations introduced in 2011 to complement the already available EU001. General Export Authorisation for exports to Australia, Canada, Japan, New Zealand, Norway, Switzerland, USA	Increasing the availability of EU General Export Authorisations
Level of practical exchanges of experience among Member States and of knowledge of EU export control issues	Two peer visits held in 2011 to exchange good practices among Member States. A total of 9 full meetings of the Article 23 Coordination Group took place where work was conducted on EU export control guidelines and the harmonisation of interpretations of various provisions of the dual-use Regulation. Final Report setting out a technical training concept on dual-use export controls in March 2011.	Launch of a training programme on EU export controls for licensing and customs officials
Main outputs for 2012		
<p>The main outputs in 2012 are:</p> <ul style="list-style-type: none"> • Review of the Dual-use Regulation following the Green Paper consultation process • EU guidelines on export controls • Establishment of an EU training programme on export controls 		
Main expenditure-related outputs for 2012		
EU training programme on export controls [Crime prevention programme managed by DG HOME]		
Technical advice capacity to assist the Commission on export control issues.		
Conferences Seminars and Meetings		

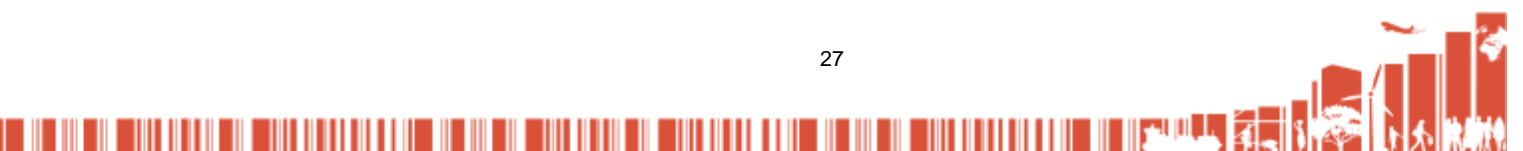
⁸ Dual use goods are products and technologies normally used for civilian purposes but which may have military applications. As such, their export is not prohibited a priori, but is subject to control - generally in the form of a required licence.



SPECIFIC OBJECTIVE 9	Ensuring application and enforcement of trade defence instruments (anti-dumping, anti-subsidy and safeguards) in compliance with EU law and WTO rules.	
Result indicators	Latest known result	Target (mid-term)
Number of measures in force	127	Maintaining and improving a system to combat distortions in international trade. Ensuring that EU economic operators, including SMEs, can rely on the best service in the conduct and follow-up of our trade investigations.
Number of on-going investigations	62	
Percentage of investigations concluded within deadlines	100%	
Number of trade defence measures in force and monitored	43	
Number of cases before the ECJ	46	
Number of cases raised in WTO	3	
Main outputs for 2012		
<p>The main outputs for 2012 include:</p> <ul style="list-style-type: none"> • Adapting TDI basic regulations to the new rules on comitology (adoption of the Trade Omnibus proposals); • Pursuing negotiations of the TDI chapters in DDA negotiations; • Preparing modernisation proposal for TDI. • Work on the requests for Market Economy Status from Armenia, China, Kazakhstan, Vietnam, Mongolia and Belarus; • Implementing the SME study as well as the Evaluation Study on trade defence policy; • Continuing the Total Quality Management exercise to enhance transparency and efficiency of TDI procedures. 		
Main expenditure-related outputs for 2012		
Information technology projects (in particular for handling investigations related documents and processes and for consolidation of statistical databases)		
Conferences, Seminars and Meetings		
Training		
Technical assistance		



SPECIFIC OBJECTIVE 10	Promoting adequate standards in third countries and action against abusive use of TDI against EU trade.	
Result indicators	Latest known result	Target (mid-term)
Number of third country measures in place against EC	184	Active participation in CVD investigations by third countries concerning EU schemes.
Number (trade value) of third country cases monitored	83 (2.556 mio Euros)	
Number of third country cases raised in the WTO	3	
Main outputs for 2012		
Negotiation of the TDI chapters in FTAs.		
Main expenditure-related outputs for 2012		
Conferences, Seminars and Meetings		



5. OBJECTIVES AND INDICATORS FOR THE TWO HORIZONTAL ABB ACTIVITIES

In accordance with the Commission-wide Activity Based Budgeting methodology, the 2 DG TRADE operational ABB activities (Trade Policy and Trade Defence) are supported by two “horizontal” ABB activities:

- Policy Strategy and Coordination
- Administrative Support

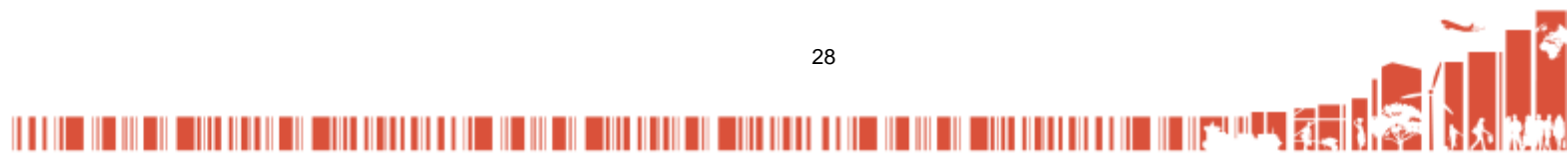
1.1. Policy strategy and Coordination

The objective of this activity is to ensure that all policies and measures undertaken by the Directorate General are done so in pursuit of the DG’s overall mission in a strategically planned, coherent and comprehensive way. The combination within the new Directorate of budget and finance, strategic planning, policy coordination, communications and supporting IT tools should help the DG to do this even more effectively. This will be reinforced by the creation of a dedicated Trade Strategy unit. This involves:

- Defining internally and externally the DG’s general policy and giving the necessary impulse to the policy definition, preparation and implementation;
- Co-ordinating the DG’s policy and ensuring a seamless service in the interface between the DG and the Commissioner and his Cabinet;
- Ensuring smooth and efficient passage through the institutional system of all legislative and non-legislative proposals put forward by the DG; co-ordinating the agenda planning contributions and follow-up;
- Ensuring the necessary liaison with the central services (Secretariat General, Legal Service, DG BUDG and the Translation Service, etc.);
- Co-ordinating the relations with the other Institutions (incl. the EEAS), Member States and candidate countries, other organisations and stakeholders;
- Actively promoting the main policies of the DG by supportive means of information, communication, awareness-raising both inside the DG and among our external stakeholders, regular consultation and civil society dialogue;
- Promoting a culture of transparency and openness, particularly in terms of providing access to documents and information in line with relevant rules;
- Providing legal advice so that policies, procedures and applicable laws are complied with;

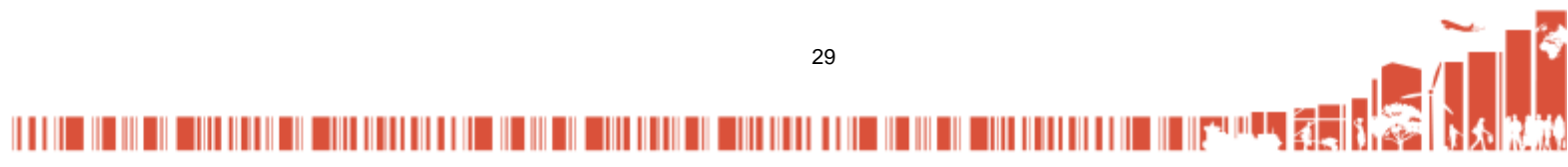
DG TRADE has also dedicated units that provide specialised expertise and advice in the following domains:

- Trade Strategy: Providing a capacity for forward-looking policy analysis and ensuring the coherence of our trade policy both across different areas of our activity, and with other external and internal policies of the Commission and External Action Service
- Chief Economist: Providing high quality economic analysis contributing to the formulation of evidence based EU trade policies
- Evaluation: Promoting a culture of evidence-based policy making by providing methodological support for high-quality impact assessments (when a new policy is developed), sustainability impact assessments (when an agreement is being negotiated) and ex-post evaluations.



- Hearing Officer: Enhancing good administration and ensuring procedural fairness in trade proceedings and providing independent internal advice to the Commissioner, the Director General, and if necessary, the College.

The following outputs and indicators are put forward for the activity Policy Strategy and Co-ordination:



DG TRADE 2012 Management Plan

Area	Specific objective	Indicator (what should be delivered)	Target (expected stage of completion in 2012)	Resp Unit		
Inter-institutional relations	Support DG Trade's relations with the EU institutions and the Member States	1. Further consolidate relations with the European Parliament through the effective implementation of the revised Framework Agreement between the Commission and the Parliament	Regular attendance of Commissioner in Plenary / INTA Committee, and of senior management in INTA Committee.	Commissioner in INTA every 8 weeks; attendance of senior trade officials for significant trade debates in INTA; Regular meetings DG-Chair / Coordinators	A2 with operational units.	
			Management of Parliamentary written questions within the deadline	100%		
			Informal technical meetings with MEPs, staff from political groups and secretariat.	2-3 specific meetings on trade issues per semester		
		Better participation to and functioning of INTA committee meetings	Regular preparation meetings with INTA secretariat			
		agreements and legislation (ACTA, Colombia/Peru, Investment Regulation, GSP Regulation,	Flows of info to EP on ongoing and finalised negotiations	All agreements		
		Handling of all matters involving Ombudsman and petitions	Avoid or correct any case of maladministration	100% of timely replies (within deadline)		
		2. Maintain excellent working relations with Council, Presidency and Member States, in particular in relation to the activity of the Trade Policy Committee.	Production of planning tools for Trade Policy Committee work: 6 month planning, weekly agendas, guidance for staff	Timely delivery		
	Regular meetings between COM-Council- EP		1 meeting per semester			
		3. Improve acceptance of and support to the EU trade policy actions by European Economic and Social Committee (EESC) /Committee of the Regions (CoR) members.	Number of meetings with EESC RELEX secretariat	2 x year meetings	A2 with participation of expert units.	
	Meeting between Commissioner and EESC Contacts and quality of cooperation on EESC role in civil society chapter of FTAs (starting with Korea FTA)		1 meeting x year			
	4. Develop and further refine management and cooperation arrangements with the European External Action Service (EEAS)	Regular meetings with the EEAS	Minimum six meetings a year	A1		
Legal Advice and dispute settlement policy	Ensure a strong and coherent trade policy throughout the EU and safeguard exclusive competence in the field of trade policy	Monitoring the development of EU law and Member States measures with an impact on trade to ensure respect for EU competence and rules and consistency with international agreements	Adoption of 2 proposals (Omnibus) for adjusting decision-making in the field of trade policy in the light of the Lisbon Treaty Successful outcome of discussions on scope of respective competences with other institutions. Contribution to trade policy relevant ECJ and infringement cases	end 2012 100% 100%	F2	
		Provide high-quality legal advice including under EU, investment and WTO law on trade policy issues	1. Legal Advice for WTO negotiations and bilateral negotiations and agreements as well as in the context of legislative proposals	Degree of satisfaction of operational services about the guidance provided (source: informal customer feedback)		80%
			2. Negotiation and implementation of dispute settlement provisions in bilateral agreements	Number of bilateral dispute settlement cases handled Number of dispute settlement frameworks and chapters currently discussed in on-going negotiations		all on-going negotiations
Put in place the necessary instruments for an effective management of the EU's dispute settlement activities	Develop an instrument dealing with financial responsibility for investor state dispute settlement	Adoption of proposal by the Commission, completion of legislative process	Commission proposal adopted in 2012. Significant progress in legislative procedure.	F2		
		Develop an instrument dealing with the ability of the EU to retaliate in WTO and bilateral dispute settlement	Adoption of proposal by the Commission, completion of legislative process		Commission proposal adopted in 2012.	
Communication and Transparency	Develop DG Trade external and internal communication actions in line with the new communication strategy of the Commission	1. Communication strategy	Degree of implementation of DG external/internal communications strategy	Significant progress in legislative procedure.	A3+ operational units	
		2. Website: Maintain a reliable and updated external website, and effective intranet called "Intradenet".	Number of visits of the website	increased number of users	A3/A4 with operational units	
			Number of languages in which material in the web site is made available	Key policy documents to be on-line in some or all language versions		
			Satisfaction of website users (through user satisfaction survey)	100%		
		3. EU Trade Newsletter (EUTN)	Number of recipients of the EUTN (in the database)	Increased up-take of EUTN	A3 with A4 and key Delegations	
			Level of satisfaction of users (users satisfaction survey)	80%		
		4. Publications: Ensure the production of publications as appropriate according to policy developments.	Degree of implementation of planned publications (including on-line publications) Two pilot audio-visual projects by end of year	100%	A3	
5. Contacts with the press and with journalists: Inform and explain EU trade policy to the media.	Number of seminars organised with journalists from the EU and the rest of the world and number of journalists participating	2-3 Seminars for journalists; 4-5 background seminars and technical briefings	A3			
6. Communications and media training	Number of internal communications/media training sessions for staff; Meetings of Internal Communications Task Force	2-3 training sessions	A3			



Area	Specific objective	Indicator (what should be delivered)	Target (expected stage of completion in 2012)	Resp Unit	
Communication and Transparency [continued]	Managing requests for information from the public and formal requests for Access to Documents	1. Information requests: Effective handling of information requests from the public (external trade mailbox)	Satisfaction levels of users regarding answers received	85% of requests handled within deadlines	A3 together with operational units
			Reduction in number of requests which go unanswered (currently +/- 25%)	100% of requests beyond deadline receiving holding reply.	
	2. Access to documents: Improved and faster handling of requests, together with better information and training within the DG	Number of training sessions for TRADE staff/cabinet	2 x training sessions for staff/cabinet	A3 together with operational units	
		Number of requests answered within deadline (30 days)	100% for simple requests. As much as possible for complex requests		
	Number of confirmatory requests	Reduction in % of confirmatory requests (if possible)			
Evidence based policy making	Formulation of sound, evidence based policies by providing support at all stages of the policy life cycle, from the elaboration of high-quality Impact Assessments (when a new policy is developed) and Sustainability Impact Assessments (when an agreement is being negotiated), to the conduct of robust ex-post Evaluations of key policies and instruments with a view to improving their efficiency in the light of experience gained.	1. Impact Assessments accompanying new policies/negotiating mandates	Successful examination of draft Impact assessment by the Impact Assessment Board	% of resubmission below Commission average	operational units and O1
		2. Sustainability Impact Assessments (SIAs) for all major trade negotiations	Launching SIAs no more than 6 months after adoption of the negotiating directive	100% of negotiations	operational units and O1
		3. Ex-post evaluation of key policies and instruments	Percentage of implementation of the evaluation plan	100%	operational units and O1
Economic analysis	Provide high quality economic analysis to contribute to the formulation of evidence based EU trade policies	1. New Trade Policy	Contribute to the implementation of initiatives defined in the trade policy strategy	100% timely delivery	G2
		2. Multilateral trade policy	Policy notes on the role of WTO, on the Doha Development Round and on plurilateral agreements	100% timely delivery	G2
		3. Bilateral and regional trade policy	Policy notes and reports on preferential trade agreements with key trading partners	100% timely delivery	G2
		4. Sectoral trade policy issues	Policy notes and studies on thematic issues (TDI and trade disputes, monitoring trade recovery, non-tariff issues, etc)	100% timely delivery	G2
		5. Statistics	Maintenance and regular update of trade databases, replies to internal and external requests for statistics.	100% satisfactory responses to requests	G2
The following area is subject to the adoption of the Commission Decision referred to hereunder					
Hearing Officer	Enhancing good administration and ensuring procedural fairness in trade proceedings and providing independent internal advice to the Commissioner, the Director General and, if necessary, the College	1. Resolve disputes on the respect of the right to good administration	Compliance (%) with the recommendations and suggestions of the Hearing Officer	> 80%	HO
		2. Raise the awareness of and/or prompt the Director General and if necessary, the Commissioner for Trade to take a position on an issue related to good administration and policy	Follow up (%) on the recommendations and suggestions of the Hearing Officer	> 80%	HO
		3. Adopt the Terms of Reference of the hearing officer for DG Trade together with a Commission Decision delegating certain powers to the Hearing Officer resulting from the ToR	Publication of the Terms of Reference and Delegation Decision	Publication in 2012	HO
		4. Raise awareness about the role of the hearing officer	Number of consultations of the Hearing Officer's website Statistics on the interventions of the Hearing Officer Publication of Annual Reports of the Hearing Officer	Increasing number of consultations of the website	HO



1.2. Administrative support

The administrative support activity for DG TRADE (both at Head Quarters and in EU Delegations) consists mainly of:

- Providing as efficiently as possible to the DG optimal human, administrative, financial and IT resources necessary for it to implement its policy objectives;
- Promoting the development of a forward planning culture within the DG in accordance with the Commission's strategic planning and programming cycle;
- Ensuring the soundness of internal controls established in the DG's operational management and in its financial accounting and reporting systems;
- Ensuring budgetary planning and monitoring of, and reporting on, the execution of the DG's operational and administrative budget, while observing the principles of sound financial management;
- Co-ordinating the DG's document management plan; registering and distributing incoming and outgoing mail.

In addition, DG TRADE has dedicated units to provide specialised expertise and advice in the following domains:

- Internal Audit (Unit 01): Providing independent, objective assurance and consulting services contributing to improve the effectiveness of the risk management, control and governance processes of the DG.

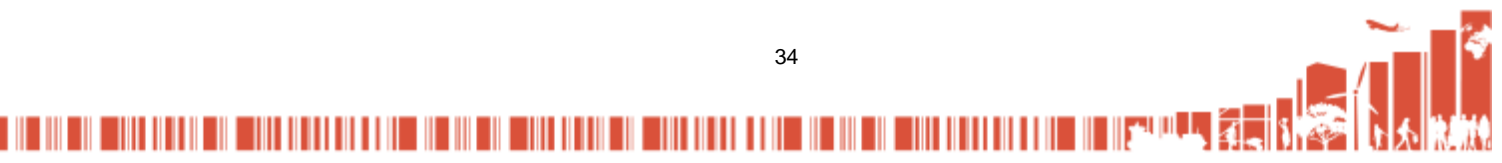
The following outputs and indicators are put forward for the administrative support activity:

Area	Specific objective	Indicator (what should be delivered)	Target (expected stage of completion in 2012)	Resp Unit	
Strategic planning and coherence	Implement the Commission planning and programming process so that the Directorate General delivers its policy objectives contributing to the overall Commission strategy in an effective, timed, efficient, coherent and accountable manner	1. Compliance with Commission rules on Strategic Planning and Programming cycle	Timely delivery of the various contributions to the ABM/SPP cycle (especially Draft Budget, Commission Work Programme, Management Plan, Financing Decision, Annual Activity Report and discharge)	100% documents within the deadline	A-1
		2. Awareness by staff of their units' objectives and the link with the general objectives of the DG	Degree of staff awareness via surveys on Internal Control Standard 5	Stability (and possibly increase) in awareness	A-1 + operational Directorates and units
		3. Involvement of all Directorates/Units in the SPP exercise	% of units that have introduced Unit Management Plans	80% of Units by end 2012	A-1 + operational Directorates and units
		4. Timely adoption of initiatives in the Commission Legislative Work Programme and in the catalogue	Delivery rate (adoption by the College) of initiatives included in the Commission Work Programme and in the dashboard	100%	A-1/A2 + operational units
	Interservice consultation (CISNET); Handling of eGreffé files; President's letters (ARES-based) : Effective management, attribution and follow up on interservice consultations and of President's correspondence within DG	1. Timely handling of CISNET consultations Guidance on procedures, including Fast Track CIS; Timely handling and follow up of President's correspondence; Timely handling and management of eGreffé submissions and procedures for adoption of College decisions; advice given to colleagues on procedures to be followed	Number of CISNET consultations handled within deadlines 95%	100%	A2
HR	Ensure the most adequate use of human resources in the DG and in the EU Delegations by identifying possible needs for additional staff and by redeploying staff as necessary in order to match these with priorities of the management plan/work programme	1. Conduct a review to determine current use of resources at Headquarter and in Delegations and where necessary propose redeployment of staff 2. With the entry into force of the new organisational chart on 1/1/2012, which reflects the new political priorities of the DG, ensure a close follow-up of human resources needs and competences.	At least one annual review (end of the year)	Ensure redeployment of staff as planned and identify future needs	A1
	Analyse the situation of the staff (departure on retirement, redeployment,...) in order to be in a position to respond to the cut of posts decided by the Commission for the next 5 years	1. Conduct a review of possible departures during the year (retirement, CCP,...) 2. Identify possibilities/margins for redeployment of posts	List of posts	Reach the number fixed by DG HR	A1
	Recruit, train, assess, motivate and retain highly qualified staff in order to maintain effective and efficient operation of the DG	1. Training offered to ensure that the DG has the skilled, knowledgeable and competent staff required to meet its present and future needs	Average number of training days per staff member	Above Commission average	A1 + operational units
		2. Better gender balance within the DG	Improve gender balance in AST category Increase rate of women recruited as Administrators	No Commission target for AST Commission target by 2014 43% of women in AD category	A1 + operational units
		3. Better gender balance within the DG at management level	Management positions held by women	Higher % in senior management and middle management	A1 + Senior Management
4. Better work-life balance	% of staff being granted flexible work arrangements (part time, parental leave, flexitime) % of staff given positive opinion in annual satisfaction survey	Increased number of staff that feels that the DG offers satisfactory work-life balance		A-1 + all management	



DG TRADE 2012 Management Plan

Area	Specific objective	Indicator (what should be delivered)	Target (expected stage of completion in 2012)	Resp Unit
Financial management / legality and regularity of operations	1. Compliance with Commission guidelines on payment times	Percentage of payments files executed within Commission targets (SEC(2009) 477 final of April 2009)	> 95%	A1 + operational Directorates and units
	2. Contribute to high budget execution	% of budget execution (commitments) with respect to annual and final budgets	> 90% of final budget	A1 + operational Directorates and units
	3. Contribute to high budget execution	% of budget execution (payments) with respect to annual and final budgets	> 90% of final budget	A-1 + operational Directorates and units
	4. Contribute to high budget execution	% of budget execution (mission budget)	90% of final allocation spent	A1 + operational Directorates and units
	5. Compliance with ICS 8 (financial exceptions)	Number of recorded financial exceptions (deviations from rules and procedures)	Continue reducing the number of financial exceptions	A1 + operational Directorates and units
	6. Compliance with ICS 8 (exceptions in relation to missions)	Number of recorded exceptions related to missions (e.g. ex-post)	Continue reducing the number of exceptions	A1 + operational Directorates and units
	7. Compliance with ICS 8 (overriding controls)	Number of decisions taken that are overriding controls	none	A1 + operational Directorates and units
	8 Reduction of RAL	% of outstanding commitments less than 3 years old	> 95%	A1 + operational Directorates and units
	9. Complaints in procurement procedures	Number of legal cases following complaints in procurement procedures	none	A1 + operational Directorates and units
	10. Quality of financial files	Number of transactions verified without any observations	> 85%	A1 + operational Directorates and units
	11. Recovery order	Number of recovery orders issued	Reduce the number	A1 + operational Directorates and units
Document management	1. Compliance with Commission rules on registration of documents	Registrations in the ARES system. Assignment of tasks in ARES.	Registrations: 100%; Number of ARES task not closed on time: <5%. Reports on non closed tasks prepared and sent by Unit A.1 to units on a monthly basis.	A-1 + operational Directorates and units
	2. Compliance with Commission rules on registration of documents	Number of presentations on "Document Management including ARES in DG TRADE" (as a second part of the Induction Course for Newcomers)	The same number of sessions as the "Induction Course"; generally one per month if there are enough participants, except in August	A-1
	3. Compliance with Commission rules on filing of documents and files	Number of documents stored annually in ARES	100% of filed documents in the ARES Filing Plan. Reports on non closed filed documents prepared and sent by Unit A.1 to units on a monthly basis.	A-1 + operational Directorates and units



DG TRADE 2012 Management Plan

Area	Specific objective	Indicator (what should be delivered)	Target (expected stage of completion in 2012)	Resp Unit	
Internal control and Risk management	Implement and maintain an effective and reliable internal control system and monitor and report on its performance so that common understanding and ownership are ensured, risk of errors in operations is minimised and reasonable assurance is obtained on the legality and regularity of transactions and on the sound management of resources	1. Effective implementation of prioritised standards and at least compliance with Commission rules on all other internal control standards	Timely delivery of reports (iCAT, Position statement) to relevant bodies (DG BUDG, Commissioner, Court of Auditors etc.) Results of internal surveys relating to internal control; Quality of information on relevant intranet sites; Training sessions/consultancy sessions given on internal control related subjects.	Reporting deadlines: 100% Surveys: 1-2 per year Intranet: Up-to-date, complete and pertinent information	A-1
		2. No reservations in the AAR	Number of reservations in the AAR	Keep number of reservations at 0.	A-1 + operational Directorates and units
		3. Coordinating the DGs risk management efforts	Establishment of DG and Directorate level risk registers and establishment of mitigating action plans where appropriate.	Up-to-date risk registers in place. 100% implementation of actions to be implemented	A-1 + operational Directorates and units
Internal Audit	Assess the efficiency and effectiveness of governance, risk management and internal control in DG TRADE and advise the Director General on sound and efficient management of operations and resources to assist him in discharging overall responsibility for it.	1. Implement the annual work programme founded on a risk-based approach as part of a multi-annual strategic plan	Percentage of implementation of the work programme	100%	O1
		2. Issue recommendations resulting from the audit work	Acceptance rate by auditees of the recommendations	>80%	O1
		3. Monitor the implementation of these audit recommendations	Timely implementation by the Auditees of the recommendations	>70%	O1 + auditees
Ethics, security, business continuity, EMAS and personal data protection	Enhance awareness and increase knowledge among DG Trade staff on business continuity and on EMAS (eco-management). Develop an environment whereby staff has knowledge of and respects DG Trade's up-to-date internal ethics and security rules. Incite management to properly implement the provisions of the Regulation aiming to protect personal data processes by EU institutions and bodies.	Ethics: Increase awareness of and respect by staff of rules and obligations based on DG Trade's up-to-date Code of Ethics	1. % of training of newcomers 2. Advice provided to staff and timely dealing of declared external activities in Sysper2	100% Advice provided within maximum 2 working days and dealing with applications in Sysper within a week.	A1
		Security: Increase awareness of and respect by staff of security rules and obligations.	Provide staff if required with relevant security information and eliminate to the extent possible disclosures of confidential information	Reduce number of incidents	A1 + operational Directorates and Units
		Business continuity: Inform staff in advance about the actions that are necessary and the resources which are needed to enable our DG to address unforeseen disruptions of our activities and continue operating to the extent possible	Provide staff with a part (summary) or the whole Business Continuity Plan (BCP) and inform staff that plays a critical role in addressing an incident.	100% of "critical" staff informed 100% of management informed	A1
		EMAS: Minimise the environmental impact of DG Trade staff on their everyday work by taking measures	Incite staff to use water more effective, reduce paper and energy consumption and optimise waste management.	Ongoing process	A1 + all staff
		Personal Data Protection: Incite management to properly implement the provisions of the Regulation aiming to protect personal data processes by EU institutions and bodies	Number of Personal Data notifications	Ongoing process	A1 + management of operational Units
IT	Provide DG Trade and its staff with high quality, secure and cost-effective information technology solutions in support of its mission and administrative needs	1. High availability of the IT services	Availability	> 99.5%	A4
		2. Management of IT assets	Quality of IT equipment inventory	Ratio of lost IT equipment \leq 1.5% Value of lost IT equipment = 0	A4
		3. IT Helpdesk performance	Percentage of urgent calls solved in less than 2 hours Percentage of normal calls solved in less than 4 hours	90% 90%	A4
		4. Information Systems development	Number of projects mentioned in the IT master Plan implemented on time	100%	A4
		5. Overall IT Service quality	Users satisfaction (measured by means of a survey)	> 80 % satisfaction	A4
		6. IT security	IT security plans for all information systems considered as specific An updated IT Services Continuity plan exists	100%	A4



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