



# Strategic Plan 2020-2024

Directorate-General for Trade

Trade

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## INTRODUCTION

This strategic plan sets out how the European Commission's Directorate-General for Trade (DG Trade) will pursue an ambitious agenda in the next five years, 2020-2024. DG Trade will pursue its specific objectives under two of the Commission's general objectives, *An economy that works for people* and *A stronger Europe in the world*.

Part 1 of this strategic plan 2020-2024 focuses on the delivering of the Commission's priorities and Part 2 explains how DG Trade will use its resources to achieve these priorities as a modern administration.

DG 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 sustainable growth and jobs, investment and innovation, and seek to improve conditions for citizens, consumers, workers and self-employed, small, medium and large businesses, 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, while being consistent with the European social model and values, and the climate and environmental objectives.

The international context in which trade policy is operating is particularly challenging, as it is affected by several trends such as the rise of geo-strategic rivalries between the US and China, the increasing resort to unilateral measures and economic nationalism, and the crisis of the multilateral trading system and in particular of the World Trade Organization (WTO). These trends, already apparent in the recent past, are further being exacerbated by the Covid-19 crisis. Trade policy has played a role in managing the immediate health crisis and notably ensuring that supply chains are maintained so as to ramp up production. But trade policy will have an even more decisive role to play in the economic recovery coming out of the crisis, particularly in terms of generating economic growth and jobs. As such, trade policy will support the objective of building the EU's open strategic autonomy.

## **PART 1. Delivering on the Commission's priorities**

### **A. Mission statement**

The European Commission's Directorate-General for Trade develops, implements and enforces the EU's trade and investment policy with the objective of asserting the interests of the European Union and its Member States to the benefits of European citizens, consumers, and small, medium and large businesses.

The EU's trade and investment policy establishes and develops mutually beneficial trade relationships with partners outside Europe. It creates opportunities and access for EU businesses of all sizes to sell their goods and services, and to invest around the world, while diversifying and promoting resilient supply chains and increasing choices for consumers. It creates sustainable growth, jobs, investment and innovation in the EU and contributes to prosperity beyond it. It also helps the Union to protect the EU market from unfair practices and to promote EU values and standards.

Trade and investment policy also helps to achieve broader EU objectives on supporting sustainable development, combatting climate change, and strengthening security as well as the EU's position in the world. It does this by acting autonomously, bilaterally and multilaterally and stands ready to act swiftly against anti-competitive and trade distorting behaviours through assertive enforcement actions.

## **B. Operating context**

In the coming years trade policy will operate in a particularly challenging international environment affected by the rise of geo-strategic rivalries between the US and China, the increasing resort to unilateral measures and economic nationalism, and the crisis of the multilateral trading system and in particular of the WTO.

These trends, already apparent in the recent past, are further being exacerbated by the Covid-19 crisis. Trade policy is already playing a role in managing the immediate health crisis and notably in ensuring that supply chains are maintained so as to ramp up production. But trade policy has an even more decisive role to play over the coming years in the economic recovery coming out of the crisis. Open trade and investment will be crucial to generate the growth and jobs that Europe will need to recover from the crisis provided that the right framework and tools are in place, both on the global scene and internally. As such, trade policy will support the objective of building the EU's open strategic autonomy. This will be reflected in DG Trade's strategy for the years to come.

In this broader context, DG Trade is in charge of developing and implementing the EU's common trade policy in line with the objectives set out in Article 207 of the Treaty on the Functioning of the EU (TFEU). The common commercial policy is one of the EU's exclusive competences mandated to the European Commission in accordance with article 3 of the TFEU. In doing so, it works very closely with other Commission services as well as with the European External Action Service (EEAS), the European Parliament and the Council of the European Union.

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 as well as with international organisations, such as the World Trade Organization (WTO), the Organization for Economic Co-operation and Development (OECD), the United Nations, including the International Labour Organization and Multilateral Environmental Agreements, civil society and social partners.

Trade policy has come under increased scrutiny from civil society, in particular due to growing expectations to deliver economic growth and 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. DG Trade has ensured increased transparency and accountability to all stakeholders concerned, as well as to the public in its policy making, including trade negotiations, and implementation. Effective communication is a central pillar of transparency and accountability and DG Trade publishes a wide range of documents relating to trade policy, agreements and negotiations. These include both technical and legal documents, as well as easy-to-understand texts accessible to a broader audience. DG Trade proactively uses social media to communicate with stakeholders and the public. But beyond transparency and communication, it is also clear that for trade policy to be more broadly accepted by the general public it also increasingly needs to take into account issues such as how the benefits trade brings are shared within society.

The Commission pursues a policy that benefits society as a whole and promotes European and universal standards and values alongside core economic interests. The new Commission under President Ursula von der Leyen is placing new emphasis on enforcement and delivery of the trade agenda. In December 2019, the Commission decided to create the role of Chief Trade Enforcement Officer at Deputy Director General level to give greater weight and visibility to our actions on implementation and enforcement.

DG Trade's activities require a well-managed and efficiently working Directorate General. DG Trade's workforce is its most valuable asset covering 805 staff, out of which 204 are placed in 56 of the EU Delegations around the world. However, 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. DG Trade's activities also rely on the continued availability of IT services. These systems are increasingly important to support 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.

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 for technical assistance or supporting Least Developed Countries' integration 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), an instrument that supports the EU's interests abroad and encompasses a specific trade-related objective.

## **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 EU now has trade agreements with 76 countries, the largest trade network in the world, offering European business opportunities and a fair and predictable working environment on every continent.

Trade has never been more important for the EU economy and will play a central role in helping the EU's economy recover after the Covid-19 pandemic. Trade in countries outside the EU supports 36 million jobs with 674,000 European small firms benefitting from international trade. Foreign investment into the EU supports 16 million jobs.

Trade policy supports the EU's aim to pursue a model of 'open strategic autonomy'. To support the aim DG Trade will:

- build the foundations for resilience, competitiveness and growth by choosing to lead and shape the system of global economic governance
- develop mutually beneficial bilateral relations
- take the necessary measures internally that are needed to strengthen our economy and defend it from unfair and abusive practices.

This approach serves the interests of Europe, but also of the world:

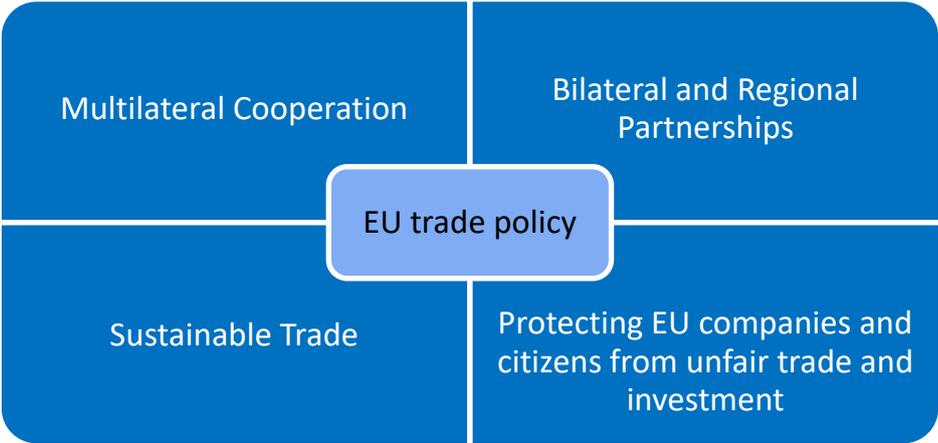
- The EU economy's strengths in capital, technology and know-how, as well as our dependence on imports of energy, food, fodder and other commodities, underline the needs for the EU to integrate itself into the world economy.
- Trade policy is the bridge between a global economy that must be harnessed for human needs and EU values, such as decent job-creating growth; social, climate, environmental and consumer protection; cultural diversity; services of general interest provision and global public goods; sustainability; solidarity; equity; inclusiveness; and transparency. Trade policy aims to develop trade in the interests of growth, including in developing countries, and the European social model and its climate and environmental objectives.

In the current context, open trade will be key to exiting the health crisis in the short term but also a key part of the long-term objective of the EU's strategic autonomy. In a world where 85% of economic growth will take place outside Europe and where some regions are likely to recover faster than others from the economic crisis, open trade will also be indispensable to 'connect' European economies with external sources of economic growth.

**Over 2020-2024, Trade policy will thus be both:**

- a motor for the recovery and the development of the macroeconomic, structural and social policies that will maintain EU competitiveness, and successful EU participation in and creation of open markets; and
- the embodiment of the mix of EU values set out above.

EU trade policy works along four main axes:



**Multilateral Cooperation**

The rules-based multilateral trading system, with the WTO at its core, has been at the heart of the relative stability in economic relations over the last 70 years. It rests on the fundamental principles of non-discrimination, predictability and fairness, which it ensures through transparency, dialogue and a binding enforcement mechanism. The EU is itself a rules-based organization that operates more effectively in a rules-based environment.

In response to the crisis facing the WTO and with a view to address the Covid-19 consequences the EU will prioritise those reform proposals that respond the most to the current crisis, such as transparency, an initiative on trade and health, and enhancing sustainability at the WTO. Furthermore, the EU will seek an update of the multilateral rule book which should reflect today's trade realities, keeping up with the rise of emerging countries and technological development. The EU also seeks to restore a two-step, independent and legally binding dispute settlement system.

**Bilateral and Regional Partnerships**

The EU develops bilateral and regional partnerships to diversify its trade networks, strengthen mutually beneficial trade and investment, and advance its political priorities. The EU has non-preferential trade relationships (e.g. with the US, China or Russia) and will continue to develop preferential ones where it sees scope for pursuing trade objectives through trade and investment agreements:

- where trade creates a particular need for regulatory cooperation;
- where preferential market-opening and closer cooperation create the critical mass of subjects needed for a full-fledged bilateral or regional agreement. Enhancing regional integration among developing countries increases the market's development role and widens the multilateral trading system basis;
- where rules agreed elsewhere can guide the WTO in deciding how values and the world market should interact e.g. climate change, fisheries management, biodiversity, animal welfare, endangered species;
- where the EU has strong outward investment ties, and the circumstances call for protection rules.

## **Sustainable Trade**

Rules and policies impacting world trade must, like those within the EU, aim for all to share in the growth and prosperity that can flow from the progressive opening of markets. But we must ensure that trade policy supports the broader push for sustainable development and internationally set standards (labour, environment, climate protection, responsible sourcing).

Sustainable development depends above all on internal social, structural, environmental and macroeconomic policies, based on multilateral actions pursued in a range of (mainly UN) networks (ILO, FAO, CBD, OECD) as well as the WTO.

## **Protecting EU companies and citizens from unfair trade and investment**

The EU pursues a fair trading environment and a level playing field in international trade. To achieve this, the EU seeks to develop new international rules and enforce existing ones. In parallel, the EU makes full use of existing tools to defend its interests (such as the Trade Defence Instruments) and develops new ones (upgrade of the Enforcement Regulation, ongoing work on the International Procurement Instrument, design of a new instrument to address the distortive effects of foreign subsidies in the internal market...). The EU's enforcement efforts will be coordinated and advanced by a Chief Trade Enforcement Officer.

In the current particularly challenging environment, the EU's trade policy will pursue the EU's interests by making more progress:

- towards strengthening international cooperation and coordination in favour of rules-based trade;
- towards more diversification through the gradual and reciprocal opening of markets, effective implementation of trade and investment agreements and enforcing EU rights;
- towards strengthening and extending rules for trade and investment which support open markets and reflect EU values;
- towards the promotion and acceptance worldwide of the importance of sustainable – and equitable – development;
- towards establishing a level playing field and protecting EU companies and citizens from unfair trade.

DG Trade will continue to contribute to the EU's economic recovery and job creation following the Covid-19 crisis, delivering concrete trade benefits for European consumers and businesses, while ensuring a dynamic, transparent and efficient policy process, which is sustainable, inclusive, transparent and rooted on sound legal foundations.

## Two Commission general objectives to which DG Trade contributes:

Based on the Commission general objectives, which reflect the six headline ambitions of the President von der Leyen, DG Trade has identified two general objectives to which its five specific objectives mainly contribute. These are:

- An economy that works for people
- A stronger Europe in the world

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



## Five specific objectives for DG Trade's operations

DG Trade has identified five 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: Lead the reform of the World Trade Organization to preserve rules-based trade

Upholding a stable and predictable trading environment, and pursuing the reform and strengthening of the World Trade Organization

WTO is made of customs territories that set, apply and enforce the global rules for trade between themselves.

DG Trade's core objectives for the WTO are:

- to keep the world's trading system fair, predictable and based on common rules;
- to pursue rule-based market-opening for goods, services and investment, on a time-scale that ensures full implementation by all;
- to make WTO a more open and therefore a more effective operation, interacting both with outside constituencies and with other international organisations.
- to bring developing countries fully into the WTO, and its decision-making - and the global economy; and
- to reinforce the WTO's support for sustainable trade policies worldwide.

DG Trade shall pursue these objectives by using to the full the rights the EU enjoys under the WTO to secure compliance where other countries' WTO inconsistent measures harm EU interests and where unfair competition threatens EU industries.

The WTO is now facing a **deep crisis**, with its fundamental principles of non-discrimination and rules-based enforcement being challenged through unilateral action, managed trade deals and the collapse of its dispute settlement function. The root cause of this crisis lies in the **weakness of the WTO's negotiating function**: the WTO has failed to adapt its rules to its changing membership, in particular, the accession of China and its economic model, and the changing ways in which trade is conducted. The growth of its membership has led to increasing difficulties in agreeing on negotiating priorities or in finding consensus, leading to a rulebook that is ineffective against the challenges posed by market-distorting practices.

The WTO therefore needs to change in order to **adapt to the new trade realities** that have emerged since 1995 and to respond to the challenges of the exit of the Covid-19 crisis. We can expect that the deep economic crisis that is unfolding will put the rules-based trading system under pressure from demands for protection and trade-distortive interventions by governments. This creates an urgency to shore up the WTO to enable it to better absorb these upcoming pressures and provide certainty, openness and resilience to the global trading system that will be needed for the recovery. This will involve a reform

that not only touches upon the **substance** of the rules, but also the organisation's **institutional set-up**. The WTO must develop rules that ensure a level-playing field that enhance trade's contribution to sustainability and that effectively address discrimination and regulatory barriers in all sectors of the economy. To allow the space for such rules to develop, the WTO must also adapt its institutional processes to ensure flexibility and balance in Members' rights and obligations.

To this end, the EU will propose the following set of reforms:

- **A new rulebook for the WTO:**
  - To ensure a **level-playing field**, disciplines on **industrial subsidies** must be strengthened; the **forced transfer of technology** must be halted; the behaviour of **State-Owned Enterprises** must be disciplined.
  - To enhance trade's contribution to **sustainability** and a green recovery, the supply of goods and services contributing to climate change mitigation must be **liberalised**.
  - To enhance trade's contribution to global access globally to affordable healthcare products on a predictable and lasting basis, WTO initiatives to **facilitate trade in medical, pharmaceutical and other health-related products** must be explored, eliminating tariffs and addressing non-tariff barriers for imports and exports.
  - To ensure that value chains remain functional and open, **enhanced transparency, services and investment facilitation measures** and **new rules on digital trade** need to be pursued.
- **Flexible Multilateralism**
  - To allow space for the new rulebook to develop, **plurilateral agreements**, whether MFN-based or not, must form part of the WTO framework.
- **Balancing Members' rights and obligations**
  - To ensure that each Member assumes obligations commensurate to their size, **flexibilities granted to developing countries** must be assessed on the basis of demonstrable need in each negotiation.
  - To consider improvements to **market access** commitments.
- **Effective transparency and monitoring**
  - To ensure that the rules are properly applied by the Membership, the obligation for **transparency** must be enhanced and the ability to amicably resolve **trade concerns** should be strengthened.
- **Binding dispute settlement**
  - To ensure that rules are effectively enforced, a **reformed**, two-tier, binding and independent **dispute settlement system** must be restored.

With a view to responding to the challenges that have emerged from the COVID-19 pandemic, the EU will frontload those elements of the WTO reform that respond the most to the current crisis: enhance transparency, notably with respect to measures taken in reaction to the COVID-19 pandemic, including export restrictions; launch a plurilateral initiative on pharmaceutical products and medical devices; and bring sustainability to the

fore while continuing pushing for the ongoing rule-making negotiations on digital trade, services and investment. We will maintain the medium-term, fundamental objective of tackling industrial subsidies as well as the institutional reform aspects.

Despite all efforts to avoid blockage of the dispute settlement system, WTO Members failed to agree to appoint new members of its Appellate Body, making the dispute settlement system unable to function.

The EU will continue its efforts to resolve this situation, notably by being supportive of the informal process under the auspices of the WTO General Council. Pending this resolution, the EU has been to the fore in putting in place contingency measures to apply as long as Appellate Body appointments remain blocked. The 'Multi-party interim appeal arbitration arrangement', also known as the 'MPIA', allows participating WTO Members to use arbitrators, in accordance with WTO rules, to deal if necessary with any appeals in trade disputes between them, as long as the Appellate Body remains unable to function fully. The EU will continue to encourage additional WTO Members to join the MPIA. Resolving the Appellate Body impasse as part of wider WTO reforms remains, however, the priority.

A Commission proposal to amend the Enforcement Regulation is the EU's third line of defence to enable sanctions in cases of illegal measures and simultaneous blocking of WTO dispute settlements. This should be adopted in 2020.

**Specific objective 2: Creating opportunities for European businesses through new trade and investment agreements and an additional effort to monitor and improve the implementation and compliance of existing trade and investment agreements**

Opening markets and creating opportunities for EU companies and workers by implementing existing agreements, assertively pursuing our values and interests, enforcing our rights, and negotiating new deals when the conditions are right.

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, thus supporting diversification and global supply chain security. Bilateral trading relationships should not, however, be limited to the negotiation or implementation of trade agreements as the EU still trades with almost half of its partners under WTO non-preferential terms.

Exports to the rest of the world have become an increasingly significant source of jobs for the Europeans: more than 36 million jobs in the EU are supported by them. On average, these jobs are better paid than jobs elsewhere in the economy. Moreover, when EU firms in one Member State export, workers in other Member States can also benefit: many firms provide goods and services along the supply chain and benefit indirectly when a final product is sold abroad. Foreign investment into the EU directly supports 16 million jobs. As a result, the benefits of trade and investment are spread much more widely than is often realised.

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 Organization, plurilaterally amongst a group of like-minded countries or bilaterally with a 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 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, to promote solid intellectual property laws and their effective enforcement as well as to enhance access to public procurement. This is pursued through the WTO and through various settings of plurilateral discussions for sectoral agreements, such as the Information Technology Agreement (ITA), the Investment Facilitation Agreement or the Government Procurement Agreement (GPA). 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.

Our FTAs and investment agreements go beyond the WTO rules in liberalising trade. The new generation of EU FTAs cover goods, services, digital trade, intellectual property, investment, public procurement, technical barriers to trade, sanitary and phytosanitary measures, energy and raw materials, customs and trade facilitation, competition (incl. subsidies and State-Owned Enterprises), good regulatory practices, and contain commitments on customs duty reduction, access to services and procurement markets, and tools to reduce or eliminate 'non-tariff barriers' or unjustified sanitary barriers. In the area of investment and beyond the liberalisation angle, DG Trade also engages in negotiations on investment facilitation and, when appropriate, investment protection. In addition, DG Trade pushes areas that are important in terms of EU values such as sustainable development and the link to the protection of human rights. DG Trade will also continue to propose, when appropriate, animal welfare provisions in bilateral trade negotiations. Any new trade agreement concluded in the period 2020-2024 will have a special focus on SMEs and will have legally binding commitments on workers' rights and the environment, including a specific reference to the Paris Climate Agreement.

Once negotiations are concluded, the agreements need to be ratified by the Council after the consent of the European Parliament. Without their positive agreement, these agreements cannot enter into force.

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

The EU has concluded an FTA with Singapore, entered into force on 21 November 2019, and an FTA with Vietnam, entered into force on 1 August 2020. The investment protection agreements with these countries are awaiting ratification by Member States.

The EU has also started talks for new or upgraded agreements with Australia, Chile, Indonesia, Morocco, New Zealand, and Tunisia, and concluded negotiations for an upgraded trade agreement with Mexico and an agreement with the South American trading bloc, Mercosur. Negotiations also continue for a comprehensive investment agreement with China. With the Gulf Cooperation Council, negotiations are on hold awaiting their position on key elements of the EU's modern trade agreements.

As to the ACP countries, implementation of the seven existing Economic Partnership Agreements (EPAs) will continue, with some new countries likely to join in. The EU will deepen the content of some of these agreements, especially in Africa (where five EPAs are implemented), where partners are willing to go further. Deepening negotiations are ongoing with a group of five countries in the Eastern and Southern Africa (ESA-5). The EU will also explore talks on sustainable investment with several African partners. The EU has also negotiated and agreed EPAs with the East African Community – EAC (Burundi, Kenya, Rwanda, Tanzania, and Uganda) and 16 West African countries. The signature and ratification processes for the latter two agreements have not been completed by African states and therefore the agreements are not yet being applied. The EPAs function as 'building blocks' towards the African Continental Free Trade Area (AfCFTA) supported by the EU.

During the period covered by this strategic plan, the EU could also engage in negotiations for modernising the FTA and other trade-related agreements with Switzerland (the process leading to the preparation of draft negotiating directives should start as soon as the Institutional Framework Agreement negotiated between the EU and Switzerland is signed) and of the Customs Union with Turkey as soon as the draft negotiating directives submitted by the Commission could be adopted by the Council. In its conclusions adopted in June 2019 and reiterated in June 2020, the Council indicated that in the current political context it did not foresee progress in the modernisation of the Customs Union.

DG Trade will continue working towards a positive, balanced and mutually beneficial trading partnership with the United States.

The aim of these agreements is to create growth and jobs for both trading partners by removing trade and investment barriers. Removing such barriers and promoting fair, transparent and predictable legal environment in the partner countries would boost and facilitate the buying and selling of goods and services, as well as investment in each of the economies. These agreements have five main elements: i) Market access: removing customs duties on goods and restrictions on services and investment, gaining better access to public procurement markets, and making it easier to invest, ii) promoting transparent, accountable and predictable regulatory practices and addressing certifying requirements that are more burdensome than necessary, iii) promoting the use of international product standards by the EU's trading partners; iv) to promote and project EU values, in particular on labour and the environment, through trade and sustainable development chapters; and v) promoting a level playing field.

This specific objective contributes to the Commission's general objective *An economy that works for people* by reaping the benefits of WTO membership, bilateral and plurilateral

trade agreements, through the effective implementation and enforcement of 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.

Trade and investment 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 and EU investments abroad.

This negotiation agenda will also 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 *A stronger Europe in the world*.

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 intellectual property rights, authorisations patents, or where unfair or unjustified practices are identified. To that effect, the Commission will reinforce its implementation and enforcement tools and actions.

DG Trade will continue the focus on maximising the benefits of our trade and investment instruments through proper implementation and enforcement of our trade and investment rights and building on the FTAs already in place. This will be particularly important to create further market-access opportunities for EU business and to set up a route with our partners to mutually beneficial recovery from the Covid-19 crisis. The Commission decided to create a dedicated high-level function of Chief Trade Enforcement Officer that will be in place during 2020.

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 will continue to monitor the compliance of WTO members' commitments under their membership. It will not hesitate to propose dispute settlement action when this is necessary and when other channels have been exhausted.

With the EU comprehensive investment policy being introduced progressively, nearly 1200 Bilateral Investment Agreements (BIA) 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. The Commission will continue checking that Member States fulfil the conditions and authorising them to, negotiate and sign bilateral investment agreements with third countries.

The EU is negotiating the establishment of a Multilateral Investment Court, designed to provide a permanent mechanism for the settlement of investment disputes and so address the concerns that have arisen with the existing ad hoc system. This new mechanism would apply to disputes under EU agreements and as many as 3000 bilateral investment treaties that exist worldwide. Negotiations will continue in the United Nations Commission for International Trade Law (UNCITRAL) before approval of the outcome in the United Nations General Assembly. The EU should also proceed to ratify the UNCITRAL Convention on Transparency in Investor State Dispute Settlement (the Mauritius Convention).

The EU is also actively participating in the negotiations for modernising the Energy Charter Treaty (ECT), which started in December 2019. The main objectives of the EU are to modernise the ECT provisions on investment protection in line with modern standards of recently concluded agreements by the EU and its Member States; to better reflect sustainable energy objectives and contribute to the objectives of the Paris Agreement and to reform the ECT investor-to-State dispute settlement mechanism in line with the EU's engagement in the above mentioned UNCITRAL.

In the area of public procurement, DG Trade will continue to promote transparency, good governance and reciprocity with third countries, including through pursuing the establishment of an appropriate EU instrument to ensure openness of foreign procurement markets for EU companies, goods and services. A priority for the Commission is the International Procurement Instrument on which it has been pushing the Council to adopt a position so that trilogies can start. The Instrument will give the EU leverage to negotiate better access for EU companies to procurement markets outside the EU.

The FTA Implementation Report will continue 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.

**Specific objective 3: Protecting EU companies and citizens from unfair trade and investment by making full use of existing Trade Defence Instruments, developing new tools and focusing on enforcement of existing commitments at an EU or international level**

Ensuring fair and open trade by pursuing mutually beneficial trading conditions and combatting unfair competition internally and in third countries.

Within the WTO framework, the EU has its own system of Trade Defence Instruments (TDI) to combat unfair trade practices in international trade. The EU is an efficient user of these instruments and applies a number of conditions additional to the WTO rules to ensure their use is measured. The instruments are carefully designed to ensure a level playing field and reintroduce balance in place of distortion. The EU uses trade defence instruments to re-establish a competitive environment for EU industry when it is harmed by unfair imports.

This specific objective is thus contributing to the Commission's general objective *An economy that works for people*.

The Commission stands firm against unfair trade practices through anti-dumping and anti-subsidy. This is necessary to uphold the EU's commitment for a Union that protects, empowers and defends. The EU is one of the main users of trade defence instruments globally.

The Commission principally targets two forms of unfair trade practices: subsidisation and dumping. Subsidisation appears 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 a constructed price reflecting costs and profit.

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

The Commission may also adopt safeguard measures on imports of a certain product that increase so suddenly and sharply that EU producers cannot reasonably be expected to adapt immediately to the changed trade situation. No unfair trade practices are at stake here. In such cases, WTO and EU rules allow for short-term measures to regulate the imports, giving EU companies temporary relief and time to adapt to this unforeseeable surge.

DG Trade ensures that procedures are followed rigorously and takes all the Union's interests into account. Open trade is a recognised engine for growth and job-creation but it requires that fair competition, without distortions, is maintained between domestic and foreign producers. DG Trade will continue to maintain and improve a transparent, efficient and effective system to combat distortions and unfair trade practices.

To make sure that the EU remains one of the world's most open investment environments, and thereby a source of growth and jobs while protecting its essential interests, the EU adopted Regulation 2019/452 establishing the framework for the screening of foreign direct investment into the EU, which will fully apply from autumn 2020. It will enable Member States and the Commission to identify and address security concerns related to specific investments from outside the EU.

All of these instruments will become even more important in the efforts to ensure to ensure the EU's strategic autonomy after the Covid-19 crisis, since together with building resilient supply chains, based on diversification and strategic stockpiling, trade policy will also protect the EU against unfair competition or other hostile actions without slowing down or preventing foreign investment, or undermining the overall EU business environment.

**Specific objective 4: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence**

## **to international commitments on labour and the environment, gender and sustainable supply chains**

Deploying trade measures to contribute to sustainability, including the achievement of Sustainable Development Goals (SDGs) by 2030, the fight against climate change, biodiversity loss, deforestation and other relevant global environmental priorities outlined in the Commission's European Green Deal as well promoting internationally agreed labour standards and human rights.

This specific objective contributes to the Commission's general objectives *An economy that works for people and A stronger Europe in the world*, 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.

EU trade policy aims to ensure that economic development goes hand in hand with social justice, respect for human rights, high labour standards, and high environmental standards. The EU and its Member States are fully committed to implementing Agenda 2030 and its Sustainable Development Goals into EU policies.

The EU strives to ensure trade policy helps promote sustainable development through:

- EU trade and investment agreements;
- Special incentives for developing countries such as the unilateral Generalised Scheme of Preferences, and;
- Trade and development policy, such as the EU Conflict Minerals Regulation.

EU trade and investment agreements contain rules on trade and sustainable development since 2011. The EU and its trade partners must, among other things:

- follow international labour and environment standards and agreements;
- effectively enforce their environmental and labour laws;
- not deviate from environmental or labour laws to encourage trade or investment, thereby preventing a 'race to the bottom';
- promote sustainable trade in natural resources, such as timber and fish;
- combat illegal trade in threatened and endangered species of fauna and flora;
- encourage trade that supports tackling climate change, and;
- promote practices such as corporate social responsibility and responsible business conduct;
- involve civil society in the implementation of trade and sustainable development provisions.

The EU also uses its trade agreements to promote sustainable public procurement, and to remove barriers to trade and investment in renewable energy.

After a debate involving EU institutions, EU Member States and civil society organisations, on 26 February 2018<sup>1</sup> the Commission published a non-paper *15-Point TSD Action Plan* to make the implementation of trade and sustainable development chapters more effective and to improve their enforcement along four axes: i) working together with the Member States, the European Parliament and international organisations; ii) enabling civil society to play its role; iii) delivering results; and iv) transparency and communication. In the coming years, the Commission will continue to push ahead with the implementation of this *Action Plan*, which is subject to a review by 2023.

With regard to providing incentives for developing countries, almost 50 years ago, the United Nations Conference on Trade and Development (UNCTAD) invited developed countries to help developing countries integrate into the world economy. The Generalised System of Preferences (GSP) was born and today, about a dozen countries have GSP mechanisms in place.

EU's Generalised Scheme of Preferences<sup>2</sup> offers under its three arrangements a removal or reduction of import duties for products coming into the EU market from vulnerable developing countries. This helps developing countries to alleviate poverty, integrate into global value chains and create jobs based on international values and principles, including labour and human rights.

The EU offers:

- **A general GSP arrangement** for low and lower-middle income countries. This means a partial or full removal of customs duties on two thirds of tariff lines.
- **GSP+**: the special incentive arrangement for sustainable development and good governance. It slashes the same tariffs to 0% for vulnerable low and lower-middle income countries that implement 27 international conventions related to human rights, labour rights, protection of the environment and good governance.
- **EBA (Everything But Arms)**: the special arrangement for least developed countries, providing them with duty-free, quota-free access for all products except arms and ammunition.

In the years 2020-2024, DG Trade will work on the future GSP Regulation, given that the current one expires at the end of 2023. This will build on the mid-term evaluation of the GSP, which was finalised in 2018. The Commission will also publish a biennial report on GSP to the European Parliament and the Council by the end of 2021. The report will also include detailed assessments of the situation of GSP+ beneficiaries.

For the period 2020-2024 under the **European Green Deal**, the Commission will deploy measures to ensure that all relevant EU policies, including trade policy, live up to a green oath to 'do no harm'. At the same time, the Commission will ensure that all Green Deal

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<sup>1</sup> <https://trade.ec.europa.eu/doclib/html/156618.htm>

<sup>2</sup> Regulation (EU) Reg. 978/2012

initiatives are compatible with the EU's international obligations, including WTO rules, and that they achieve their objectives in the most effective and least burdensome way.

On climate, DG Trade will contribute to promote the EU's domestic and international climate objectives in its trade actions and policies, including on the effective implementation of the objectives of the Paris Agreement. This will include using bilateral and multilateral trade tools to facilitate trade and investment in climate friendly technologies (goods and services) and the Trade and Sustainable Development chapters in FTAs. DG Trade will also contribute to the design and introduction of the Commission proposal for the Carbon Border Adjustment Mechanism (CBAM) for selected sectors, to reduce the risk of carbon leakage. Working closely with the DG Taxud and DG Clima, DG Trade will work on the engagement with countries and on ensuring that the CBAM is fully compliant with WTO rules and the EU's other international obligations, including its trade agreements.

In the other environmental areas of the Green Deal, including biodiversity, the circular economy, deforestation, and sustainable food systems, DG Trade will contribute to promote the EU's objectives and ensure measures proposed are in line with international rules.

DG Trade will continue to work on the promotion of and compliance with international core labour standards. Here, it will also pay particular attention to elimination of child labour in its trading partner countries in line with the zero-tolerance approach outlined in President Ursula von der Leyen's political guidelines.

DG Trade will continue its strong commitment to promote and support responsible business conduct throughout the supply chains, through its trade and investment instruments, projects, engagement in actions with international fora, and engagement with both business and partner countries.

DG Trade will also intensify collaboration with international organisations, business and other stakeholders and partner countries to ensure that sustainable development is part of the exit strategy of the Covid-19 crisis, in particular as regards the needs of developing countries.

**Specific objective 5: Improve the acceptance and understanding of EU trade policy, in particular, by ensuring that it is pursued in an open, inclusive and transparent manner**

More engagement and better communication with the European Parliament, the Council and civil society ensuring that trade policy responds to citizen's concerns

The Commission is strongly committed to ensuring trade policy is transparent and inclusive in order to enhance legitimacy and public trust.

DG Trade will ensure the highest levels of transparency and communication with the European Parliament, the Council, stakeholders and the public. It will publish up-to-date information about trade policy on its website in easy-to-understand language, publish press releases, news items and factsheets, and engage actively on Twitter where it has nearly 50,000 followers. DG Trade will hold regular meetings of its Civil Society Dialogue on a range of trade policy issues.

As regards trade negotiations, DG Trade will provide regular briefings to the European Parliament before and after each round of talks; engage with civil society and stakeholders; publish documents at the different stages and ensure easy-to-understand information is available on its website. DG Trade will also use social media to inform the public and stakeholders of policy developments:

As regards trade negotiations, over the past few years, DG Trade has made significant efforts – both in terms of how it engages with civil society and stakeholders, and of the publication of documents at the different stages.

1. **Before the launch of a negotiation**, the Commission systematically publishes its recommendations for negotiating directives for trade agreements. The publication of these draft negotiating directives allows all interested organisations and individual members of civil society, as well as the relevant parliaments in Member States, to have a better informed view and to discuss issues of interest and concerns right from the start of preparations for a negotiation.
2. **During the negotiations**, DG Trade publishes substantive material, to allow all interested stakeholders to follow the development of discussions. Throughout the negotiations, the Commission also engages with stakeholders through regular Civil Society Dialogue meetings that are open to any European civil society organisation, be it non-governmental organisations, trade unions and business organisations from various fields, or national trade associations.

Another important element of outreach to Civil Society is the Sustainability Impact Assessment (SIA) process that is conducted in parallel to any major negotiation.

3. **After finalising the negotiations**, DG Trade publishes online the consolidated negotiated text supported by information material explaining the results of the negotiations in practical terms.

DG trade is also stepping up transparency efforts during the implementation phase of the EU's FTAs with the publication of agendas and reports of committee meetings. This will be standard practice for all future FTAs.

After enough time has passed from the moment the agreement comes into force, the Commission prepares an ex-post evaluation of the impact of the agreement. The results of these ex post evaluations draw in large measure on input from relevant stakeholders and wider civil society (including an open public consultation). This input, as well as the ex-post evaluation, is made public.

For the period 2020-2024, the Commission is keen to do even more with a new package of transparency measures that includes also the publication of:

- the Commission's decision authorising Member States to negotiate and conclude bilateral investment agreements with third countries;

- non-business sensitive summary records from the meetings of the Trade Defence Instruments Committee, and;
- Commission recommendations for negotiating directives, not only for preferential trade agreements, as this is already the case, but also for non-preferential ones.

These additional measures will further strengthen the EU's global leadership position by ensuring EU trade policy is transparent and inclusive.

To improve acceptance and understanding of EU Trade Policy, DG Trade will apply better regulation as an integral part of the policy process with evidence-based proposals. These will be widely consulted upon, subject to impact assessments and reviewed by the independent Regulatory Scrutiny Board, ensuring that Trade and Investment Policy makes life easier for people and businesses, without imposing excessive burdens on them. DG Trade will continue to apply a multi-annual evaluation plan, covering ex-post/interim evaluations five years after their entry into force, with some adaptations in light of particular circumstances.

## External factors influencing trade and investment policy making

The outcome of DG Trade's work is not only dependent on its own efforts, but is also influenced by other broader factors, such as socio-economic changes, political priorities and third party engagement.

In the years 2020-2024, trade policy will be significantly affected by the unprecedented Covid-19 crisis. Trade is expected to decline sharply in 2020 and restrictions have been imposed on trade in goods and services. It will take time to return to the pre-crisis situation. In the light of this, DG Trade will stress the importance of ensuring open and fair trade as part of the recovery strategy, both at global and at EU level.

Negotiations often include 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 affect decision making.

Equally, it is not possible to anticipate with absolute certainty the number of negotiating opportunities or trade and investment disputes that may arise during the life of this Strategic 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 businesses in the EU and the country(ies) covered by the agreement to deliver the agreements' potential. Awareness raising is, therefore, crucial and a shared 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. Civil society stakeholders, including business representatives, also have an important constructive role to play in making implementation of agreements effective.

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 five years. It is not the measuring of these impact indicators as such but their comparative analysis over time that will prove to be most useful.

Policy performance tables can be found in annex 1.

## D. Key performance indicators

### KPI 1: Preference utilisation rates of EU preferential trade arrangements<sup>3</sup> for the EU and partners' side

**Explanation:** This indicator will show the extent to which businesses 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 (2019)				Interim milestone (2022)	Target (2024)
Preference utilisation EU importers					
FTA	2017	2018	2019	Increase of rates	The objective 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 maximise the coverage over time.
Chile	96%	94%	96%		
Mexico	75%	76%	73%		
Colombia	96%	98%	97%		
Peru	97%	96%	97%		
South Africa	80%	82%	87%		
South Korea	87%	88%	89%		
Turkey	87%	80%	89%		
Ukraine					
Preference utilisation EU exporters					
FTA	2017	2018	2019	Increase of rates	The objective 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 maximise the coverage over time. Due account should be taken that certain preferences may not be used due to extraneous company choices. This should also be seen against the background of duty savings.
Chile	88%	86%	85%		
Colombia	70%	73%	78%		
Costa Rica	-	-	60%		
Egypt	65%	68%	-		
Montenegro	86%	86%	87%		
South Korea	72%	81%	80%		
Japan	-	-	53%		

<sup>3</sup> A selection of countries is shown, where agreements have been in place for a certain time. This might be complemented in due course with more recently concluded agreements.

**KPI 2: Percentage of trade covered by applied bi-lateral and regional agreements<sup>4</sup>**

**Explanation:** This indicator will show the extent of the EU trade covered by EU's applied preferential trade and investment agreements and the evolution of this coverage.

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

<b>Baseline</b>			<b>Interim milestone</b>			<b>Target</b>		
Goods (2017-2019) and services (2016-2018) average FTA status 31/12/2019			(2022)			(2024)		
<b>Percentage of trade in goods and services</b>								
Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
29%	32%	31%	31%	33%	32%	32%	35%	33%

**KPI 3: Preferential imports from GSP beneficiary countries**

**Explanation:** This indicator illustrates the extent of EU's contribution to increased exports from GSP beneficiaries which is conducive to economic growth and jobs, specifically in the poorest (least developed countries and other vulnerable lower income) countries.

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

<b>Baseline</b>				<b>Interim milestone</b>	<b>Target</b>
				(2022)	(2024)
Imports (M EUR)	2017	2018	2019	Increase	Increase
All GSP	65,388	68,397	73,479		
GSP EBA	25,072	27,011	29,476		
GSP General	31,120	32,097	33,738		
GSP Plus	9,196	9,289	10,265		
Average/country	797	912	1,035		
Utilisation	83.6%	83.7%	84.4%		Over 85%

<sup>4</sup> This indicator does not cover multilateral WTO nor the plurilateral sectoral negotiations and agreements

## **PART 2. Modernising the administration**

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.

As a modern public administration, the Commission implements an internal control framework inspired by the highest international standards. The Commission's system covers all the principles of internal control identified in the *Committee of Sponsoring Organizations of the Treadway Commission 2013 Internal Control framework*, including:

- financial control
- risk management
- human resource management
- communication
- safeguarding and protecting information.

DG Trade has set up an internal control system tailored to its particular characteristics and circumstances and regularly assesses its implementation and overall functioning. This assessment is based on indicators, the most strategic of which are listed in this section of the strategic plan.

### **A. Human resource management**

Objective: DG Trade employs a competent and engaged workforce and contributes to gender equality at all levels of management to deliver effectively on the Commission's priorities and core business.

In order to ensure the effective management of human resources and to optimise the capacity to deliver on priorities in this strategic plan, DG Trade will develop a local HR strategy with a medium to long-term outlook (3–5 years) consistent with the overall corporate HR strategy.

DG Trade is considered a well-managed, modern and efficient DG, benefitting from hardworking and dedicated staff. Our main challenge for the coming years will continue to be to handle the ever increasing workload with at best a stable level of human resources, while at the same we see a skills- and workload shift towards increased implementation and enforcement work, for example, through the increased focus on ensuring market access, legal advice in finalising trade agreements and in managing disputes, and monitoring legislation. And all this while keeping our staff motivated.

In a response to the new political environment DG Trade put in place a large reorganisation, in July 2020, with the aim of becoming better equipped to respond to the new Commission priorities i.e. to create an environment fit to deal with the Green and Digital priorities in our work, to adapt for the enhanced enforcement and implementation focus by the creation of a new structure around the Chief Trade Enforcement Officer (CTEO) and to ensure a better balance between geographical and sectoral trade aspects.

The staff allocation and mobility process in DG Trade is in line with the priorities and objectives of the DG, and has been further adapted to be better fit for purpose in the organisational structure. We closely monitor the HR processes, and in particular mobility, through several instruments: The processes stemming from the SPP and budgetary cycle, internal DG Trade Resource reports, performance indicators and strategic planning tools provided by DG HR. Where necessary, we take mitigating actions. Particular analytical focus is put on vacancy rates, length of time people occupy 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.).

To ensure an efficient and effective delivery of DG Trade's priorities and specific objectives, our strategic HR management seeks to ensure that DG Trade can draw on a rich and balanced pool of engaged and professional staff. The delivery of DG Trade's mission and objectives are closely linked to the resources available so strategic HR planning is imperative. This is why in addition to our continuous monitoring and analysis, we prepared a new multiannual DG Trade HR strategy for 2018-2020, bringing together a number of forward looking elements drawing from the policy perspective.

DG Trade's HR strategy aims at maintaining a knowledgeable, motivated and healthy workforce and therefore offers opportunities to all categories of staff, in different grades and functions at different stages in their career and both at Headquarters and in EU Delegations.

Being mindful of the continued very high workload in DG Trade and the political sensitivity of DG Trade's agenda, further actions seeking to improve work-life balance, health and well-being continue to be a priority for the coming year. This new strategy maps out these objectives in more detail and offers a comprehensive approach to HR support. The strategy looks at key numbers and trends for DG Trade's staff as well as at the challenges faced in terms of workload and of the nature of DG Trade's activities. It then identifies possible avenues of response aiming at delivering over the coming years the right people in the right place at the right time in order to achieve successful policy results.

This has been translated into a detailed action plan across five areas ensuring DG Trade:

1. Makes the best use of all our human resources
2. Offers a sustainable and healthy working environment
3. Delivers a modern, networked and inclusive workplace
4. Seeks to manage its talent in way which allows staff to achieve their full potential
5. Benefits from an effective, open and motivated management team by active support of managers at all levels

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 ambitious 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.

To ensure DG Trade is fit for purpose in line with our new priorities and ready for the changing trade policy environment a new HR Strategy will be prepared taking in to account the objectives as set out in this Strategic Plan and the new Commission priorities. It will also draw the lessons learned from the covid-19 crisis as regards the way the DG operates and should operate in the future.

The overall aim is to continue together with senior and middle managers to ensure solid forward planning and optimisation of human resources needed for implementing DG Trade's policy objectives while at the same time ensuring staff engagement through learning and development, well-being and diversity actions in line with the Commission's talent management, diversity and fit@work policy. In 2020, and in addition to trade policy related training events, special focus will be put on training courses on management development and well-being which will be supported by appropriate internal communication actions through our InTRADEnet and other tools.

In the same vain, DG Trade continues to take seriously its commitment to promote gender equality. While we have fulfilled our target of first appointments of female middle management, we will continue our efforts to ensure a balanced pool of AD staff and at management level in in the coming years.

Objective: DG Trade employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business	
<b>Indicator 1: Number and percentage of first female appointments to middle management positions</b>	
<b>Source of data:</b> Commission Decision SEC(2020)146	
<b>Baseline (female representation in management)</b>	<b>Target</b>
1 December 2019	2022 and 2024
32% (10 out of 31)	1 first female appointment by 2022 The target will be reviewed for the period 2023-2024 by January 2023
<b>Indicator 2: DG Trade staff engagement index</b>	
<b>Source of data:</b> Commission staff survey	
<b>Baseline</b>	<b>Target</b>
2018	(2024)
74 %	Maintain/above baseline
<b>Indicator 3: Percentage of staff who feel that the Commission cares about their well-being</b>	
<b>Source of data:</b> Commission staff survey [data to be provided by DG HR]	
<b>Baseline</b>	<b>Target</b>
2018	(2024)
49 %	Above Commission average (51% in 2018)

## **B. Sound financial management**

Objective: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions.

DG Trade has a relatively small operational budget, implemented mainly through direct management, while part of the contributions to international organisations are implemented through contribution agreements, i.e. indirect management. The voted budget amounts to about €17 million in 2020 and is expected to increase slightly towards the year 2024 mainly thanks to the additional funding required for operating the Investment Court System. Within the yearly budget allocation DG Trade mainly acquires intellectual services but also concludes contribution agreements and grants with the international organisations. This budget is mainly implemented as an institutional prerogative, because of the Union's exclusive competence for trade matters under the TFEU.

The important funding of trade-related activities is also implemented through the different financial instruments under Heading 4 of the current Multi-annual Financial Framework (MFF) (called 'Global Europe') and the European Development Fund. From 2021, when the new MFF 2021-2027 should enter into force, these trade-related activities should be financed mainly through a financial instrument NDICI (Neighbourhood, Development and International Cooperation Instrument), which would streamline a number of existing external financial instruments and would be the EU's main tool to contribute to eradicating poverty and promoting sustainable development, prosperity, peace and stability.

Existing financial instruments, as well as future successor instruments like the NDICI, cover a wide area of beneficiary countries and regions (Neighbourhood, African, Caribbean and Pacific and Least Developed Countries). They enable DG Trade to draw on funds for supporting the negotiation and implementation of trade agreements by non-EU member countries, in particular strategic partners. DG Trade is closely involved, both in Brussels and through its staff in Delegations, in the programming and implementation of trade-related projects, as well as in providing technical assistance and aid for trade projects in developing countries.

DG Trade has set up internal control processes aimed at ensuring 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. 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 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.

<b>Objective:</b> The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions	
<b>Indicator: Estimated risk at closure</b>	
<b>Source of data:</b> DG Trade	
<b>Baseline</b> (2019)	<b>Target</b> (2024)
0.5% of relevant expenditure	< 2% of relevant expenditure

### C. Fraud risk management

DG Trade develops and implements its own anti-fraud strategy (AFS). DG Trade will ensure the necessary supervision of the anti-fraud strategy, including reporting to his Commissioner and to the Commission in the context of the Annual Activity Report. All management shall implement the anti-fraud strategy by embedding it into the routine management supervision activities and promoting anti-fraud awareness amongst staff. Their attitude towards fraud, commitment to ethical standards and to a recrimination-free culture for whistleblowing will be the cornerstone of a successful implementation of this strategy. The strategy will be regularly updated in the course of its implementation. DG Trade’s AFS follows the recommendations of the Central Services and takes into account the actions included in the Commission Anti-Fraud Strategy (CAFS) to contribute to its implementation.

<b>Objective:</b> The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy <sup>5</sup> aimed at the prevention, detection and correction <sup>6</sup> of fraud	
<b>Indicator: Implementation of the actions included in DG Trade’s anti-fraud strategy over the whole strategic plan lifecycle (2020-2024)</b>	
<b>Source of data:</b> DG Trade’s annual activity report, DG Trade’s anti-fraud strategy, OLAF reporting	
<b>Baseline</b> (2019)	<b>Target</b> (2024)
100% of action plan implemented on time	100% of action plan implemented on time
<b>Indicator 2: Updated anti-fraud strategy of DG Trade, elaborated on the basis of the methodology provided by OLAF</b>	
<b>Source of data:</b> DG Trade’s anti-fraud strategy	
<b>Baseline</b>	<b>Target</b>

<sup>5</sup> Communication from the Commission 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 176 of 29 April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'.

<sup>6</sup> Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

## D. Digital transformation and information management

Objective: DG Trade is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission.

Concerning data protection, DG Trade systematically ensures that all the IT tools and IT systems developed in house incorporate existing data protection principles, such as privacy by design and privacy by default, including security obligations.

DG Trade will continue with the data protection sessions with middle and senior management started in 2018 presenting Regulation (EU) 2018/1725, with particular attention to novelties including the presentation given by Data Protection Officer.

To raise awareness on data protection, Data Trade Data Protection Coordinator (DPC) will give, at least twice a year, presentations on data protection to newcomers to DG Trade, as part of the newcomer presentation package. During the year, DPC will provide tailored data protection sessions to staff with particular attention to the units which are business owners of processes processing personal data. In addition, DPC will give hands-on specific trainings to all new delegated controllers, tailored sessions to all staff upon request, individually or as a part of the unit meetings.

Information is a major 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, we need to support collaboration with efficient tools. DG Trade intends to extend the use of current and future corporate tools for information and knowledge management, taking into account its specific security needs. DG Trade is therefore developing a more strategic approach to encourage knowledge sharing and collaborative working, in line with the corporate framework, such as developing a share-by-default approach combined with a need-to-know confidentiality scheme. The main objective will be to identify information of corporate interest that could be shared with other services, notably for transparency obligations.

As for the Digital Solutions Modernisation Plan, DG Trade has contributed four papers to the Digital Transformation initiative, part of the European Commission Digital Strategy (ECDS<sup>7</sup>). The purpose of these papers and the associated projects is to contribute to the modernisation of the Commission<sup>8</sup> and of DG trade. To achieve this goal, these activities will abide by the EC Digital Strategy principles<sup>9</sup> that include Digital by Default, ensuring Security and Privacy, guaranteeing Openness, Transparency and Interoperability, while being user-centric and data-driven.

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<sup>7</sup> [https://ec.europa.eu/info/sites/info/files/strategy/decision-making\\_process/documents/ec\\_digitalstrategy\\_en.pdf](https://ec.europa.eu/info/sites/info/files/strategy/decision-making_process/documents/ec_digitalstrategy_en.pdf).

<sup>8</sup> European Commission Digital Strategy - Collaborative Space

<sup>9</sup> [European Commission Digital Strategy - Handbook for implementing the Digital Strategy Principles](#)

For managing the key data assets, DG Trade will contribute to the foundations and build-up of the corporate data ecosystem implementing corporate data governance and data policies for key data assets that have been documented in the data inventory on annual world trade.

DG Trade's main data assets cover nomenclature on products, geographical regions, trade flows in goods and services, tariffs and tariff regimes, foreign direct investments. This data is obtained from a variety of sources and then processed and enriched within DG Trade to generate statistics, and analytical and regulatory reports. These statistics and reports are used internally in the definition of trade policy and in support to antidumping cases and trade negotiations, shared with other Commission services, or published in the interest of companies and the public.

Some data sources include other Commission databases such as Eurostat's COMEXT, and TAXUD's Surveillance and Taric; data obtained from international organizations such as the IMF's World Economic Outlook databases, the WTO's world trade data and the UNCTAD's FDI flows; as well as data received from commercial service providers such as data on public procurement in various third countries or data on EU and third-country tariffs – currently published on Trade Helpdesk and MADB and soon on A2M-.

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 for 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 DG Trade departments. A particular focus will be on increasing the registration of financial documentation within ARES based on an analysis of the established document management practices for financial files.

The integration of TRADE IT systems with HAN is another essential area to achieve efficient sharing and reuse of information. After BASIS and EMT, other applications such as PPMT follow the same scheme.

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

**Objective:** DG Trade is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission

**Indicator 1<sup>10</sup>:** degree of implementation of the digital strategy principles by the most important

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<sup>10</sup> With regards to Indicator 1: degree of implementation of the digital strategy principles, please supply the indicators calculated per system for the top 3 most expensive systems in your DG, as described in the instructions available here: [ECIT Governance - Strategic Planning](#)

## IT solutions<sup>11</sup>

Source of data: DG Trade

1 ----- Project: FDI				
ID	Principle	Baseline 2018	Interim 2022	Target 2024
1.1	Digital by default	0	2	2
1.2	Once only	0	1	1
2.1	Security	0	2	2
2.2	Privacy	0	2	2
3.1	Openness	0	1	1
3.2	Transparency	0	1	1
4.1	Interoperability	0	1	2
4.2	Cross border	0	2	2
5.1	User centric	0	2	2
5.2	Data driven	0	1	1
5.3	Agile	0	1	1
	<b>Average</b>	<b>0%</b>	<b>73%</b>	<b>77%</b>
2 ----- Project: eLicensing				
ID	Principle	Baseline 2018	Interim 2022	Target 2024
1.1	Digital by default	0	1	2
1.2	Once only	0	1	2
2.1	Security	0	2	2
2.2	Privacy	0	2	2
3.1	Openness	0	1	1
3.2	Transparency	0	1	1
4.1	Interoperability	0	1	1
4.2	Cross border	0	2	2
5.1	User centric	0	2	2
5.2	Data driven	0	1	1
5.3	Agile	0	1	2
	<b>Average</b>	<b>0%</b>	<b>68%</b>	<b>82%</b>
3 ----- Project: A2M (follow up				

<sup>11</sup> The European Commission Digital Strategy (C(2018)7118) calls on Commission services to digitally transform their business processes by developing new innovative digital solutions or make evolve the existing ones in line with the principles of the strategy. At the beginning of the year N+1, the Solution Owner and IT Investments Team will assess the progress made on the basis of the proposed modernisation plan. For each of the 3 solutions, a table will reflect – per principle - the progress achieved during the last year.

MADB,THD)				
ID	Principle	Baseline 2018	Interim 2022	Target 2024
1.1	Digital by default	1	1	2
1.2	Once only	0	1	2
2.1	Security	1	1	1
2.2	Privacy	1	2	2
3.1	Openness	1	1	2
3.2	Transparency	1	1	2
4.1	Interoperability	1	1	1
4.2	Cross border	1	2	2
5.1	User centric	1	2	2
5.2	Data driven	1	1	2
5.3	Agile	0	1	2
	<b>Average</b>	<b>41%</b>	<b>64%</b>	<b>91%</b>

**Indicator 2: Percentage of DG Trade's key data assets for which corporate principles for data governance have been implemented**

**Source of data:** DG Trade

Baseline (2020)	Interim milestone (2022)	Target (2024)
40% Business Managers and System Owners identified for all information systems	50% Identify data owners and data stewards	80% <ul style="list-style-type: none"> <li>☒ data stewards share the metadata of their data assets in the Commission's data catalogue</li> <li>☒ processes for data collection/creation, acquisition, access, sharing, use, processing preservation, deletion, quality, protection and security are documented</li> <li>☒ IT systems are updated to support these processes.</li> </ul>

**Indicator 3: Percentage of staff attending awareness raising activities on data protection compliance**

**Source of data:** DG Trade

Baseline (2019)	Interim milestone (2022)	Target (2024)
20% staff taking into account that the new Regulation 2018/1725 on data protection entered into force in December 2018	80% middle and senior management 50% staff	100% of staff

**Indicator 4: Percentage of registered documents that are not filed (ratio)****Source of data:** Hermes-Ares-NomCom (HAN) statistics

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
1.68%	<1.6%	<1.4%

**E. Sound environmental management**

DG Trade takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work.

DG Trade will promote the EMAS corporate campaigns at local level and identify local environmental actions in order to support the Commission’s commitment to implement the objectives of the Green Deal for its own administration, including becoming climate neutral by 2030. These include efficient use of resources, building of right behaviour patterns for natural protection of the environment, promoting positive health impacts and motivating DG Trade staff to personal engagement and active participation in the environmental campaigns.

**Objective:** DG Trade takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work

**Indicator:** Implementation of the actions to promote all corporate EMAS actions and campaigns

**Source of data:** DG Trade

<b>Baseline</b> (2019)	<b>Target</b> (2024)
100% of action plan implemented on time	100% of action plan implemented on time

# ANNEX 1: Policy Performance tables

DG Trade seeks to achieve its specific objectives for the benefit of wider society, meaning in particular for EU 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.

DG Trade pursues its specific objectives in context of two of the Commission's general objectives. These specific objectives, together with their link to the general objectives are set out in the figure below.



**General objective: An economy that works for people**

**Impact indicator 1: EU trade openness**

**Explanation:** Trade openness is necessary for the EU firms to remain globally competitive. Exporting firms are more productive than other firms and support millions of jobs across the EU, while through imports, the EU taps into others countries' resources, production of new and/or cheaper intermediate- and final goods and services, ideas and technologies, etc. Openness to foreign direct investment also brings economic growth, job creation and integration in global value chains, which is why EU countries seek to improve conditions to attract investors.

**Source of the data:** Eurostat (trade), IMF World Economic Outlook (GDP)

**Methodology for calculating the indicator:** EU trade openness is measured as the total extra EU trade (goods and services, imports and exports) divided by the GDP in current prices

Baseline (2017)	Interim milestone (2022)	Target (2024)
	The objective is to increase EU openness through an increase in exports and imports that outpace the growth in GDP	The objective is to increase EU openness through an increase in exports and imports that outpace the growth in GDP
34.9% (EU28)	> 34.9% (EU28)	> interim milestone
42.0% (EU27)	> 42.0% (EU27)	> interim milestone

**General objective: An economy that works for people**

**Impact indicator 2: Jobs and EU exports**

**Explanation:** The fast changing global economy, characterised by the dynamic creation of business opportunities and increasingly complex production chains, requires a good understanding of how trade and investment flows affect employment

**Source of the data:** Timmer et al (2015), An Illustrated User Guide to the World Input–Output Database: the Case of Global Automotive Production”, Review of International Economics., 23: 575–605.

Timmer et al (2016), An Anatomy of the Global Trade Slowdown based on the WIOD 2016 Release, GGDC research memorandum number 162, University of Groningen

EUKLEMS, International Labour Organization (ILO)

Baseline (2017)	Interim milestone (2022)	Target (2024)
	The objective is to increase EU exports and thus the number of jobs supported by exports	The objective is to increase EU exports and thus the number of jobs supported by exports
36 million (EU28)	> 36 million (EU28)	> Interim milestone
35.4 million (EU27)	> 35.4 million (EU27)	> Interim milestone

## General objective: An economy that works for people

### Impact indicator 3: Consumer benefits from trade

**Explanation:** International trade, notably imports, are an important driver of individual well-being. An increase in imports directly consumed by individuals will allow consumers to have access to a wider choice of products, greater variety of goods, better quality and lower prices. EU imports classified by broad economic category (BEC) provide a separate measurement of imports for household consumption and thus offer a good proxy for the benefits brought by international trade to EU consumers

**Origin of the indicator:** United Nations Department of Economic and Social Affairs (2018), Classification by Broad Economic Categories Rev. 5, Statistical Papers Series M No. 53, Rev.5.

**Source of the data:** Eurostat

[https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ext\\_st\\_eu28bec&lang=en](https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ext_st_eu28bec&lang=en)

Baseline (2018)	Interim milestone (2022) Increase imports of household consumption goods	Target (2024) Increase imports of household consumption goods
€381 billion (EU28)	> €381 million (EU28)	> Interim milestone
€367 billion (EU27)	> €367 million (EU27)	> Interim milestone

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.1: Number of on-going<sup>12</sup> EU trade and investment negotiations and number of applied<sup>13</sup> EU trade and investment agreements**

**Explanation:** 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

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
<p>Preferential Trade Agreements with <b>74 partners</b>.</p> <p><u>'New generation' of preferential trade agreements:</u> South Korea, Colombian-Peru-Ecuador, Central America (Honduras, Nicaragua, Panama, Costa Rica, El Salvador and Guatemala), Canada CETA, Japan and Singapore.</p> <p><u>Deep and Comprehensive Free Trade Areas (DCFTAs):</u> Georgia, Moldova and Ukraine.</p> <p><u>'First generation' of preferential trade agreements:</u> Turkey Customs Union, Switzerland, Norway, Israel, Jordan, Palestine, Tunisia, Morocco, Lebanon, Egypt, Algeria, Mexico Global Agreement, Chile Association Agreement, North Macedonia SAA, Albania SAA, Montenegro SAA, Serbia SAA, Bosnia and Herzegovina SAA, Kosovo SAA, Faroe Islands, Liechtenstein, Iceland, Andorra and San Marino.</p> <p><u>Economic Partnership Agreements with African, Caribbean and Pacific (ACP) States:</u></p>	<ul style="list-style-type: none"> <li>- Conclusion of the EPA deepening negotiations with Eastern and Southern Africa (ESA-5).</li> <li>- Conclusion of Angola's accession to the EU-SADC EPA and the accession of new countries to ESA and Pacific EPAs.</li> <li>- Completing signatures of EPAs with East African Community (EAC) and West Africa and start application of these agreements.</li> <li>- Vietnam (FTA entered into force on 1 August 2020).</li> <li>- Restart negotiations for a DCFTA with Tunisia and Morocco;</li> <li>- Continue discussions with GCC on precondition for relaunching FTA negotiations.</li> <li>- Conclusion of agreements with New Zealand, Mexico, and Mercosur).</li> <li>- Signature and provisional application of Enhanced Partnership and Cooperation Agreements with Kyrgyzstan and Uzbekistan, and of a new agreement with Azerbaijan</li> <li>- Launch of new FTA negotiations.</li> <li>- Possible launch of modernisation negotiations of the FTA with Switzerland (if IFA is signed) and of the Customs Union with Turkey (if political situation allows</li> </ul>	<ul style="list-style-type: none"> <li>- Conclusion of FTAs with Australia, Chile, and Indonesia</li> <li>- Conclusion of the investment protection agreements with Singapore and Vietnam</li> <li>- Conclusion or entry into force of the modernised Energy Charter Treaty</li> <li>- Launch of new FTA negotiations.</li> <li>- Council decision on conclusion of Enhanced Partnership and Cooperation Agreements with Kyrgyzstan and Uzbekistan, and of new agreement with Azerbaijan.</li> <li>-- Conclusion of DCFTA with Tunisia and Morocco.</li> <li>- Conclusion of the investment agreement with China</li> </ul>

<sup>12</sup> "On-going trade and investment negotiations" are here identified as negotiations from the point of launch of negotiations to provisional application of the agreement.

<sup>13</sup> This refers to agreements that have been provisionally applied (awaiting ratification) and agreements that have entered into force

<p>Southern African Development Community (SADC) (Botswana, Eswatini, Lesotho, Namibia, South Africa and Mozambique), Eastern and Southern African States (ESA) (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe), EPAs with Côte d'Ivoire, Ghana, and Cameroon (Central Africa) CARIFORUM (Antigua &amp; Barbuda, Belize, Bahamas, Barbados, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St. Kitts &amp; Nevis, Saint Lucia, St. Vincent &amp; the Grenadines, Surinam and Trinidad &amp; Tobago) and Pacific countries (Fiji, Papua New Guinea and Samoa).</p> <p><u>Enhanced Partnership and Cooperation Agreements:</u> Iraq, Armenia and Kazakhstan.</p> <p>Investment agreement: Energy Charter Treaty (1998)</p>	<p>adoption of the negotiating directives by the Council</p>	
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**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.2: Percentage of trade covered by applied bi-lateral and regional agreements<sup>14</sup>**

**Explanation:** This indicator will show the extent of the EU trade covered by EU's applied preferential trade and investment agreements and the evolution of this coverage.

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

<b>Baseline</b>			<b>Interim milestone</b>			<b>Target</b>		
Goods (2017-2019) and services (2016-2018) average FTA status 31/12/2019			(2022)			(2024)		
<b>Percentage of trade in goods and services</b>								
Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
29%	32%	31%	31%	33%	32%	32%	35%	33%

<sup>14</sup> This indicator does not cover multilateral WTO nor the plurilateral sectoral negotiations and agreements

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.3: Percentage of fully liberalised imports from the world (MFN duty-free and preferential duty-free)**

**Explanation:** 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 businesses using imports as inputs in their production.

**Source of data:** Eurostat

Baseline (2019)	Interim milestone (2022)	Target (2024)
Merchandise imports <b>EU imports extra EU</b>	Increase	Increase
72%		

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.4: China and US share in total EU trade in goods, services and investments**

**Explanation:** China and US are the EU's largest non-preferential trading partners. Trade with China and US is thus not captured in any of the other indicators. This indicator will show the importance of these trading partners and will serve as an example of the impact of the plurilateral negotiations/agreement led by DG Trade

**Source of data:** Eurostat

Baseline				Interim milestone (2022)	Target (2024)
<b>Goods</b>					
2019	Imp.	Exp.	Total		
US	12.0%	18.0%	15.2%	Maintain or increase	Maintain or increase
China	18.7%	9.3%	13.8%	Maintain or increase	Maintain or increase
<b>Services</b>					
2019	Imp.	Exp.	Total		
US	23.1%	19.1%	21.0%	Maintain or increase	Maintain or increase
China	3.5%	4.8%	4.2%	Maintain or increase	Maintain or increase
<b>FDI stocks</b>					
2018	Inward	Outward	Total		
US	25.1%	24.9%	25.0%	Maintain or increase	Maintain or increase
China	0,8%	2.0%	1.5%	Maintain or increase	Maintain or increase

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.5: Share of preferential and zero duty imports from GSP countries**

**Explanation:** This indicator will illustrate the extent of EU's contribution to economic growth specifically in the GSP countries.

**Source of data:** Eurostat

Baseline					Interim milestone (2022)	Target (2024)
	Total	Normal	Plus	EBA	Keep ACP share close to 100%	Keep ACP share close to 100%
2017	85%	82%	88%	96%		
2018	86%	83%	88%	96%		
2019	87%	85%	89%	97%		

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.6: Share of preferential and zero duty imports from ACP countries**

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

**Source of data:** Eurostat

Baseline					Interim milestone (2022)	Target (2024)
	Total	Africa	Carrib	Pacific	Keep ACP share close to 100%	Keep ACP share close to 100%
2017	94%	94%	94%	88%		
2018	95%	96%	99%	91%		
2019	96%	96%	99%	92%		

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.7: Number of EU's exporting and importing SMEs**

**Explanation:** 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 internationalising their business

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

*being rather unstable and coming with a considerable delay)*

<b>Baseline</b>			<b>Interim milestone</b>		<b>Target</b>	
Number of trading SMEs extra EU			(2022)		(2024)	
Year	Importing	Exporting	Importing	Exporting	Importing	Exporting
2016	808.281	609.926	maintain	maintain	maintain	maintain
2017	806.470	615.018				

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.8: Preference utilisation rates of EU preferential trade arrangements<sup>15</sup> for the EU and partners' side**

**Explanation:** This indicator will show the extent to which businesses 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

<b>Baseline</b>				<b>Interim milestone</b>		<b>Target</b>	
(2019)				(2022)		(2024)	
Preference utilisation EU importers							
FTA	2017	2018	2019	Increase of rates		The objective 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 maximise the coverage over time.	
Chile	96%	94%	96%				
Mexico	75%	76%	73%				
Colombia	96%	98%	97%				
Peru	97%	96%	97%				
South Africa	80%	82%	87%				
South Korea	87%	88%	89%				
Turkey	87%	80%	89%				
Ukraine							
Preference utilisation EU exporters							
FTA	2017	2018	2019	Increase of rates		The objective 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 maximise the coverage over time. Due account should be taken that	
Chile	88%	86%	85%				
Colombia	70%	73%	78%				
Costa Rica	-	-	60%				
Egypt	65%	68%	-				
Montenegro	86%	86%	87%				
South Korea	72%	81%	80%				

<sup>15</sup> A selection of countries is shown, where agreements have been in place for a certain time. This might be complemented in due course with more recently concluded agreements.

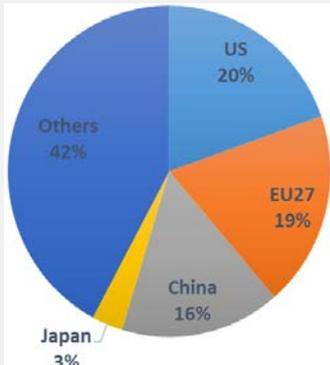
Japan	-	-	53%	certain preferences may not be used due to extraneous company choices. This should also be seen against the background of duty savings.
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**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.9: EU share in imports of partner countries with which the EU has a preferential trade agreement in force**

**Explanation:** 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 compared to other partners on the export market. This indicator may also be helpful in assessing comparative effectiveness of EU's and other partners' preferential instruments compared to selected markets.

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

<b>Baseline</b> (Trade in goods in 2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)												
 <table border="1"> <caption>Data from Pie Chart: EU share in imports of partner countries with preferential trade agreements in force (2019)</caption> <thead> <tr> <th>Partner</th> <th>Share (%)</th> </tr> </thead> <tbody> <tr> <td>US</td> <td>20%</td> </tr> <tr> <td>EU27</td> <td>19%</td> </tr> <tr> <td>China</td> <td>16%</td> </tr> <tr> <td>Japan</td> <td>3%</td> </tr> <tr> <td>Others</td> <td>42%</td> </tr> </tbody> </table>	Partner	Share (%)	US	20%	EU27	19%	China	16%	Japan	3%	Others	42%	Maintain EU share	Maintain EU share
Partner	Share (%)													
US	20%													
EU27	19%													
China	16%													
Japan	3%													
Others	42%													

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.10: Number of new barriers to trade on goods, services and investment identified. Number of barriers partially or fully resolved and value of trade affected/created**

**Explanation:** This indicator will show 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. It will also 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

<b>Baseline</b> (2018)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
No of obstacles identified per year: 45	No of obstacles identified per year: 30-50	No of obstacles identified per year: 30-50
Barriers solved: 35	Barriers solved: 20-40	Barriers solved: 20-40

**Specific objective 2: Creating opportunities for European businesses through new and existing negotiations and an additional effort to monitor and improve the implementation and compliance of existing trade agreements**

**Result indicator 2.11: Outcome of dispute settlement cases**

**Explanation:** 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, the systemic significance and the economic importance. Ensuring successful dispute settlement leads to maintaining the markets at the legally expected level of openness, and in turn generates opportunities for export and the inherent creation of jobs and economic growth

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

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
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

**Specific objective 3: Protecting EU companies and citizens from unfair trade and investment by making full use of existing Trade Defence Instruments, developing new tools and focusing on enforcement of existing commitments at an EU or international level**

**Result indicator 3.1: Efficiency and transparency in TDI investigations using latest IT tools and electronic means of communication with parties**

**Explanation:** The new IT tool (TRON) for file access and communication with interested parties in TDI investigations introduces instant and remote access to the case files for all interested parties and facilitates file processing for the case teams thus enhancing both transparency and efficiency of the case-handling process.

**Source of data:** DG Trade

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
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TRON web platform used in all investigations for consultation of files and notifications	Extend TRON web platform to also cover web submissions and registration	Fully functioning web platform for all communication with parties in the context of investigations
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**Specific objective 3: Protecting EU companies and citizens from unfair trade and investment by making full use of existing Trade Defence Instruments, developing new tools and focusing on enforcement of existing commitments at an EU or international level**

**Result indicator 3.2: Efficiency of investigations by their conclusion within mandatory deadlines or whenever possible before such deadlines**

**Explanation:** Speedy conclusion of investigations is important to afford protection against unfair trading practices as quickly as possible. Note that registration of imports can also be adopted to stabilise the market even in circumstances where the investigation cannot be concluded earlier than by the statutory deadline.

**Source of data:** DG Trade

Baseline (2019)	Interim milestone (2022)	Target (2024)
100% of new investigations completed within mandatory deadlines	As a result of the entry into force of the modernisation package, provisional measures should now be imposed 7 months from the start of the investigation, but not later than 8 months. This constitutes a shortening of the time available by 1 or 2 months respectively. At the same time, investigations grow increasingly complex. Therefore, with regard to 10% of new investigations, provisional measures should be imposed within 7 months, i.e. completed before the mandatory deadline (by at least a month)	Same as interim milestone given the resources available

**Specific objective 3: Protecting EU companies and citizens from unfair trade and investment by making full use of existing Trade Defence Instruments, developing new tools and focusing on enforcement of existing commitments at an EU or international level**

**Result indicator 3.3: Number of jobs in sectors covered by the trade defence measures**

**Explanation:** The adoption of trade defence measures contribute to maintaining jobs in the industrial sectors.

**Source of data:** DG Trade

Baseline (2019)	Interim milestone (2022)	Target (2024)
Number of jobs in the EU industry concerned during the investigation period leading to the original	For measures under review at the end of their statutory duration, the level of employment while the	On a yearly basis, the comparison of employment between the original imposition of measures

measures	measures were in force shows a status quo or an increase	and their expiry shows a status quo or an increase
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**Specific objective 3: Protecting EU companies and citizens from unfair trade and investment by making full use of existing Trade Defence Instruments, developing new tools and focusing on enforcement of existing commitments at an EU or international level**

**Result indicator 3.4: Efficient protection of EU critical assets, projects and programmes from FDI threats to security or public order**

**Explanation:** The operation of the FDI Screening Regulation 2019/452 aims, among other things, to protect EU projects and programmes such as Galileo and EGNOS, Copernicus, Horizon 2020, Trans-European Networks for Transport, Energy and Telecommunications, the European Defence Industrial Development Programme and the PESCO, and to significantly enhance the cooperation between Member States competent for FDI screening. This new piece of legislation will enter into full application as of October 2020.

**Source of data:** DG Trade

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
Non existent – the Member States have not yet notified any single FDI transaction under Regulation 2019/452.	In its opinions to notifying Member States, the Commission should have identified all likely major threats to EU projects and programmes caused by the notified transactions and have recommended appropriate solutions.	In its opinions to notifying Member States, the Commission should have, on the one hand, identified all likely significant threats to EU projects and programmes and caused by those FDIs; and have recommended appropriate solutions, and the other hand, the Commission should have taken all reasonable steps to ensure that Member State to whom COM opinion is addressed has taken due account of it in its decision to authorise, mitigate or stop the relevant FDI.
End of 2019, 14 (+UK) out of 27 Member States had a legislation in place providing for the screening and authorisation of FDI transactions on their territory for purposes of protection national security or the public order but none provides for the protection of EU 'assets' nor reference to security or public order within the EU, hence leaving loopholes in the overall web of protection against malign FDI operations.	<i>20 Member States should have adopted such legislation.</i>	<i>24 Member States should have adopted such legislation</i>

**Specific objective 4: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence to international commitments on labour and**

## the environment, gender and sustainable supply chains

### Result indicator 4.1 Preferential imports from GSP beneficiary countries

**Explanation:** This indicator illustrates the extent of EU's contribution to increased exports from GSP beneficiaries which is conducive to economic growth and jobs, specifically in the poorest (least developed countries and other vulnerable lower income) countries.

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

Baseline				Interim milestone (2022)	Target (2024)
Imports (M EUR)	2017	2018	2019	Increase	Increase
All GSP	65,388	68,397	73,479		
GSP EBA	25,072	27,011	29,476		
GSP General	31,120	32,097	33,738		
GSP Plus	9,196	9,289	10,265		
Average/country	797	912	1,035		
Utilisation	83.6%	83.7%	84.4%		Over 85%

## Specific objective 4: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence to international commitments on labour and the environment, gender and sustainable supply chains

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

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

**Source of data:** DG Trade

Baseline (2019)	Interim milestone (2022)	Target (2024)
1 dialogue per year per GSP+ beneficiary	1 dialogue per year for selected GSP general arrangement/EBA beneficiaries 2 dialogues/year for selected GSP+ beneficiaries (likely 4)	1 dialogue per year for selected GSP general arrangement/EBA beneficiaries 2 dialogues/year with each GSP+ beneficiary

## Specific objective 4: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence to international commitments on labour and the environment, gender and sustainable supply chains

### Result indicator 4.3: Number of beneficiary countries of responsible business conduct/value chains initiatives in partnership with international organisations (ILO, OECD)

**Explanation:** 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

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
12	18	18

**Specific objective 4: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence to international commitments on labour and the environment, gender and sustainable supply chains**

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

**Explanation:** 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

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
<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 meets annually. All annual EPA Trade Committees include TSD as regular agenda item. Dialogues with civil society are organised ad hoc under most EPAs.</p> <p>8 meetings of the Civil Society Dialogue on TSD issues, including GSP and Trade Sustainability Impact Assessments (SIAs), with more than 350 registered participants in total.</p> <p>Other events:</p> <ul style="list-style-type: none"> <li>- 1 stakeholder meeting on Vietnam &amp; TSD with more than 130 participants.</li> <li>- 4 stakeholder meetings under EPAs on TSD</li> <li>- 1 session of the Trade Policy</li> </ul>	<p>Under TSD chapters in FTAs: On average, 4/5 meetings per year per agreement (3/4 DAG meetings, 1 joint civil society meeting) – for 8 FTAs</p> <p>On average 1 joint regional 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 regional 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>

Day on TSD with 150 participants.

**Specific objective 5: Improve the acceptance and understanding of EU trade policy, in particular, by ensuring that it is pursued in an open, inclusive and transparent manner**

**Result indicator 5.1: Number of meetings with civil society, number of meetings of Expert Groups, public consultations within SIAs and ex-post evaluations and Domestic Advisory Groups (DAGs) and Civil Society Fora.**

**Source of data:** DG Trade

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
<p>24 Civil Society Dialogue meetings to update on ongoing individual negotiations, discuss draft reports of SIAs or to discuss the overall trade agenda.</p> <p>4 Meetings of the Expert Group on EU Trade Agreements including topics such as Rules of Origin, transparency and implementation of existing agreements (e.g. Japan).</p> <p>9 meetings of Domestic Advisory Groups (DAGs) as well as 7 Civil Society Forums, an open stakeholder meeting organised in combination with the DAGs</p>	<p>Keep 20-25 Civil Society Dialogues on burning trade issues and studies carried out by, or for, DG Trade.</p> <p>Meetings of the Expert Group on EU Trade Agreements including topics related to ongoing negotiations and increasing implementation of trade agreements.</p> <p>Meetings of the DAGs and Civil Society Forums on the implementation of trade agreements.</p>	<p>Keep 25-30 Civil Society Dialogues on burning trade issues and studies carried out by DG Trade.</p> <p>Meetings of the Expert Group on EU Trade Agreements including topics related to ongoing negotiations and increasing implementation of trade agreements.</p> <p>Meetings of the DAGs and Civil Society Forums on the implementation of trade agreements.</p>

**Specific objective 5: Improve the acceptance and understanding of EU trade policy, in particular, by ensuring that it is pursued in as open, inclusive and transparent a manner as possible**

**Result indicator 5.2: Transparency – publication of documents and use of EMT**

**Source of data:** DG Trade

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
<p>Publication of:</p> <p>(1) all recommendations for negotiating directives for free trade agreements,</p> <p>(2) all reports of negotiating rounds, (3) most agenda and minutes of committees and dialogues within trade agreements</p>	<p>Extend transparency commitments to publication of all Commission decisions on Bilateral Investment Agreements (to be) negotiated or concluded by Member States , publish recommendations for negotiating directives for non-preferential agreements and</p>	<p>Monitor the correct implementation of the transparency policy across the DG.</p> <p>Implement the systematic use of the tool across the DG.</p>

and agenda and (4) reports of all expert groups chaired/co-chaired by DG Trade, except those by confidentiality requirements.  Use of EMT by most Directorates and all senior managers; closed events to encode meetings of DG Trade staff with external stakeholders since roll-out date in 2017.	extend reporting practices to trade committees and dialogues not chaired by DG Trade, Publish all non-sensitive summary records of Trade Defence Instruments Committee meetings.  Implement the systematic use of EMT in all the DG for reports of meetings with civil society (including business) representatives.	
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**Specific objective 5: Improve the acceptance and understanding of EU trade policy, in particular, by ensuring that it is pursued in as open, inclusive and transparent a manner as possible**

**Result indicator 5.3: Percentage of EU citizens who say the EU conducts its trade policy in an open and transparent manner.**

**Explanation:** 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 say the EU conducts that its trade policy in an open and transparent manner.

**Source of data:** Eurobarometer

<b>Baseline</b> (2019)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
Believe EU trade policy is transparent: 59%	60%	65%

**Specific objective 5: Improve the acceptance and understanding of EU trade policy, in particular, by ensuring that it is pursued in as open, inclusive and transparent a manner as possible**

**Result indicator 5.4: Proportion of proposed legislative revisions that include burden reduction measures**

**Explanation:** The indicator measures how the Commission upholds its commitment to ensure that proposals for legislative revisions incorporate burden reduction measures, in the broader context of REFIT programme and One-In, One-Out approach. The indicator shows how many proposed legislative revisions out of the total, for each relevant specific objective, include measures that concretely reduce burden

**Source of data:** DG Trade

<b>Baseline</b> (N/A)	<b>Interim milestone</b> (2022)	<b>Target</b> (2024)
	Positive trend	Positive trend

**General objective: A stronger Europe in the world**

**Impact indicator 4: Share of EU in world trade in goods and services as well as investment**

**Explanation:** This indicator shows to what extent the EU manages to maintain its prominent position in world trade despite the rise of the new trade powers.

**Source of the data:** Eurostat for the EU, IMF for world data on goods, WTO for world data on Services, UNCTAD for world data on investments.

**Methodology for calculating the indicator:** The indicator gives EU imports/exports/total with Extra-EU based on Eurostat data as percentage of world imports/exports/total based on IMF/WTO/UNCTAD data for world corrected for Intra-EU trade.

<b>Baseline</b>	<b>Interim milestone (2022)</b>	<b>Target (2024)</b>
Goods average 2017-2019 Services average 2016-2018 Investments average 2016-2018	The objective is to maintain the EU share in global trade	The objective is to maintain the EU share in global trade
<i>Goods:</i> Imports 13.9% Exports 15.6% Total 14.9%	<i>Goods:</i>  Maintain	<i>Goods:</i>  Maintain
<i>Services:</i> Imports: 21.4% Exports: 23.4% Total: 22.4%	<i>Services:</i>  Maintain	<i>Services:</i>  Maintain
<i>FDI stocks:</i> Inward: 35% Outward: 45% Total: 40%	<i>FDI stocks:</i>  Maintain	<i>FDI stocks:</i>  Maintain

**Specific objective 4: Ensuring trade policy is sustainable by effectively contributing to a wider set of EU policy goals, such as the Green Deal, adherence to international commitments on labour and the environment, gender and sustainable supply chains**

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**Explanation:** This indicator illustrates the extent of EU's contribution to increased exports from GSP beneficiaries which is conducive to economic growth and jobs, specifically in the poorest (least developed countries and other vulnerable lower income) countries.

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

*For baseline, milestone and target, please refer to the general objective "An economy that works for people" for details*

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