

ANNEX 1: Statement of the Resources Director

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission¹, I have reported my advice and recommendations to the Director-General/Executive Director on the overall state of internal control in the DG.

I hereby certify that the information provided in Section 2 of the present AAR and in its annexes is, to the best of my knowledge, accurate and complete.

Date: 22/05/2017

Donatella INEICHEN

Acting Director Shared Resource Home Affairs and Justice

(Signed)

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

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

A. Human Resource Management

Objective : The DG deploys effectively its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.

Indicator 1 : Percentage of female representation in middle management

Source of data: HR Dashboard

Baseline January 2015	Target <i>Target adopted by the Commission on 15 July 2015 – SEC(2015)336</i>	Latest known results 31.12.2016
DG HOME excl. SRD HOME/JUST: 43.8% COM : 31.8%	DG HOME excl. SRD HOME/JUST: Although DG HOME is currently above the target adopted by the Commission of 35% for 2019, DG HOME will try to maintain this ratio and pay attention to it in future recruitments at middle management level.	DG HOME excl. SRD HOME/JUST: 55.6 %

Indicator 2 : Percentage of staff who feel that the Commission cares about their wellbeing

Source of data: Commission staff survey

Baseline 2014	Target (2017)	Latest known results (2016)
DG HOME excl. SRD HOME/JUST: 35.3% SRD HOME/JUST: 31% COM : 35%	DG HOME: Maintain or exceed the 2016 results for the next staff surveys	DG HOME excl. SRD HOME/JUST : 27%

Indicator 3 : Staff engagement index¹

Source of data: Commission staff survey

Baseline 2014	Target (please indicate the corresponding year)	Latest known results (2016)
DG HOME excl. SRD HOME/JUST: 63.8% SRD	DG HOME: Exceed the EC average for the next staff surveys	64%

¹ Staff engagement is usually not measured directly but as a combination of factors leading to high engagement levels. The Staff Engagement Index is based on seven factors combined in one overall figure: I have the information, material and resources to do my work well, My colleagues are committed to doing quality work, I have a clear understanding of what is expected from me at work, I have recently received recognition or praise for good work, I feel that my opinion is valued, My manager seems to care about me as a person, My line manager helps me to identify my training and development needs.

HOME/JUST: 73.6%		
COM_: 65%		

Main outputs in 2016:			
Description	Indicator	Target	Latest known results
Implementation of a corporate Middle Management Modernisation including a gender balance policy	<p>-Number of management and leadership trainings</p> <p>-2016 Staff survey percentage of female representation in middle management for DG HOME incl. SRD HOME/JUST</p>	<p>-At least one training a year</p> <p>-Although DG HOME is currently above the target of 35% set by the Commission for 2019, DG HOME will try to maintain the percentage of 43.8% (last staff survey) and pay attention to it in future recruitments at middle management level</p>	<p>5 breakfast sessions for managers on mindfulness facilitated by 2 external coaches. The aim was to increase attention on the work organisation, create a space for managers to lead and explore personal and organisational patterns and boundaries.</p> <p>7 breakfasts of middle managers with the Director General to brainstorm on policy and organisational matters.</p>
Development of supportive and healthy working conditions for staff (wellbeing)	<p>-Fit@work initiatives participation rate for DG HOME incl. SRD HOME/JUST</p> <p>-2016 Staff survey percentage of staff who feel that the Commission cares about their wellbeing in DG HOME & SRD</p>	<p>-Participation rate of at least 50% to fit@work initiatives</p> <p>-Reach or exceed the result of 35.3% for the 2016 staff survey</p>	<p>Due to the migration from Syslog to EU Learn, it is not possible to extract these data for the moment. Moreover, most of the classes are given by external consultants which makes this information not easily accessible.</p> <p>Health day for DGHOME and JUST (June 2016)</p> <p>Chair massage session (on individual appointment)</p>

			<p>Silent pause sessions (every Thursday)</p> <p>Mindfulness and yoga classes</p> <p>Pilates classes</p>
Improved identification of the training and development needs of staff by management and maintain or improve the staff engagement index	<p>-Annual average number of training days attended</p> <p>-2016 Staff survey factor linked to the training and development needs of staff</p>	<p>-Maintain the current annual average number of 6.4 training days</p> <p>Exceed the result of 20.9% for DG HOME and 46.2% for SRD HOME/JUST for the 2016 staff survey</p>	<p>Due to the migration from Syslog to EU Learn it is not possible to extract this data for the moment. However, last satisfaction survey indicates that staff do not have time to participate in training sessions, even in cases where they had registered, due to high workload.</p>
Measures to ensure an efficient mobility of staff	<p>-Number of seminars for Newcomers (HR matters, DG HOME policy matters)</p> <p>-Achievement of confidential exit interviews with staff satisfaction questions and follow-up of career expectations</p> <p>-2016 Staff survey percentage linked to career and mobility in DG HOME & SRD HOME/JUST ²</p>	<p>-2 seminars a year on HR matters and 2 on DG HOME policy matters, regular thematic seminars and exchange of best practices with HOME/JUST Assistants</p> <p>-Implementation of a new COM Induction Seminar (8 days) for new permanent staff to acquire a better understanding of the European and Commission environments</p> <p>-Implementation of exit interviews in the course of 2016</p> <p>Increase the 2014 staff satisfaction of their career and mobility of 37% in DG HOME and 30% in SRD for the 2016 staff survey</p>	<p>2 sessions for newcomers – in April and November 2016– were organised. 2 welcome sessions for Blue Book trainees were organised in March and October 2016.</p> <p>Welcome breakfast for the staff (30 persons) integrated after the CALL 2016 was organised by the Director-General in September 2016.</p> <p>The welcome sessions included info about HR matters and policies managed by DG HOME.</p>

² Staff satisfaction of their career and the mobility within the Commission, 2014 Commission staff survey. Average of the answers to the 3 following questions: "I feel able to manage my career choices and determine my own career path", "General mobility is sufficiently encouraged within the Commission" and "The relation between my performance and my career progression is satisfying".

B. Better Regulation

Objective: Prepare new policy initiatives and manage the EU's acquis in line with better regulation practices to ensure that EU policy objectives are achieved effectively and efficiently

Indicator 1: Percentage of Impact assessments submitted by DG HOME to the Regulatory Scrutiny Board that received a favourable opinion on first submission.

Source of data: DG HOME

Baseline 2015	Interim miletsone 2016	Target 2020	Latest known results 2016
68% (Commission average in 2014)	Positive trend compared to the baseline.	Positive trend compared to DG's 2016 situation.	50% ³

Main outputs in 2016:

Description	Indicator	Target	Latest known results
Impact assessment on the establishment of an EU entry-exit system	Adoption of a Report	To be presented in 2016	Adoption of the impact assessment Report on 6 April 2016 – SWD(2016)115
Impact assessment on the conditions of entry and residence of third-country nationals for the purposes of highly skilled employment (Blue Card directive)	Adoption of a Report	To be presented in 2016	Adoption of the impact assessment Report on 7 June 2016 – SWD(2016)193

Indicator 2: Percentage of the DG's primary regulatory acquis covered by retrospective evaluation findings and Fitness Checks not older than five years.

Source of data: DG HOME

Baseline 2015	Interim milestone 2016	Target 2020	Latest known results 2016
50%	Yearly increase of	70% of the EU	The percentage presented in the 2015

³ Results are based on two impact assessments completed by DG HOME in 2016 and submitted to the Regulatory Scrutiny Board.

	25% of the gap between baseline and target	acquis covered by evaluations	baseline of the Strategic Plan (50%) was calculated taking into account evaluations as well as all other reviews carried out between 2011 and 2015 (for example implementation/transposition reports). If evaluations only are taken into account, the 2015 baseline percentage is much lower (7%). Compared with 7 %, the 2016 percentage of our acquis submitted to evaluations in the period 2012-2016 is 16 %. The increase from 7 % in 2015 to 16% in 2016 reflects DG HOME's efforts to evaluate the acquis.
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Main outputs in 2016:			
Description	Indicator	Target	Latest known results
Evaluation of the Visa Information System	Adoption of a report and an accompanying staff working document	To be completed in 2016	Adoption of a Report to the European Parliament and Council and a staff working document on 14 October 2016 - COM(2016)655 and SWD(2016)328
Evaluation of the Schengen Information System II	Adoption of a report and an accompanying staff working document	To be completed in 2016	Adoption of a Report to the European Parliament and Council and a staff working document on 21 December 2016 - COM(2016)880 and SWD(2016)450

C. Information management aspects

Objective (mandatory): Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable		
Indicator 1: Percentage of registered documents that are not filed ⁴ (ratio)		
Source of data: <i>Hermes-Ares-Nomcom (HAN)</i> ⁵ statistics		
Baseline	Target	Latest known results

⁴ Each registered document must be filed in at least one official file of the *Chef de file*, as required by the [e-Domec policy rules](#) (and by ICS 11 requirements). The indicator is to be measured via reporting tools available in Ares.

⁵ Suite of tools designed to implement the [e-Domec policy rules](#).

2015		2016
10.44%	<5%	5.32%
Indicator 2: Percentage of HAN files readable/accessible by all units in the DG Source of data: <i>HAN statistics</i>		
Baseline 2015	Target	Latest known results 2016
95.66%	>95%	82.99%
Indicator 3: Percentage of HAN files shared with other DGs Source of data: <i>HAN statistics</i>		
Baseline 2015	Target	Latest known results 2016
3.46%	>50%	10.19%

Main outputs in 2016:			
Description	Indicator	Target	Latest known results
- Corporate IT system BASIS	The BASIS system is operational in DG HOME	Q1 2016	<ul style="list-style-type: none"> BASIS was rolled out to DG HOME and the Cabinet of Commissioner Avramopoulos on 15 February 2016. The Cabinet of Commissioner King was connected to BASIS on 21 October 2016. Between 15 February 2016 and 31 December 2016 DG HOME produced 819 briefings using BASIS.

D. External Communication Activities

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

Indicator 1 (mandatory): Percentage of EU citizens having a positive image of the EU

Definition: Eurobarometer measures the state of public opinion in the EU Member States. This global indicator is influenced by many factors, including the work of other EU institutions and national governments, as well as political and economic factors, not just the communication actions of the Commission. It is relevant as a proxy for the overall perception of the EU citizens. Positive visibility for the EU is the desirable corporate outcome of Commission communication, even if individual DGs' actions may only make a small contribution.

Source of data: Standard Eurobarometer (DG COMM budget) [*monitored by DG COMM [here](#)*].

Total "Positive": 39% Neutral: 37 % Total "Negative": 22%	Positive image of the EU ≥ 50%	Positive: 35% Neutral: 38%
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		Negative: 25% (Don't know: 2%)
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Main outputs in 2016:			
Description	Indicator	Target	Latest known results
<ul style="list-style-type: none"> - Twitter - Create a new series of graphic and visual information products to explain to the general public the main actions and measures put in place by the European Commission to address the refugees' crisis and security - Organise press seminars for media in Brussels and in Member States, in particular via the Representations, in order to explain to national and regional media the main migratory put in place by the European Commission - Organise, in cooperation with Frontex, journalists' visits to operational areas to illustrate the work Frontex experts are doing to save lives at sea and support MS coping with increasing migratory flows - Define and implement and Information strategy to inform asylum seekers and migrants, within the EU and in third countries, about EU rules and procedures, with the aim of reducing the pull factor for perspective irregular migrants and to counter the narratives of smugglers and traffickers - Create, in a joint effort with the Commission's Audiovisual services (DG COMM), a series of videos with testimonies illustrating 	<ul style="list-style-type: none"> - Increase in followers - Number of publications made - Number of Press seminars - Number of visits - Reach out to migrants and asylum seekers - Number of videos 	<ul style="list-style-type: none"> +25% Series of five products 4 1 Number of information products disseminated; number of visits on the online information hub (if applicable) 3 	<ul style="list-style-type: none"> +30% increase Over 20 factsheets (some updated regularly) on migration and security, promoted by the SPP and DG HOME website 3 press seminars where organised; presentations were given by the Head of Sector Visit at Turkish-Bulgarian border for the launch of the European Border and Coast Guard Funding for proposed information hub by media consortium approved; launch expected early 2017 Videos on relocation, resettlement and hotspots completed; video on voluntary return ready but

<p>real life stories of relocation, resettlement and voluntary return.</p> <p>- Organise press seminars for media in Brussels and in the Member States, in particular via the Representations, to better explain to national and regional media the main security policies put in place by the European Commission and how the EU is supporting Member states in their fight against terrorism and serious crime.</p> <p>- Increase quality and accessibility of DG Home website, in particular when it comes to availability of media related information</p>	<p>- Number of press seminars</p> <p>- Increase in contacts</p>	<p>5</p> <p>+15%</p>	<p>on hold by the SPP</p> <p>Priority was given to the organisation of press seminars on migration</p> <p>Traffic increased by 33%; created dedicated pages for the European Agenda on Migration, the European Agenda on Security, and Securing EU Borders</p>
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Annual communication spending (based on estimated commitments):			
Baseline (Year 2015):	Target (Year 2016):	Total amount spent (2016)	Total of FTEs working on external communication
€ 1 700 000	€4 300 000 (out of which €1.5 million were committed end of 2014 for the migration campaign but will be used in 2016).	<p>Procurement: € 193 709.2</p> <p>Grant for Media Consortium. € 2 160 000 (from AMIF)</p> <p>Explanation: Compared with the 2016 target, only a small amount was procured. This is because many ongoing contracts were used and commitments from 2015 and previous years are not included in the above number. (eg. two Intramuros, web maintenance contract, MoU with DIGIT, videos with EBS, Communication</p>	6

		campaign Afghanistan etc.) Many of the communication activities in 2016 were executed directly by DG HOME staff, without involving external contractors.	
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Annex 3 Financial Reports - DG HOME - Financial Year 2016**Table 1 : Commitments****Table 2 : Payments****Table 3 : Commitments to be settled****Table 4 : Balance Sheet****Table 5 : Statement of Financial Performance****Table 5 Bis: Off Balance Sheet****Table 6 : Average Payment Times****Table 7 : Income****Table 8 : Recovery of undue Payments****Table 9 : Ageing Balance of Recovery Orders****Table 10 : Waivers of Recovery Orders****Table 11 : Negotiated Procedures (excluding Building Contracts)****Table 12 : Summary of Procedures (excluding Building Contracts)****Table 13 : Building Contracts****Table 14 : Contracts declared Secret**

Additional comments

Annex 3 - Additional information on Financial Reports and Draft Annual Accounts

1. Financial Reports

Commitments (Table 1)

As compared to 2015, the total budget increased by 67%, amounting to EUR 3.18 billion. Budget implementation rate reached 98.32% of total commitments appropriations (compared to 97,70% last year).

Payments (Table 2)

The implementation of payment appropriations amounts to 96.51%, comparable with previous years implementation rate. It should be noted that payment appropriations drastically increased during the last years, passing from EUR 770 million in 2014, to EUR 1.228 million in 2015 and 2.118 million in 2016.(i.e. a 72% increase 2016/2015 and 175% increase 2016/2014). This is partly explained by the new portfolios of the DG starting 2015 - security research, European Citizenship programme and the Drug Programme, but mainly by the increase of appropriations during the year for AMIF and ISF funds in order to address the refugee and migration crisis.

Breakdown of Commitments to be settled (Table 3)

The high implementation rates triggered a 40% increase of the total RAL (reste à liquider / open commitments) at the end of 2016 as compared to end 2015. 64.96% of the total commitments to be settled at the end of 2016 correspond to commitments signed in 2016.

Revenue and income (Table 7)

Recovery orders for an amount of EUR 65M have been issued in 2016, of which EUR 21M correspond to EFTA contributions (SISII and VIS/"Contributions under specific agreements"). The total of EUR 44M under "Other contributions and refunds" corresponds mainly to closures under shared management (EUR 31M) or direct management (around EUR 10M).

2. Draft Annual Accounts

Methodology and accounting principles

The annual accounts of DG HOME have been prepared in accordance with the general accounting principles. Estimations have been made where necessary as laid out by the Accountant of the European Commission.

It should be noted that the balance sheet and economic outturn account of Directorate General HOME presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General.

Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

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

Balance Sheet (Table 4)

Non-current assets show the long-term share of pre-financings. In 2016, there is a slight decrease of non-current assets, as compared to 2015. This is mainly due to the activity to clear the long-term pre-financings given in previous years.

Current assets represent short-term pre-financings and short-term receivables. The level of current pre-financings has increased in 2016, mainly due to the important increase in payments made for emergency assistance and delegation agreements.

Statement of financial performance (Table 5)

The recovery of expenses are less than in 2015, due to fewer corrections applied under SOLID. Other non-exchange revenue shows an increase due to contributions of associated countries under Schengen acquis/Eurodac/SIS/VIS.

Off balance sheet HOME (Table 5bis)

The table shows a comparison between the legal commitments for which the budget commitments have not yet been made and the maximum commitments in relation to the amounts foreseen in the financial framework 2014-2020. Future obligations indicate the outstanding amounts for which the Commission is still committed after 31/12/2016.

3. Management reporting

Payment time limits (Table 6)

Globally, average payment times for 2016 are higher than in 2015 (48,61 days against 33,01 days). The general statistics at the level of all payments performed in the DG show that 22,19% of payments have been made later than the legal times (10,37% in 2014). This however must be put in perspective with the significant increase of payments appropriations available throughout the year (i.e. a 72% increase 2016/2015 and 175% increase 2016/2014) considering the supplementary budget put at disposal of the DG throughout the year to partially cope with the migration crisis (AMIF/ISF), without the same rate of increase of staff to deal with those transactions.

Recovery context (Table 8)

The recovery activity of DG HOME during 2016 continued to reflect mainly the closure of programmes in the context of shared management (SOLID funds).

Ageing Balance (Table 9)

This report lists outstanding recovery orders by their year of emission. There are 19 recovery orders issued and not yet cashed at 31 December 2016. The 3 recovery orders coming from 2008/2009 refer to insolvency/bankruptcy cases, for which the Legal Services proposals to waive came in 2016 and the waiving process is still ongoing in DG HOME.

Negotiated Procedures (Tables 11 and 12)

Negotiated procedures are used when the price for a good or service has to be established by negotiation. This procedure should be used on an exceptional basis.

DG HOME had in 2016 two negotiated procedures, in total amount of EUR 1,33M. They have been conducted based on article 134 of the Financial Regulation (contracts whose performance must be accompanied by special security measures, in accordance with the administrative provisions in force or when the protection of the essential interests of the Union so requires, provided the essential interests concerned cannot be guaranteed by other measures; these measures may consist of requirements to protect the confidential nature of information which the contracting authority makes available in the procurement procedure.)

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2016 (in Mio €)					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 18 Migration and home affairs					
18	18 01	Administrative expenditure of the 'Migration and home affairs' policy area	12,70973983	12,25757286	96,44 %
	18 02	Internal security	1204,299098	1168,78051	97,05 %
	18 03	Asylum and migration	1863,907729	1849,031114	99,20 %
	18 04	Fostering European citizenship	0,10101919	0	0,00 %
	18 05	Horizon 2020 - Research related to security	78,31202985	76,10598005	97,18 %
	18 06	Anti-drugs policy	17,38521575	17,306	99,54 %
Total Title 18			3176,714831	3123,481176	98,32%
Total DG HOME			3176,714831	3123,481176	98,32 %

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal

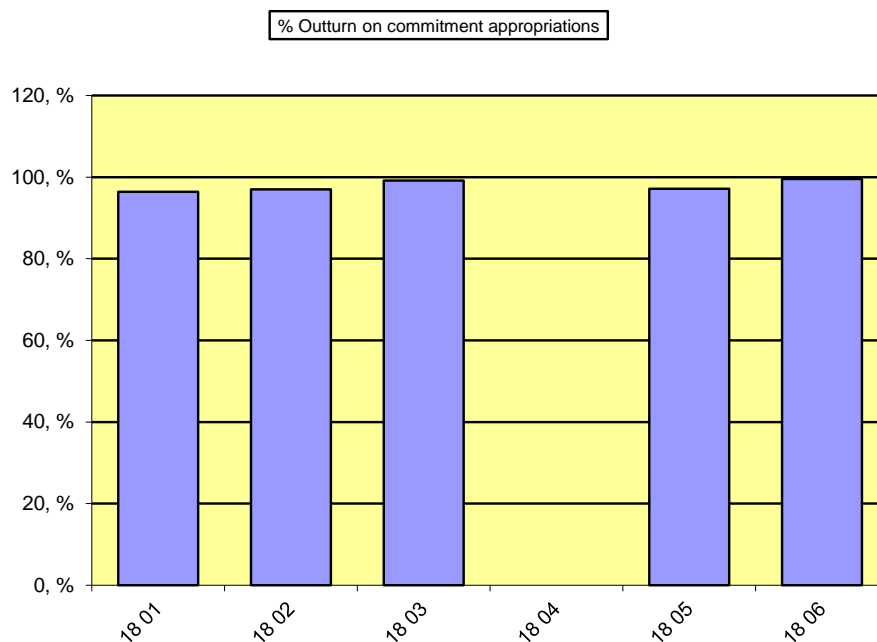


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2016 (in Mio €)					
Chapter			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 18 Migration and home affairs					
18	18 01	Administrative expenditure of the 'Migration and home affairs' policy area	17,03279837	11,00196147	64,59 %
	18 02	Internal security	966,9299257	923,0703355	95,46 %
	18 03	Asylum and migration	1050,583947	1035,477632	98,56 %
	18 04	Fostering European citizenship	0,39736261	0,29976942	75,44 %
	18 05	Horizon 2020 - Research related to security	65,08263445	56,59803508	86,96 %
	18 06	Anti-drugs policy	17,83701575	17,42776776	97,71 %
Total Title 18			2117,863684	2043,875501	96,51 %
	Total DG HOME		2117,863684	2043,875501	96,51 %

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

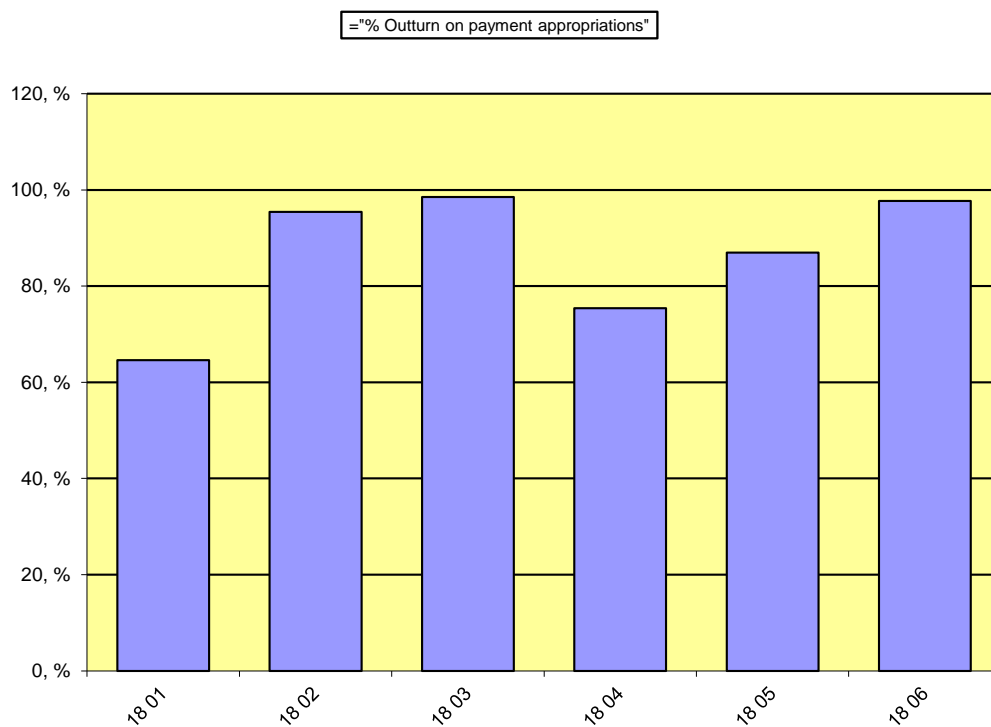


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2016 (in Mio €)									
Chapter		2016 Commitments to be settled				Commitments to be settled from financial years previous to 2016	Total of commitments to be settled at end of financial year 2016 (incl corrections)	Total of commitments to be settled at end of financial year 2015 (incl. corrections)	
		Commitments 2016	Payments 2016	RAL 2016	% to be settled				
		1	2	3=1-2	4=1-2/1	5	6=3+5	7	
Title 18 : Migration and home affairs									
18	18 01	Administrative expenditure of the 'Migration and home affairs' policy area	12,257,57286	7,47	4,7848757	39,04 %	0,00	4,78	4,32
	18 02		1168,78051	481,72	687,0587099	58,78 %	563,85	1,250,91	1119,74
	18 03		1849,031114	589,89	1259,138669	68,10 %	490,88	1,750,02	987,66
	18 04		0	0,00	0	0,00 %	0,25	0,25	0,55
	18 05		76,10598005	0,60	75,50534647	99,21 %	74,14	149,64	139,23
	18 06		17,306	14,79	2,512	14,52 %	2,75	5,26	5,38
Total Title 18			3123,481176	1094,48	2028,999601	64,96%	1131,872048	3160,871649	2256,876595
	Total DG HOME		3123,481176	1094,48	2028,999601	64,96 %	1131,872048	3160,871649	2256,876595

= "Breakdown of Commitments remaining to be settled (in Mio EUR)"

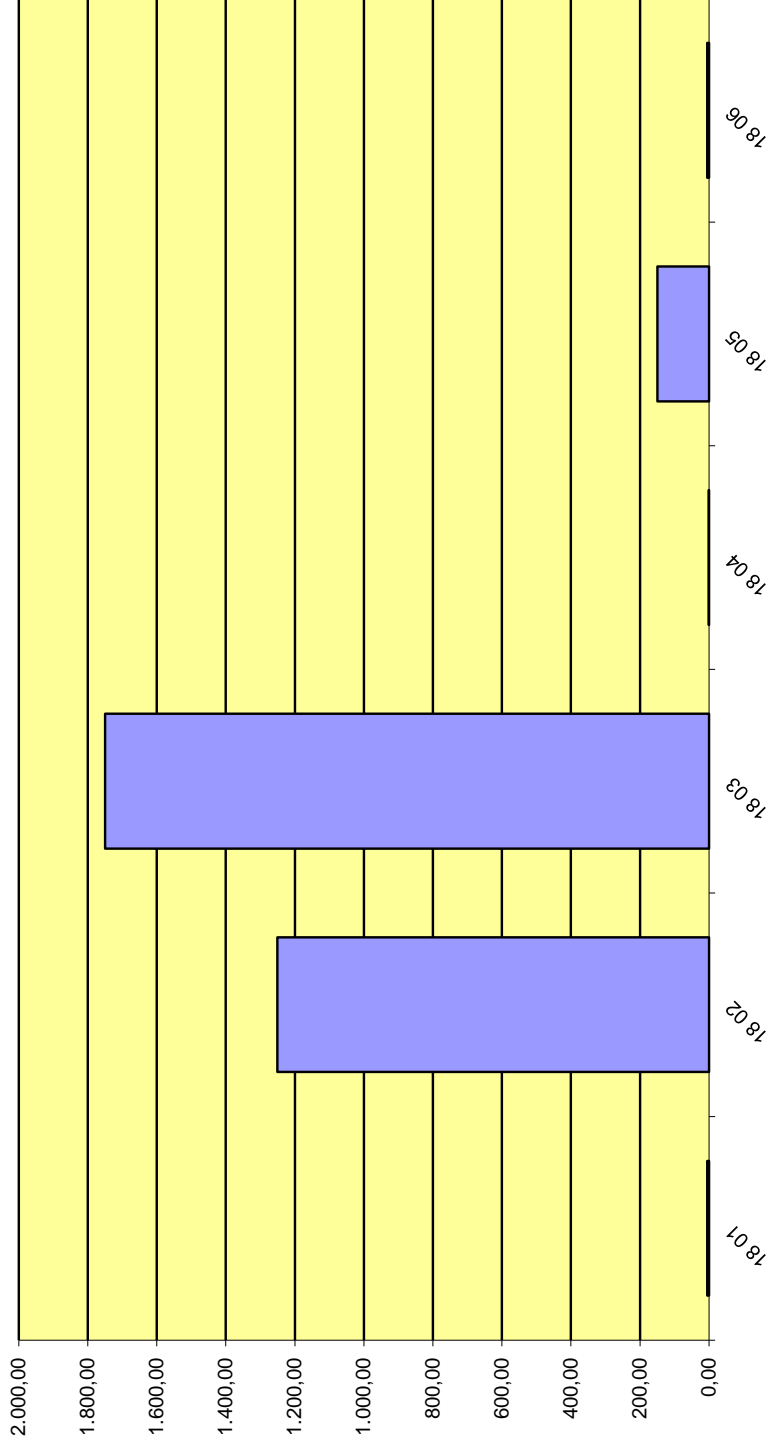


TABLE 4 : BALANCE SHEET HOME

BALANCE SHEET	2016	2015
A.I. NON CURRENT ASSETS	228741279,6	240174361,3
A.I.2. Property, Plant and Equipment	0,00	0,00
A.I.5. Non-Current Pre-Financing	228.741.279,62	240.174.361,30
A.II. CURRENT ASSETS	581200811,3	148127863,8
A.II.2. Current Pre-Financing	566.607.573,75	145.308.618,71
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	14.593.237,50	2.819.245,07
ASSETS	809942090,9	388302225,1
P.II. CURRENT LIABILITIES	-343863621,4	-608295942,3
P.II.4. Current Payables	-159.261.092,81	-138.741.289,65
P.II.5. Current Accrued Charges & Defrd Income	-184.602.528,63	-469.554.652,60
LIABILITIES	-343863621,4	-608295942,3
NET ASSETS (ASSETS less LIABILITIES)	466078469,4	-219.993.717,17
P.III.2. Accumulated Surplus / Deficit	3396427621	2002460765
Non-allocated central (surplus)/deficit*	-3862506091	-1782467048
TOTAL	0,00	0,00

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

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE HOME

STATEMENT OF FINANCIAL PERFORMANCE	2016	2015
II.1 REVENUES	-20701873,87	-7720197,32
II.1.1. NON-EXCHANGE REVENUES	-23671198,06	-11706489,55
II.1.1.5. RECOVERY OF EXPENSES	-2.141.568,12	-10.506.896,25
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-21.529.629,94	-1.199.593,30
II.1.2. EXCHANGE REVENUES	2969324,19	3986292,23
II.1.2.1. FINANCIAL INCOME	-30.082,91	-62.723,76
II.1.2.2. OTHER EXCHANGE REVENUE	2.999.407,10	4.049.015,99
II.2. EXPENSES	1319580057	1401687054
II.2. EXPENSES	1319580057	1401687054
II.2.10. OTHER EXPENSES	4.694.266,47	27.880.215,24
II.2.1. EXP IMPL BY MEMBER STATES (SHARED)	399.104.849,51	802.654.454,24
II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)	389.069.542,86	235.425.906,70
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)	451.588.392,25	334.308.900,48
II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM)	75.092.190,51	1.416.631,42
II.2.8. FINANCE COSTS	30.815,25	945,44
STATEMENT OF FINANCIAL PERFORMANCE	1.298.878.182,98	1.393.966.856,20

Explanatory Notes (facultative):

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

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

TABLE 5bis : OFF BALANCE SHEET HOME

OFF BALANCE	2016	2015
OB.1. Contingent Assets	0	481773,13
GR for performance	0,00	200.000,00
GR for pre-financing	0,00	281.773,13
OB.3. Other Significant Disclosures	-2820116255	-6045494619
OB.3.2. Comm against app. not yet consumed	-2.813.185.476,87	-1.647.875.242,73
OB.3.3.1 Structural operations	-6.930.777,68	-4.397.619.376,68
OB.4. Balancing Accounts	2820116255	6045012846
OB.4. Balancing Accounts	2.820.116.254,55	6.045.012.846,28
OFF BALANCE	0,00	0,00

Explanatory Notes (facultative):

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

TABLE 6: AVERAGE PAYMENT TIMES FOR 2016 - DG HOME

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
20	5	3	60,00 %	13,66666667	2	40,00 %	24,5
30	569	490	86,12 %	16,49795918	79	13,88 %	46,16455696
45	28	18	64,29 %	25,22222222	10	35,71 %	85,8
50	3	2	66,67 %	37,5	1	33,33 %	54
60	342	259	75,73 %	25,72972973	83	24,27 %	157,4096386
90	248	156	62,90 %	59,80769231	92	37,10 %	169,2717391
180	2	2	100,00 %	91,5			
365	6	6	100,00 %	67			

Total Number of Payments	1203	936	77,81 %		267	22,19 %	
Average Net Payment Time	48,61097257			26,95833333			124,5168539
Average Gross Payment Time	70,81712386			44,97435897			161,411985

Target Times							
Target Payment Time (Days)	Total Number of Payments	Nbr of Payments within Target Time	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
20	169	109	64,50 %	10,9266055	60	35,50 %	54,38333333
30	187	130	69,52 %	19,46923077	57	30,48 %	133,4561404
75	29	7	24,14 %	53,14285714	22	75,86 %	176,4090909

Total Number of Payments	385	246	63,90 %		139	36,10 %	
Average Net Payment Time	48,94805195			16,64227642			106,1223022
Average Gross Payment Time	67,4025974			18,69512195			153,6043165

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
24	83	321	26,68 %	1203	364.781.804,01	21,49 %	1.697.821.158,84

Late Interest paid in 2016			
DG	GL Account	Description	Amount (Eur)
HOME	65010000	Interest expense on late payment of charges	1 077,66
HOME	65010100	Interest on late payment of charges New FR	29 737,59
			30 815,25

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2016								
	Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance 7=3-6
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	128,28	0	128,28	0	0	0	128,28
59	OTHER REVENUE ARISING FROM ADMINISTRATIVE MANAGEMENT	61036,6	0	61036,6	61036,6	0	61036,6	0
60	CONTRIBUTIONS TO UNION PROGRAMMES	120000	142	120142	120000	142	120142	0
63	CONTRIBUTIONS UNDER SPECIFIC AGREEMENTS	21256205,54	234790,85	21490996,39	19951226,04	234705,94	20185931,98	1305064,41
66	OTHER CONTRIBUTIONS AND REFUNDS	41605345,92	2483499,22	44088845,14	29576296,31	1426271,46	31002567,77	13086277,37
90	MISCELLANEOUS REVENUE	137886,29	88965,5	226851,79	49431,85	0	49431,85	177419,94
Total DG HOME		63180602,63	2807397,57	65988000,2	49757990,8	1661119,4	51419110,2	14568890

TABLE 8 : RECOVERY OF PAYMENTS
(Number of Recovery Contexts and corresponding Transaction Amount)

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2016		Error		Irregularity		Total undue payments recovered		Total transactions in recovery context (incl. non- qualified)		% Qualified/Total RC	
Year of Origin (commitment)		Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2008				3	35571,91	3	35571,91	5	1065299,88	60,00%	3,34%
2009				15	748113,99	15	748113,99	18	6217123,7	83,33%	12,03%
2010				17	355922,39	17	355922,39	23	12908558,96	73,91%	2,76%
2011				15	356805,65	15	356805,65	18	908357,91	83,33%	39,28%
2012	1	28394,77		7	523235,78	8	551630,55	36	9326107,53	22,22%	5,91%
2013	2	0		4	560307,66	6	560307,66	35	5634674,86	17,14%	9,94%
2014	1	107324,2		1	3747,3	2	111071,5	10	1210768,23	20,00%	9,17%
2015								7	4533377,74		
Sub-Total	4	135718,97		62	2583704,68	66	2719423,65	152	41804268,81	43,42%	6,51%

EXPENSES BUDGET		Error		Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non- qualified)		% Qualified/Total RC	
		Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										1	1.647,21		
NON ELIGIBLE IN COST CLAIMS	9	171654,16		123	5953617,78			132	6125271,94	134	6.270.169,44	98,51%	97,69%
CREDIT NOTES	2	99251,69		4	58085,24			6	157336,93	27	4.230.059,09	22,22%	3,72%
Sub-Total	11	270905,85		127	6011703,02			138	6282608,87	162	10501875,74	85,19%	59,82%
GRAND TOTAL	15	541322,78		189	8966459,04			204	9507781,82	314	52306144,55	64,97%	11,90%

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2016 FOR HOME

	Number at 01/01/2016	Number at 31/12/2016	Evolution	Open Amount (Eur) at 01/01/2016	Open Amount (Eur) at 31/12/2016	Evolution
2008	1	1	0,00 %	128.250,00	128.250,00	0,00 %
2009	2	2	0,00 %	85.659,56	82.501,87	-3,69 %
2014	2	2	0,00 %	15.746,84	15.746,84	0,00 %
2015	14	5	-64,29 %	2.577.741,17	919.779,46	-64,32 %
2016		40			13.422.611,83	
	19	50	163,16 %	2.807.397,57	14.568.890,00	418,95 %

TABLE 10 : RECOVERY ORDER WAIVERS IN 2016 >= EUR 100.000						
	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

Total DG	
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Number of RO waivers	
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Justifications:
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TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG HOME - 2016

Procurement > EUR 60,000

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Art. 134.1(b)	2	1.327.390,00
Total	2,	1.327.390,00

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

Internal Procedures > € 60,000		
Procedure Type	Count	Amount (€)
Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	2	1.327.390,00
Open Procedure (Art. 104(1) (a) FR)	2	5.500.000,00
Restricted Procedure (Art. 104(1) (b) FR)	1	83.000,00
TOTAL	5	6.910.390,00

Additional comments

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TABLE 13 : BUILDING CONTRACTS

Total number of contracts :	
Total amount :	

Legal base	Contract Number	Contractor Name	Description	Amount (€)

No data to be reported

TABLE 14 : CONTRACTS DECLARED SECRET

Total Number of Contracts :

Total amount :

Legal base	Contract Number	Contractor Name	Type of contract	Description	Amount (€)

No data to be reported

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

INTRODUCTION

Deciding whether a weakness is significant is a **matter of judgement** by the Authorizing Officer by Delegation, who remains responsible for the declaration of assurance, including any reservations to it. In doing so, he should **identify the overall impact of a weakness** and **judge whether it is material** enough so that the non-disclosure of the weakness is likely to have an influence on the decisions or conclusions of the users of the declaration. The benchmark for this judgement is the materiality criteria which the AOD sets at the moment of designing the internal control system under his/her responsibility.

For DG HOME, the materiality of residual weaknesses identified (i.e. after mitigating and corrective measures) is assessed on the basis of qualitative and/or quantitative criteria, in line with the instructions for the preparation of the Annual Activity Report.

The **qualitative assessment** includes an analysis of the causes and the types of error (including whether they are repetitive) to conclude on the nature, context and/or scope of the weaknesses identified. This may refer to significant control system weaknesses or critical issues reported by the Authorizing Officers by Sub-Delegation (or as part of the IcaT exercise), the European Court of Auditors (ECA), the Internal Audit Service (IAS), DG BUDG or OLAF. Also, the duration and any mitigating controls or corrective actions are taken into consideration.

The **quantitative assessment** aims at estimating any financial impact ("amount at risk") resulting from the errors detected. In line with the standard materiality threshold proposed by the instructions for the preparation of Annual Activity Reports, DG HOME has set the materiality level for each distinct control system with coherent risk characteristics for the amount at risk resulting from the *residual* errors at 2% of relevant payments made in the reporting year, or in case of multi-annual approach over the programming period

This analysis and the conclusions are presented concisely in the body of the Annual Activity Report where the information reported under each building block is summarised and **which logically supports the five statements** included in the Declaration of Assurance (true and fair view, resources used for the intended purpose, sound financial management, legality and regularity, and non-omission of significant information) **for all significant expenditure categories and control systems**.

DG HOME implements its operational budget through three main different methods of implementation: direct management (grants, procurement, sometimes cross-subdelegated to other DGs), indirect management (payments to traditional agencies, delegation agreements) and shared management. As these methods of implementation have a different risk profile and its own control and supervision arrangements, the observed quantified weaknesses should be assessed per each distinct control system grouped as follows:

- 1) Shared Management
- 2) Direct management – research grants
- 3) Direct management – grants (non-research)
- 4) Indirect management
- 5) Direct management - Procurement and other expenditure

In addition to and separately from the materiality assessment as described below, DG HOME calculates the weighted *average error rate* for its total annual payments and the resulting "overall amount at risk" by applying the relevant (cumulative) *detected* error rate to the relevant annual payments, for each management mode and type of activity. This weighted average error rate is disclosed along the *average recoveries and financial corrections* implemented within the last five years to reach a conclusion on the risk

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

exposure and "estimated future corrective capacity" of the DG, which is presented in the AAR Chapter 2.1.

CHAPTER A – QUALITATIVE CRITERIA FOR DEFINING SIGNIFICANT WEAKNESSES

For all methods of implementation under its operational budget, the different parameters relevant in DG HOME for determining significant weaknesses are the following ones:

- ✓ **Significant control system weaknesses:** significant control system weakness detected during the period, in reports made by Authorizing Officers by Sub-delegation and/or by the ex-post audits carried out.

As far as **traditional agencies** are concerned, and in the framework of the single audit model, the DG's assurance is mainly based on supervisory and monitoring activities, and a verification of the functioning of the control system performed by the Internal Audit Service of the Commission and the European Court of Auditors (DAS), and the outcome of the discharge procedure
- ✓ **Significant shortcoming in internal control standards** appearing in the yearly survey on Internal control standards implementation by management.
- ✓ **Insufficient audit coverage and/or inadequate information from the internal control systems.**
- ✓ **Critical issues outlined by the European Court of Auditors, the Internal Audit Service, DG BUDG and OLAF.**

When assessing the significance of any weaknesses, the following factors are taken into account:

- the nature and scope of the weakness;
- the duration of the weakness;
- the existence of compensatory measures (mitigating controls which reduce the impact of the weakness)
- the existence of effective corrective actions to correct the weaknesses (action plans and financial corrections) which have had a measurable impact.

When significant weaknesses are identified, a quantification of the amount at risk should be carried out when possible (See Chapter B).

In addition, **events** or weaknesses which have a significant *reputational* impact on DG HOME, or indirectly on the Commission, will be reported irrespective of the amount of damage to the DG HOME's administrative and operational budget and will be considered for issuing a reservation on a reputational basis.

CHAPTER B – QUANTITATIVE CRITERIA FOR DEFINING RESERVATIONS

To quantify the potential financial impact of errors detected, it is necessary:

- ✓ **STEP 1: To determine the residual error rate** by
 - Determining the percentage of error in the audited sample of the population;
 - Determining the level of exposure across the entire population (by applying the detected error rates to the whole value of the population and to deduct the amounts corresponding to any corrective actions taken that have already effectively reduced the exposure);
- ✓ **STEP 2: To determine the "amount at risk";**

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

- ✓ **STEP 3: To determine the (financial) materiality**, compared to the relevant payments for a given control system

Steps 1, 2 and 3 differ from one control system to another, and are presented in this Chapter.

In addition, considering the multi-annual aspects of the programmes managed for grants under direct management and shared management, for this type of expenditure DG HOME favours a *multi-annual approach* by evaluating the *cumulative* budgetary impact of the *residual* errors over the whole programming period. As a consequence, the calculation of errors, corrections and materiality of the residual amount at risk are done on a "cumulative basis". For other activities, the materiality and risk are assessed on an annual basis as described below.

1. SHARED MANAGEMENT

1.1. SOLID Funds

STEP 1 – Cumulative Residual Error Rate

All programmes are assessed against audit opinions at national and Commission level based on audits carried out on systems and samples of operations. In addition, operational line managers and authorising officers by sub-delegation also assess the level of assurance. The assessment is based on three elements as follows:

1. The first element is the **assessment of the functioning of management and control systems** carried out by the audit sector. This assessment is complemented by taking into account the assessment of the operational units and the regular contacts with national authorities (process of adoption/revision of annual programmes, monitoring visits, SOLID committees, closures of annual programmes, etc.). This leads to the management opinion on the functioning of the management and control systems, on a Directorate-General level.
2. The second element is the **error rate reported by the (national) audit authorities** in their annual audit report, based on expenditure incurred for a given annual programme. The audit sector assesses the reliability of the detected error rates for each programme, on the basis of all available information and audit results, including on-the-spot missions, and uses this information as the best estimate of the possible risk for expenditure in the reporting year. In case the detected error rates are not available, not accurate or found not to be reliable, the audit sector either recalculates them when it has sufficient information in the annual audit report to do so or, alternatively, replaces them by flat rates in line with the results of the assessment of the functioning of management and control systems.
3. The third element is the consideration of the multi-annual aspect of the programmes. Indeed, although DG HOME manages annual programmes, they all fall under the multi-annual programming period 2007/8-2013. In addition, for the vast majority of Member States, the management and control system is stable over the programming period, thus allowing for the responsible, certifying and audit authorities to continuous improvements in the management of annual programmes.
 - ✓ For **annual programmes closed**, the audit sector deducts the corrections (recoveries and withdrawals) that have been made by the responsible

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

authorities and, if applicable, by the Commission (corrections for individual files, flat rate financial corrections and corrections following an ex-post control). This results in a **residual error rate** for each annual programme, validated by management. Furthermore, a cumulative (average) residual error rate is calculated for programmes covered by a common management and control system (as a rule, each Fund in each MS).

- ✓ In line with DG BUDG and IAS instructions, **running annual programmes**, for which only pre-financings were made, are excluded from the calculation of the residual error since the open pre-financing payments can be considered as being not yet 'at risk'.

The assessment of the relevant reports, data and other information available requires the application of professional judgement, namely when weighting contradictory information or considering abnormal statistical results. When taking into account reported corrections, the authorising officer by delegation also assesses that they effectively mitigate the risks identified and that they result in an actual reduction in the level of the error that remains uncorrected in the population.

STEP 2: Financial exposure from errors in terms of cumulative "amount at risk"

The amount at risk is calculated by applying the **residual error rate** to the total value of each programme closed since the beginning of the programming period. Furthermore, a cumulative amount at risk is calculated for programmes covered by a common management and control system.

This is the Directorate General best estimate of expenditure which is not in full conformity with contractual or regulatory provisions and which have not been corrected at the date the annual activity report is signed.

For transparency purposes, the estimation of the amount at risk is presented in the Annex 10 of the AAR by Member State classifying the programmes in four categories of levels of assurance in accordance with the assurance they provide as to the legality and regularity of payments made during the reporting year:

- **Reasonable assurance** means that there is no material deficiency in key elements of the systems (only minor improvements may be needed in some cases) and the **residual error rate** is **below 2%**;
- **Reasonable assurance with low risk** of irregularities covers programmes with a **residual error rate between 2% and 5%**;
- **Limited assurance with medium risk** of irregularities covers programmes with a **residual error rate between 5% and 10%**;
- **Limited assurance with high risk** of irregularities covers programmes with a **residual error rate above 10%**.

Step 3: Materiality and potential reservation

As management and controls are considered to be specific to each Management and Control System in Member State level, materiality is not assessed and reservations are not decided upon at the level of the ABB activity, but rather at the level of each distinct control system, i.e. separately for each MCS. As a rule, each Fund in a given MS is considered a separate MCS (i.e. EBF/EIF/RF/ERF).

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

The Directorate-General therefore assesses each MCS in order to identify reservations and corrective measures to be applied.

- At MCS level, reservations are made as a general rule for all cases for which the cumulative residual error rate exceeds 2%.
- In order to avoid issuing reservations on programmes which have a marginal impact on DG HOME's declaration of assurance, a de minimis threshold of 350 000.00 EUR is applied. All cases for which the cumulative amount at risk is above 2% but below that threshold are not subject to a reservation (unless on reputational grounds).
- If the residual error rate is below 2%, generally no reservation is made.
- The annual impact of a reservation is calculated by applying the cumulative residual error rate to the total value of the relevant payments (i.e. final payments and clearing of pre-financing) during the reporting period for each programme under reservation. A qualitative assessment might be applied to determine whether the reservation is applicable to the payment made during the reporting year.
- In case no payments have been made in the year concerned for a programme under reservation, the reservation could still apply, but on a reputational/qualitative basis, rather than on a quantitative one.

1.2. AMIF/ISF Funds

1. Rationale

1.1. Assurance Model in Shared Management

In Shared Management, the programmes are assessed against audit opinions both at national and Commission levels based on audit carried out on systems and samples of operations.

This assessment is based on three elements:

- The assessment of the functioning of management and control systems carried out by both the national and Commission auditors;
- The error rate reported by the national audit authorities based on the expenditure incurred by the Member State;
- Taking into consideration the multi-annual aspect of the programmes, the computation by the Commission of a (cumulative) residual error rate.

1.2. Limitations linked to the first accounts submitted for AMIF and ISF

The first year of accounts is affected by the following limitations:

- (i) the fact that the audit coverage and related information from the Member States is not sufficient, given that most of the payments made are not yet audited as they mainly do not correspond to projects closed.

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

(ii) the fact that the Commission could not undertake the necessary controls on the national audit authorities for similar reasons (projects not closed yet and therefore national audit work not yet carried out).

(iii) the fact that the Commission, in line with its Annual Work Plan, started its system audit work in the course of 2016 and will build its knowledge of the national Management and Control Systems in the coming years.

(iiii) the fact that the Commission review of the national designations for AMIF and ISF is well advanced but does not allow sufficient basis to issue an audit opinion on the Management and Control System put in place by each Member State.

The above limitations imply that there is no possibility to apply *mutatis mutandis* the assurance model for the first year of submission of the AMIF/ISF accounts.

2. Materiality criteria for the accounts of the year 2016

In the context described above, DG HOME reflected on a set of materiality criteria relevant to the first year of accounts. Subsequently, further analysis has been carried out by SRD.01 with a view to quantify these materiality criteria and the impact of the exposure on DG HOME payments in order to assess if a reservation is needed and its extent.

As a result of its analysis, DG HOME identified 5 building blocks, which are reflected in a table listing all the funds and countries for which payments have been done by the Commission in 2016.

Building Block 1: Computation of a weighted residual error rates from SOLID

Criteria 1: Residual Error rate

The limitation linked to the first accounts submitted for AMIF and ISF imply that there is no possibility to compute, at the present stage, a residual error rate for both AMIF and ISF funds. As a result, DG HOME is of opinion that the residual error rate for the previous SOLID funds may be a valid indicator to assess the risk linked to the new funds AMIF and ISF.

In this context, the computation of the residual error rates [RER] is based on the following principles:

For AMIF, the computed residual error rate is cumulated residual error rate per MS as stated in AAR 2016 for ERF, RF and EIF. The average error rate for each fund is computed and then weighted by fund based on the cumulated payments made until 31/12/2016.

For ISF, the computed residual error rate is the cumulated residual error rate per MS as stated in AAR 2016 for EBF funds.

Criteria 2: SDR .01 financial corrections

Flat rate financial corrections (FRFC) proposed by EC auditors in the context of closures of APs or ex-post controls (EPC). Such corrections are by nature related to systemic errors vs. individual corrections related to isolated errors.

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

For the AMIF table, the average of these proposed corrections is computed for the 3 funds and then weighted by fund based on the cumulated payments made until 31/12/2016

Criteria 3: Overall level of assurance

This criterion is taken from the SOLID level of assurance table maintained at SRD.01. It is based on DG HOME professional judgement of the Management and Control System per fund per Member State.

It is primarily influenced by the criteria 1 and 2 where:

- a residual error rate lower than 2% or financial corrections lower than 2% would imply a level of assurance 1.
- a residual error rate equal or higher than 2% or financial corrections equal or higher than 5% would imply a level of assurance 3.

The levels of assurance are classified as follows, expressed for the RA and for the AA together:

- Level 1 (green): The management and control system works, minor improvements are needed;
- Level 2 (yellow): The management and control system works, some improvements are needed;
- Level 3 (orange): The management and control system works partially, significant improvements are needed;
- Level 4 (red): The management and control system basically does not work.

As to the present exercise, there is no case where the level of assurance is classified as red; this would imply a RER above 5% and/or financial corrections equal or higher than 10%

Weighting of Building Block 1

As a result of the application of the parameters above, the column "Risk Value Building Block 1" assigns to each fund a level of risk as follows:

SOLID Residual Error Rate	SRD.01 financial corrections	Overall SRD level of Assurance	Risk level (points)
Below 2%	Below 5%	Green	0
Below 2%	Below 5%	Yellow	10
Below 2%	Below 5%	Orange	20
Below 2%	Above 5%	Green	20
Below 2%	Above 5%	Yellow	20
Below 2%	Above 5%	Orange	20
Above 2%	Below 5%	Green	20
Above 2%	Below 5%	Yellow	20
Above 2%	Below 5%	Orange	20
Above 2%	Above 5%	Green	20
Above 2%	Above 5%	Yellow	20
Above 2%	Above 5%	Orange	20

Building Block 2: System changes

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

The building block number 2 analyses to what extent the management and control systems for AMIF or ISF changed in comparison to the MCS for SOLID. It is based on DG HOME preliminary assessment of the description on the Management and Control Systems [MCS] provided by the Member States.

It is primarily influenced by the level of risk associated to the fact that the national authorities (i.e. Responsible Authorities [RA] and Audit Authorities [AA]) are the same national authorities which were involved in the SOLID funds or, to the contrary, are new entities, i.e. which did not gain experience from managing funds under Shared Management during the previous programming period.

Notwithstanding the fact the RA and AA changed or not, the risk level may be increased if DG HOME is aware of any significant modification of the MCS occurred between the previous and the new programming period.

Weighting of Building Block 2

As a result of the application of the parameters above, the column "Risk Value Building Block 2" assigns to each fund a level of risk as follows:

System changes	Risk level (points)
No or few changes (e.g. RA and AA same as for SOLID)	0
Moderate changes (e.g. RA or AA same as for SOLID)	5
Significant changes (e.g. both RA and AA different than for SOLID)	10

Building block 3: System Review

The building block 3 outlines the overall result of the early system reviews carried out by the DG HOME Audit Sector on the responsible authority and audit authority in the context of the MCS assessment, as documented in the Commission auditors' respective final checklists.

The levels of risks are classified as follows, expressed independently for the RA and for the AA:

- Level 1 (green): The management and control system works, minor improvements are needed;
- Level 2 (yellow): The management and control system works, some improvements are needed;
- Level 3 (orange): The management and control system works partially, significant improvements are needed;
- Level 4 (red): The management and control system basically does not work.
- n.a.: not assessed: assessment not carried out as to date.

Weighting of Building Block 3

The level of risk retained is the worst level of risk from the 2 national bodies: for example, if the RA for a specific fund is classified yellow and the AA for the same fund is classified orange, the classification retained will be orange.

As a result of the application of the parameters above, the column "Risk Value Building Block 3" assigns to each fund a level of risk as follows:

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Level of assurance (worst classification between AA or RA)	Risk level(points)
Level 1	0
Level 2	5
Level 3	10
Level 4	15
Not assessed	5

Building block 4: Information stemming from various audit work and other relevant information gathered by 8 February 2017

This building block allows DG HOME to adjust its assessment from the system review (building block 3) in the cases where:

- building block 3 was not assessed;
- the level of assurance gained from building block 3 has been modified in the light of recent audit work or any other relevant information available by 8 February 2017.

Criterion 1: Information from various audit work

This criterion outlines the overall result of the audit work which would have been already carried out at this early stage, mainly:

- the early system reviews carried out by the DG HOME Audit Sector;
- the audits carried out by the European Court of Auditors.

Criterion 2: Other relevant information gathered by 8 February 2017

This criterion outlines any additional information gathered by DG HOME up to date relevant to the proper assessment of the Management and Control system, e.g. an action undertaken by a Member with a view to address a significant weakness identified in an audit report.

This criterion comes in addition to the criteria "Information from various audit work" and may influence it in both ways, depending on the information available and DG HOME professional judgement on a case-by-case basis.

Weighting of Building Block 4

The level of risk retained is the worst level of risk from the 2 national bodies: for example, if the RA for a specific fund is classified yellow and the AA for the same fund is classified orange, the classification retained will be orange.

As a result of the application of the parameters above, the column "Risk Value Building Block 4" assigns to each fund a level of risk as follows:

Level of assurance (Audit work, other relevant information)	Risk level (points)
Level 1	0
Level 2	5

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Level 3	10
Level 4	15
No audit work carried out - No additional information	0

Note: if Information gathered from various audit work and from other relevant information available by 8 February 2017, the risk level for building block 4 is set at zero, as not influencing the assessment already made at the level of building block 3.

Building block 5: Information submitted in the accounts – to be provided by 15 February 2017

The building block number 5 sets out the outcome of DG HOME analysis of the information provided in the accounts submitted to the Commission on 15/2/2017, in particular DG HOME analysis of the AA opinion on the MCS of each programme.

As a result of the application of the parameter above, the column "Overall Level of Assurance (Accounts 2016)" assigns to each fund a level of risk as follows:

Overall Level of assurance (Accounts 2016)	Risk level (points)
Category 1 (Unqualified) or category 2 (qualified moderate) opinion on the MCS	0
Qualified opinion (category 3 or 4) on the MCS	20

4. Evaluation of the level of assurance per Fund and assessment of a Residual Error Rate and Amount at risk per Fund

The evaluation of the level of assurance per Fund is given by the total of the points gained for each of the 5 building blocks, following the table below.

SRD best estimate of a 2016 Residual Error Rate per AMIF / ISF Fund per country

The total of points arising from the 5 building blocks above allows a classification as follows:

<u>Sum of the risk levels (points)</u>	<u>Level of Risk</u>	<u>Best Estimate of Residual error Rate</u>	<u>Reservation proposed</u>
From 0 to 35 points	Low	1,00%	No
From 40 to 50 points	Moderate Low	2,00%	Yes
From 55 to 65 points	Moderate High	5,00%	Yes
Above 65 points	High	10,00%	Yes

Amount at risk

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The amount at risk is computed by multiplying the payments and cleared pre-financing done per fund by the Commission in 2016 by the best estimate of the 2016 Residual Error Rate.

2. DIRECT MANAGEMENT – RESEARCH GRANTS

The materiality criteria for Research expenditure are defined in common agreement with the other DGs of the 'Research family' (RTD, CNECT, MOVE, ENER).

Research framework programmes – common aspects

The assessment of the effectiveness of the different programmes' control system is based mainly, but not exclusively, on ex-post audits' results. The effectiveness is expressed in terms of detected and residual error rate, calculated on a representative sample.

Assessment of the effectiveness of controls

The starting point to determine the effectiveness of the controls in place is the cumulative level of error expressed as the percentage of errors in favour of the EC, detected by ex-post audits, measured with respect to the amounts accepted after ex-ante controls.

However, to take into account the impact of the ex-post controls, this error level is to be adjusted by subtracting:

- Errors detected corrected as a result of the implementation of audit conclusions.
- Errors corrected as a result of the extrapolation of audit results to non-audited contracts with the same beneficiary.

This results in a residual error rate, which is calculated in accordance with the following formula:

$$Re_{sER}\% = \frac{(Re_{pER}\% * (P - A)) - (Re_{pERsys}\% * E)}{P}$$

where:

ResER%	residual error rate, expressed as a percentage.
RepER%	representative error rate, or error rate detected in the common representative sample, expressed as a percentage. For FP 7 this rate is the same for all Research services.
RepERsys%	portion of the RepER% representing (negative) systematic errors, expressed as a percentage. The RepER% is composed of two complementary portions reflecting the proportion of negative systematic and non-systematic errors detected.
P	total aggregated amount in euros of EC share of funding in the auditable population. In FP7, the population is that of all received cost statements, and the euros amounts those that reflect the EC share included in the costs claimed in each cost statement.
A	total EC share of all audited amounts, expressed in euro. This will be collected from audit results.

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- E** total non-audited amounts of all audited beneficiaries. In FP7, this consists of the total EC share, expressed in euro, excluding those beneficiaries for which an extrapolation is ongoing).

The Common Representative Audit Sample (CRAS) is the starting point for the calculation of the residual error rate. It is representative of the expenditure of each FP as a whole. Nevertheless, the Director-General must also take into account other information when considering if the overall residual error rate is a sufficient basis on which to draw a conclusion on assurance (or make a reservation) for specific segment(s) of FP7/Horizon 2020. This may include the results of other ex-ante controls, risk assessments, audit reports from external or internal auditors, etc. All this information may be used in assessing the overall impact of a weakness and considering whether to make a reservation or not.

If the CRAS results are not used as the basis for calculating the residual error rate this must be clearly disclosed in the AAR, along with details of why and how the final judgement was made.

In case a calculation of the residual error rate based on a representative sample is not possible for a FP for reasons not involving control deficiencies,¹ the consequences are to be assessed quantitatively by making a best estimate of the likely exposure for the reporting year based on all available information. The relative impact on the Declaration of Assurance would be then considered by analysing the available information on qualitative grounds and considering evidence from other sources and areas. This should be clearly explained in the AAR.

Multiannual approach

The Commission's central services' guidance relating to the quantitative materiality threshold refers to a percentage of the authorised payments of the reporting year of the ABB expenditure. However, the Guidance on AARs also allows a multi-annual approach, especially for budget areas (e.g. programmes) for which a multi-annual control system is more effective. In such cases, the calculation of errors, corrections and materiality of the residual amount at risk should be done on a "cumulative basis" on the basis of the totals over the entire programme lifecycle.

Because of its multiannual nature, the effectiveness of the Research services' control strategy can only be fully measured and assessed at the final stages in the life of the framework programme, once the ex-post audit strategy has been fully implemented and systematic errors have been detected and corrected.

In addition, basing materiality solely on ABB expenditure for one year may not provide the most appropriate basis for judgements, as ABB expenditure often includes significant levels of pre-financing expenditure (e.g. during the initial years of a new generation of programmes), as well as reimbursements (interim and final payments) based on cost claims that 'clear' those pre-financings. Pre-financing expenditure is very low risk, being paid automatically after the signing of the contract with the beneficiary.

Notwithstanding the multiannual span of their control strategy, the Director-Generals of the Research DGs (and the Directors of ERCEA, REA, and, for Horizon 2020, EASME and INEA) are required to sign a statement of assurance for each financial reporting year. In order to determine whether to qualify this statement of assurance with a reservation, the effectiveness of the control systems in place needs to be assessed not only for the year

¹ Such as, for instance, when the number of results from a statistically-representative sample collected at a given point in time is not sufficient to calculate a reliable error rate.

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of reference but also with a multiannual perspective, to determine whether it is possible to reasonably conclude that the control objectives will be met in the future as foreseen.

In view of the crucial role of ex-post audits defined in the respective common audit strategies, this assessment needs to check in particular whether the scope and results of the ex-post audits carried out until the end of the reporting period are sufficient and adequate to meet the multiannual control strategy goals.

The criteria for making a decision on whether there is material error in the expenditure of the DG or service, and so on whether to make a reservation in the AAR, will therefore be principally, though not necessarily exclusively, based on the level of error identified in ex-post audits of cost claims on a multi-annual basis.

Adequacy of the audit scope

The quantity of the (cumulative) audit effort carried out until the end of each year is to be measured by the actual volume of audits completed. The data is to be shown per year and cumulated, in line with the current AAR presentation of error rates. The multiannual planning and results should be reported in sufficient detail to allow the reader to form an opinion on whether the strategy is on course as foreseen.

The Director-General should form a qualitative opinion to determine whether deviations from the multiannual plan are of such significance that they seriously endanger the achievement of the internal control objective. In such case, she or he would be expected to qualify his annual statement of assurance with a reservation.

Research Framework programmes – specific aspects

The control system of each framework programme is designed in order to achieve the operational and financial control objectives set in their respective legislative base and legal framework. If the effectiveness of those control systems does not reach the expected level, a reservation must be issued in the annual activity report and corrective measures should be taken.

Each programme having a different control system, the following section details the considerations leading to the establishment of their respective materiality threshold and the conclusions to draw with regard to the declaration of assurance.

Seventh Framework programme

For the Seventh Framework programme, the general control objective, following the standard quantitative materiality threshold proposed in the Standing Instructions for AAR, is to ensure that the residual error rate, i.e. the level of errors which remain undetected and uncorrected, does not exceed 2% by the end of the programmes' management cycle.

The question of being on track towards this objective is to be (re)assessed annually, in view of the results of the implementation of the ex-post audit strategy and taking into account both the frequency and importance of the errors found as well as a cost-benefit analysis of the effort needed to detect and correct them.

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Horizon 2020 Framework Programme

The Commission's proposal for the Regulation establishing H2020 framework programme² states that

It remains the ultimate objective of the Commission to achieve a residual error rate of less than 2% of total expenditure over the lifetime of the programme, and to that end, it has introduced a number of simplification measures. However, other objectives such as the attractiveness and the success of the EU research policy, international competitiveness, scientific excellence and in particular the costs of controls need to be considered.

Taking these elements in balance, it is proposed that the Directorates General charged with the implementation of the research and innovation budget will establish a cost-effective internal control system that will give reasonable assurance that the risk of error over the course of the multiannual expenditure period is, on an annual basis, within a range of 2-5 %, with the ultimate aim to achieve a residual level of error as close as possible to 2 % at the closure of the multi-annual programmes, once the financial impact of all audits, correction and recovery measures have been taken into account.

Further, it explains also that

Horizon 2020 introduces a significant number of important simplification measures that will lower the error rate in all the categories of error. However, [...] the continuation of a funding model based on the reimbursement of actual costs is the favoured option. A systematic resort to output based funding, flat rates or lump sums appears premature at this stage [...]. Retaining a system based on the reimbursement of actual costs does however mean that errors will continue to occur.

An analysis of errors identified during audits of FP7 suggests that around 25-35 % of them would be avoided by the simplification measures proposed. The error rate can then be expected to fall by 1.5 %, i.e. from close to 5 % to around 3.5 %, a figure that is referred to in the Commission Communication striking the right balance between the administrative costs of control and the risk of error.

The Commission considers therefore that, for research spending under Horizon 2020, a risk of error, on an annual basis, within a range between 2-5 % is a realistic objective taking into account the costs of controls, the simplification measures proposed to reduce the complexity of rules and the related inherent risk associated to the reimbursement of costs of the research project. The ultimate aim for the residual level of error at the closure of the programmes after the financial impact of all audits, correction and recovery measures will have been taken into account is to achieve a level as close as possible to 2 %.

In summary, the control system established for Horizon 2020 is designed to achieve a control result in a range of 2-5% detected error rate, which should be as close as possible to 2%, after corrections. Consequently, this range has been considered in the legislation as the control objective set for the framework programme.

The question of being on track towards this objective is to be (re)assessed annually, in view of the results of the implementation of the ex-post audit strategy and taking into account both the frequency and importance of the errors found as well as a cost-benefit analysis of the effort needed to detect and correct them.

² COM(2011) 809/3 Proposal for a Regulation of the European Parliament and of the Council establishing Horizon 2020 – the Framework programme for Research and Innovation (2014-2020), see point 2.2, pp 98-102.

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3. DIRECT MANAGEMENT – GRANTS (NON-RESEARCH)

For the direct management of grants, the assessment of the residual error rate and amount at risk not detected by the supervision and ex-ante elements of the internal control system is carried out through an analysis of the accumulated results of the ex-post audits.

STEP 1 – Cumulative Residual Error Rate

A. Adequacy of the audit scope

Auditable population (scope of the analysis) = value of all relevant payments (i.e. interim and final payments, plus related cleared pre-financing) relating to the programming period for which the payment was made and/or the pre-financing cleared before 31st December of the reporting year (= "closed" grants)

Audited population = value of "closed" grants audited, relating to the programming period, and for which the audit report was finalised before 31st December of the reporting year

Unit SRD.01 performs audits for shared management (DG HOME) and direct management for both DG HOME and DG JUST. Therefore, both Director Generals decided to invest the scarce ex-post resources into a maximum-return & maximum-assurance ex-post strategy. As a consequence, the "*targeted*" sampling strategy is *not risk-based* but rather "maximum-assurance"-based. It aims at detecting and correcting a maximum of anomalies in the DG's operational expenditure and maximising the deterrent effect, by auditing recurrent beneficiaries and/or high-value grants, regardless of their either low, medium or high expected error rates in %.

Over the years, such an approach is considered representative enough if a sufficient coverage, set at 10% of the auditable population, is reached. Indeed, even with "annual" programmes, a cumulative approach is possible, per (fairly homogeneous) "generation" of programmes.

B. Results of the audits finalised since the start of the programming period

(Cumulative) detected error (amount) = For audited grants, total grant value as initially paid after the ex-ante controls minus grant value as calculated after the ex-post control³

(Cumulative) detected error rate (%) = Detected error divided by the grant value as initially paid after the ex-ante controls

C. Determination of the residual error rate

Uncorrected detected errors (amount) = All detected errors pending recovery

Cumulative residual error rate in the audited population (%) = Uncorrected amount divided by the audited population

³ Positive amounts only. In case, following this calculation, the result would be a negative amount, it should be brought back to zero.

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Residual error rate in the entire population (%) = (uncorrected errors detected in the audited population plus detected error rate multiplied by the non-audited population divided by the auditable population

STEP 2: Financial exposure from errors in terms of cumulative "amount at risk"

Cumulative Amount at risk (net amount) = uncorrected errors detected plus non-audited population multiplied by (cumulative) detected error rate

STEP 3: Materiality and potential reservation

As long as the residual error rate has not (yet) decreased to below 2% set as a multiannual target, a reservation should be considered.

In case this multi-annual analysis leads to a reservation, then (in view of the annual scope of the AAR) the related actual financial exposure on the authorised payments of the reporting year is calculated by multiplying the cumulative residual error rate by the sum of direct grants payments based on cost statements actually processed and pre-financings cleared in a given year.

4. INDIRECT MANAGEMENT: PAYMENTS TO TRADITIONAL AGENCIES

STEP 1 –Residual Error Rate

The Community subsidy is paid to the Agencies through maximum four payments a year, on the basis of an analysis of the real cash flow needs of the Agencies. Once an admissible payment request is registered by DG HOME, payments are made within 30 calendar days. If information comes to the notice of DG HOME which puts in doubt the eligibility of expenditure appearing in a payment request, DG HOME may suspend the time limit for payment for further verifications and/or take any appropriate measures in accordance with the principles of sound financial management. This above mentioned information includes suspicion of irregularity committed by the Agency in the implementation of the subsidy and suspected or established irregularity committed by the Agency in the implementation of a contract or another grant agreement or grant decision funded by the General Budget of the European Union or by any other budget managed by the Agency. If the balance of the budgetary outturn account is positive, it shall be repaid by the Agency to the Commission during the first semester of year N+1 on the basis of a debit note issued by the Commission.

The controls operated on the use of these payments, i.e. either management's supervision of audits carried out by the Internal Audit Service (IAS) or the European Court of Auditors (ECA) may result in the detection of compliance errors or irregularities. These are mainly **payment or recovery (amount) errors**: i.e. cases where, without the error, the amount paid to or recovered from beneficiary would have been different. In this case, as long as it remains uncorrected, the difference in amount is to be treated as an error with its consequences on the (cumulative) error rate.

STEP 2: Financial exposure from errors in terms of "amount at risk"

Annex 4: Materiality criteria & Methodology for measuring the residual amount at risk and determining its materiality

The real actual 'net'⁴ financial impact of the errors defined under step 1 is considered as amount at risk, and (if very significant) its 'quantitative' materiality is considered for a potential financial reservation.

Step 3: Materiality and potential reservation

To determine the materiality of the amount at risk the total amount at risk is divided by the total value of payments made in a given year for each Agency. If the amount at risk exceeds 2%, a reservation should be considered.

Besides a financial risk, other elements are considered for issuing a reservation due to a reputational risk in relation to Agencies' activities. Such information may stem, for example, from critical issues raised by the Internal Audit Service or Court of Auditors on the Agencies' management and control systems. In view of the seriousness of the findings, a reputational reservation is considered e.g. when affecting a significant part of the related activity, when being systemic, when causing a (risk of) fall-out in press and/or public, etc.

5. PROCUREMENT AND OTHER EXPENDITURE

STEP 1 – Residual Error Rate

Procurement-related errors can occur both in contracts awarded by the Commission and in contracts awarded by grant beneficiaries who subsequently submit the expenditure for reimbursement.

Errors incurred by grant beneficiaries are covered under the section related to grants, whereas this section covers the errors potentially occurring in contracts awarded by DG HOME.

The DG's own controls and/or internal and external audits (Internal Audit Service or the European Court of Auditors) carried out on these operations, may result in the detection of compliance errors or irregularities. These can be classified in two categories for the purpose of assessing their impact on the assurance:

- ✓ **Payment (amount) errors:** i.e. cases where, without the error, the amount paid would have been different. In this case, as long as it remains uncorrected, the difference in amount is to be treated as an error with its consequences on the error rate;
- ✓ **Procedural (contract selection and award) errors** are those which seriously impair the application of the principles of "open, fair, transparent competition" and "award to the best qualified bidder", i.e. cases where the contractor selected might have been different if the procedure would have been correct. In these cases, the size of the error is, by default, set at 100% of the transaction amount and included into the calculation of DG HOME's error rate. This is in line with ECA's new approach and is necessary to comply with the principle of transparency and allow stakeholders to compare the Commission's error rate with the one published by the ECA.

STEP 2: Financial exposure from errors in terms of "amount at risk"

The financial exposure differs depending on the type of errors:

⁴ Any correction actually made by the Commission should be deducted from the detected error

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- ✓ For **payment (amount) errors**: the amount at risk is the real actual 'net'⁵ financial impact of the errors and its 'quantitative' materiality is considered for a potential financial reservation. These financial procurement errors are taken into consideration for the application of the quantitative materiality criteria
- ✓ For **procedural (contract selection and award) errors**, DG HOME considers that even when the contractor should/could have been different, this does not always mean that the full (100%) value of the contract is 'at risk' (or that the taxpayer's money would be entirely 'lost'). Consequently, these kinds of errors cannot be considered for making a financial reservation (given that in terms of materiality the actual financial impact cannot be quantified in a consistent way with the payment errors) and are therefore not included in the calculation of the actual financial exposure (amount at risk). However, given that DG HOME acknowledges the seriousness of breaching any of the key principles of public procurement, these types of procurement errors are considered for making a potential *reputational* reservation, rather than a financial one (*e.g. when affecting a significant part of the related activity, when being systemic and affecting more/all of DG HOME's procurement processes, when causing a fall-out in press and/or public, etc. – see below*).

Step 3: Materiality and potential reservation

For payment (amount) errors: The materiality of the amount at risk is obtained by dividing the total amount at risk by the total value of payments made in a given year for procurement and other expenditure. If the amount at risk exceeds 2%, a *financial* reservation should be considered.

For **procedural (contract selection and award) errors**, in view of the seriousness of the (type) of procurement error, a *reputational* reservation is considered *e.g. when affecting a significant part of the related activity, when being systemic and affecting more/all of DG HOME's procurement processes, when causing a fall-out in press and/or public, etc.*

⁵ Any correction actually made by the Commission should be deducted from the detected error

ANNEX 5: Internal Control Templates for budget implementation (ICTs)

ICT 1: Expenditure in shared management:

Stage 1 – Negotiation and assessment/approval of spending proposals (2014-2020 programming period):

Main control objectives: Ensuring that the Commission (COM) adopts the actions that contribute the most towards the achievement of the policy objectives (effectiveness)

Main risks	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The National Programmes (NPs) financed ¹ do not adequately reflect the policy objectives or priorities.	<p>Adoption of NPs</p> <p>Programming phase preceded by senior-level Policy Dialogues with the individual MSs: better focus on objectives, results and impacts;</p> <p>Internal procedures to help actors during the programming phase and guidance to MSs</p> <p>Internal consultation (financial and policy aspects), hierarchical validation at DG-level for each NP; checkboards and discussions in weekly programming meetings;</p> <p>Preliminary desk review of MCS proposed by MS</p> <p>Inter-service consultation (including all relevant DGs)</p> <p>Adoption of each NP by Commission Decision.</p> <p>Revision of NPs:</p> <p>Points 2, 3, 5 and 6 of the programming cycle are applied.</p>	<p>Coverage / Frequency: 100%.</p> <p>Depth: checklist, guidelines and lists of requirements in the relevant regulatory provisions.</p>	<p>Costs: estimation of cost of staff involved in the reviewing and approving/validation of the spending national programmes put forward by the Member States.</p> <p>(Part of the) cost of SFC 2014</p> <p>Benefits: Adopted NPs have a clear intervention logic, allowing the Commission to evaluate their result/outcome [<i>non-quantifiable individually</i>]</p>	<p>Effectiveness:</p> <p>% of NPs adopted</p> <p>% of financial allocation approved</p> <p>Efficiency:</p> <p>Time-to-pay of pre-financing (and % of payments within delays)</p> <p>Average time to adopt/revise a NP</p>

¹ For DG HOME, the different actions, programmes and projects under the 2014-2020 MFF (AMIF and ISF).

Lack of complementarity with initiatives programmed by other DGs	Point 5 of the programming cycle above			
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Stage 2 – Implementation of operations (Member States) (2007-2013 and 2014-2020 programming period):

A. Setting up of the systems

Main control objectives: ensuring that the management and control systems are adequately designed (2014-2020 programming period)

Main risks	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
The process of designation of authorities in the MSs (Responsible Authority/RA) is not effective and	MS level The MCSs have to be audited by an independent audit body before designation. Designated authority supervises the RA and ensures the compliance with designation criteria. Supervision by the Commission:	Coverage / Frequency: 100% compliance review/desk reviews System review meetings (risk based)	Costs: estimation of cost of staff involved (only at COM level) Benefits: amounts associated with systems for which the	Effectiveness: - % of authorities designated Efficiency: Number of systems for which serious weaknesses were found by designation reviews

<p>therefore the management and control systems (MCSs) are not compliant with the applicable rules</p> <p>RA designated although not all designation criteria are fulfilled</p> <p>No or late designation of the RA by the MS</p>	<p>Compliance review when receiving the formal notification of designation to determine whether the non-compliances could prevent the COM to pay pre-financing;</p> <p>Desk reviews based on questionnaires on controls of the RA, the audit approach of the AA and the monitoring approach of the Designating Authority, to allow an early assessment of the systems design and to address the compliance risk;</p> <p>System review meetings with a number of MSs, to allow a better understanding of control systems and a more reliable risk analysis;</p> <p>Continued monitoring of the situation by desk officer to assist the MS to complete the process, reminders sent at desk officer level and higher level if needed.</p>	<p>Depth: compliance review/desk review of description of MCSs sent by MSs;</p>	<p>Commission audit work did not reveal substantial compliance problems at a later stage of the implementation period <i>[not quantifiable individually]</i></p>	<p>(% of total checked)</p>
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B. Member States controls to prevent, detect and correct errors within the declared expenditure (2007-2013 and 2014-2020 programming period)

Main control objectives: ensuring that the annual accounts submitted to the Commission for each National Programme are legal and regular

Main risks	Mitigating controls	How to determine coverage, frequency and depth	Control indicators
<p>2007-2013 period</p> <p>The bodies responsible for the management and control of Union funds do not provide the information required by the regulations.</p> <p>(Annual) declaration of expenditure submitted to the Commission includes expenditure which is</p>	<p>2007-2013 period</p> <p><i>Management verifications:</i> first level checks by the Responsible Authorities. The following checks are carried out:</p> <ul style="list-style-type: none"> - Desk checks of all expenditure based on supporting documents, including progress reports by final beneficiaries, etc.; - On-the-spot visits to a number of projects selected on a risk based analysis to verify delivery of the project outputs (investment, services) and reality and eligibility of expenditure declared; 	<p>Coverage:</p> <p>2007-2013 period</p> <p>as provided for by the regulatory framework. In particular, the verifications carried out by the Responsible Authority cover administrative, financial, technical and physical aspects of projects, as appropriate and include 100% administrative and financial verifications of the applications for</p>	<p>Effectiveness:</p> <p>Error rates as reported by the AA (in case of qualified/adverse opinion of AAs)</p> <p>Efficiency:</p> <ul style="list-style-type: none"> - time to lift interruption of

<p>irregular or non-compliant with EU and/or national eligibility rules and legislation.</p> <p>More specifically, the funding of the projects does not comply with the rules on the <i>eligibility of expenditure</i> specified in the EU regulations, or in the rules laid down at national/regional level, such as:</p> <ul style="list-style-type: none"> - beneficiaries declaring ineligible or incorrectly calculated costs such as incorrectly calculated staff costs, incorrect allocation of overhead costs, overcharging of staff costs, costs incurred before or after the duration of annual programme; ineligible projects, beneficiaries, or participants, costs incurred for operations which have not been decided on by the responsible authority; - EU and/or national <i>public procurement rules</i> are breached by beneficiaries (incorrectly or unlawful awarded contract, etc.). <p>2014-2020 period</p> <p>RA fails to develop an appropriate control strategy (risk that it would not capture all relevant elements, timing, depth and coverage will not be adequate)</p>	<ul style="list-style-type: none"> - Correction of irregular expenditure and recovery of EU funds as appropriate; - Drawing up of progress and final reports on the implementation of the annual programmes summarising the implementation of the entire programme, which are scrutinised by the Commission <p><i>Certification, audit opinion and annual audit report</i> by the certifying and audit authorities</p> <p>Each declaration of expenditure is checked and certified as correct by the certifying authority. The assurance is based on its own desk checks and, if necessary, on-the-spot-verifications and the information on checks performed by the responsible and audit authorities.</p> <p>The certifying authority shall verify the recovery of any EC financing found to have been unduly paid. It shall keep an account of amounts recoverable and amounts recovered.</p> <p>The Audit Authority performs system audits and carries out substantive testing of projects to cover 10% of expenditure by programme closure; it passes on findings of systems weaknesses and irregular expenditure found to the Responsible Authority and to the certifying authority for correction; it issues an annual control report on the work carried out and conclusions drawn.</p> <p>For qualified and adverse opinions from the Audit authority on the functioning of the management and control system, the responsible authority shall ensure that an adequate action plan is implemented by the responsible authority to restore effectively the functioning of the system.</p> <p>2014-2020 period</p> <p>At the level of Responsible Authority (RA):</p> <p>Control activities for selection of projects</p> <p>Controls for verification of payment claims submitted by the</p>	<p>reimbursement sent by the final beneficiaries. System audits covering all key processes and a sample of project audits (covering at least 10% of each annual programme declared expenditure).</p> <p>2014-2020 period</p> <p>as provided for by the regulatory framework. In particular, the verifications carried out by the Responsible Authority cover administrative, financial, technical and physical aspects of projects, as appropriate and include 100% administrative verifications of the applications for reimbursement sent by the final beneficiaries.</p> <p>Depth:</p> <p>2007-2013 period</p> <ul style="list-style-type: none"> - <u>management verifications</u>: performance of first-level checks (administrative and on the spot controls). - <u>certification</u>: verification carried out by the certifying authorities of the Member State, with the aim to verify that the first level checks carried out by the management authorities have been effectively carried out and that the expenditure being declared for reimbursement is accurate, results from a reliable accounting system, and complies with applicable Community and national rules. They typically consist of desk checks and on-the-spot-verifications where necessary. - <u>audit opinion</u>: system audits and audits of operations on a sample basis 	<p>payments;</p> <p>Number of qualified opinions of AAs, out of which validated by the Commission</p>
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<p>Controls by the RA are not well documented</p> <p>Delays in completing of RA controls, restricting available time for AA audit work</p> <p>At project level risk that funding streams from various EU sources may lead to double funding</p> <p>Annual accounts submitted to the Commission include expenditure which is irregular or non-compliant with EU and/or national eligibility rules and legislation.</p> <p>Quality of AA audit work is not reliable (limited reliance on AA audit work)</p> <p>Submission of the accounts after the deadline set in the Regulation 514/2014.</p> <p>Beneficiaries not fully aware of their obligations (e.g. eligibility of expenditure, procurement rules, indicators, retention of documents)</p> <p>Expenditure declared to the COM by a RA whose MCS is no longer compliant with designation criteria</p> <p>RA fails to timely provide comprehensive eligibility rules for its</p>	<p>beneficiaries (administrative and on the spot controls)</p> <p>Controls for payments, accounting, advance payments, debt management, rules regarding irregularities and anti-fraud measures and recoveries when necessary</p> <p>Operational and financial reporting to the COM</p> <p>At the level of Audit Authority (AA):</p> <ul style="list-style-type: none"> - audits at the level of RA to ascertain the reliability of the controls put in place by the RA (system audits and audits on sample of expenditure included in the annual accounts) - possibility to carry out on the spot checks at the level of beneficiary; - annual audit opinion foreseen in article 59 of the Financial Regulation - Identification of non-compliance with the designation criteria; <p>Realistic planning by RA in close coordination with AA.</p> <p>RA guidance and continuous assistance to (potential) beneficiaries</p> <p>Monitoring of RA compliance with designation criteria by the Designated Authority, based on the reports of the AA.</p> <p>Requirement to put RA on probation if a non-compliance is identified</p> <p>Sufficient administrative capacity at the RA and the RA contacts with managing authorities of European Structural and Investment Funds</p>	<p>2014-2020 period</p> <p><u>Management verifications:</u> performance of first-level checks (administrative and on the spot controls).</p> <ul style="list-style-type: none"> - designation: additional verification of compliance with the designation criteria by the Audit Authority - audit opinion: system audits on the checks already carried out, where necessary with re-performance of on-the-spot checks; where applicable, audits of operations and additional substantive testing on expenditure 	
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beneficiaries			
Double funding with other EU funds	Awareness raising on possible overlaps and synergies with other EU funds, both within COM services and within the MS		

Stage 3 – Monitoring and supervision of the execution, closure of annual programmes and ex-post control (2007-2013 period and 2014-2020 period)

Main control objectives: ensuring that the expenditure reimbursed from the EU budget is eligible and regular

Main risks	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>2007-2013 period</p> <p>The management verifications and subsequent controls by the Member States have failed to detect and correct ineligible costs or calculation errors.</p> <p>The audit work carried out by the audit authorities is not sufficient to obtain adequate assurance on the submitted declarations of expenditure;</p> <p>The Commission services have failed to take appropriate measures to safeguard EU funds, based on the information received.</p>	<p>2007-2013 period</p> <p>Commission checks of MS' annual declarations of expenditure;</p> <p>Commission assessment of MCSs in the MSs, in particular of work done or reported by the AA.</p> <ul style="list-style-type: none"> - assessment of Annual audit opinions - calculation of weighted error rates (for 2007-2013) - estimation of residual error rates - assessment of system audit reports from AA (for 2007-2013) - Assessment of annual summaries (for 2007-2013) - Own Commission audits - technical and bilateral meetings with MSs 	<p>Coverage: 100%</p> <p>Verification of information provided in the annual clearance and annual audit opinions.</p> <p>Depth: desk checks and/or on-the-spot monitoring and audits based on risk assessment; verification of the quality and reliability of the information based on Commission's own audit work; 'validation' and where necessary adjusting of error rates reported by MS to calculate a cumulative residual error risk (RER);</p>	<p>Costs:</p> <p>Part of the cost of SFC2007/SFC 2014</p> <p>Cost of Commission monitoring activities (including bilateral and technical meetings, review of annual summaries and cost of the externalisation of monitoring visits)</p> <p>Cost of Commission staff checking MS annual reports and audit reports</p> <p>Cost of audit missions and guidance to audit authorities</p>	<p>Effectiveness:</p> <p>Number of programmes with reported error rate assessed as reliable</p> <p>Number and amount of interruptions/suspensions of payments</p> <p>Corrections made resulting from Commission audit work (decided and implemented)</p> <p>- % of the expenditure for which the Commission can rely on the work of the AA (where applicable)</p> <p>- Best estimate of (residual) amount at risk per MS and cumulated.</p>

<p>2014-2020 period</p> <p>The controls and audits by MS fail to detect and correct ineligible costs or calculation errors</p> <p>The audit work carried out by the AA is insufficient to obtain adequate assurance</p> <p>The COM services fail to take appropriate measures to safeguard EU funds, based on the information received.</p>	<p>Commision' checks of progress and final report on the implementation of annual programmes (2007-2013)</p> <p>Interruptions and suspensions of payments</p> <p>Financial corrections (implemented by Commission)</p> <p>Audits by the European Court of Auditors, IAS</p> <p>2014-2020 period</p> <p>Clearance of accounts: checks of MS' annual accounts/declarations of expenditure by COM services</p> <p>Conformity clearance: Interruption and suspensions of payments, financial corrections and de-commitments, ex-post audits</p> <p>Compliance audits: audits on quality of AA work</p> <p>Audits by the European Court of Auditors, IAS</p>		<p>Benefits:</p> <p>Errors prevented [unquantifiable],</p> <p>Errors detected and corrected (amount of financial corrections) at closure stage (including flat rate financial corrections);</p> <p>Errors detected by Ex-post controls</p>	<p>Efficiency:</p> <p>Time-to-final payment (and % of payments within delays)</p>
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ICT 2: Grants direct management (2014-2020 period and completion of 2007-2013 framework period)

Stage 1: Programming, evaluation and selection of proposals (2014-2020 period)

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

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators for stages 1A and 1B
<p>Delays occur in adopting the Financing Decision or AWP. The AWP is published later than 31 March of the year of implementation.</p> <p>The AWP/Call does not adequately reflect the objectives pursued and/or the eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals</p> <p>The AWP/Call overlaps or is incompatible with other programmes (by own DG or other DGs)</p> <p>The AWP/Call does not contain the information required in the regulatory framework (FR 84, 128; RAP 94, 188, 189)</p> <p>Calls for proposals and AWP are not adequately published.</p>	<p>Communication between the financial and policy units on objectives/instruments (regular meetings)</p> <p>Hierarchical validation within the authorising department</p> <p>Inter-service consultation, including all relevant DGs</p> <p>Adoption by the Commission</p> <p>Use of templates based on DG BUDG templates</p> <p>Templates-based verification; comitology procedure</p> <p>Publication procedure</p>	<p>Coverage :100% of all AWP/calls</p> <p>Frequency: during the preparation of each AWP/call</p> <p>Depth: Templates includes a list of the requirements of the regulatory provisions identified.</p>	<p>Costs: estimation of cost of staff involved in the preparation and validation of the annual work programme and calls.</p> <p>Benefits: higher performance of reaching the objectives/better quality results of the call</p>	<p>Effectiveness: Awarded budget over available budget</p> <p>Number of litigation cases over redress procedures</p> <p>Efficiency: Time to publication</p>

B - Selecting and awarding: Evaluation, ranking and selection of proposals

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators for stages 1A and 1B
<p>Delays due to request of missing documents (the grant application does not contain all information and supporting documents required for its evaluation)</p> <p>A beneficiary is awarded several grants from the EU budget for a single action (Risk of double financing/risk of non-cumulative award)</p> <p>The pre-announced selection and award criteria are not adequately and consistently applied for the evaluation of proposals</p> <p>The action is not clearly defined in the grant application</p> <p>A grant is awarded for an action which has already begun but the applicant cannot demonstrate the need for starting the action prior to signature of the grant agreement or notification of the grant decision</p>	<p>Detailed procedures for calls foresee time to gather missing documents</p> <p>Where relevant, crossed checks with other DGs on possible double-financing if grants have been awarded to the same beneficiary by other DG (ABAC/LEF)</p> <p>The Guide for applicant and the kick-off meetings ensure a common understanding of the requirements.</p> <p>Very detailed application forms have been developed and used since 2013 calls.</p> <p>Since 2013, it is made clear that the actions starts after the signature of the grant agreement.</p> <p>Selection and appointment of expert evaluators</p> <p>For H2020: evaluation done by REA, selection decision done by DG HOME.</p>	<p>Coverage: 200% -300% checks (checked at least by 2-3 independent evaluators) and double checked by internal committee.</p> <p>Where relevant, proposals are crossed checked with other DGs, checks made depending on programme</p> <p>Depth: cross checking where appropriate for specific cases (FTS)</p>	<p>Costs: estimation of cost of staff involved in the evaluation and selection of proposals. Cost of the appointment of experts and of the logistics of the evaluation.</p> <p>Benefits: best quality projects selected.</p>	<p>Please refer to the indicators above for stages 1A and 1B</p>

Stage 2: Contracting: Transformation of selected proposals into legally binding grant agreements (2014-2020 period)

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The beneficiary lacks operational and/or financial capacity to carry out the actions.</p> <p>Budget resources are not sufficiently available (on time)</p> <p>The grant agreement is signed late; the time to grant is not respected.</p> <p>The grant agreement does not contain all applicable provisions</p> <p>Complexity due to the obligation to have multi partners structure for each project</p> <p>The estimated budget of the grant application significantly overestimates the amounts necessary to carry out the action or WP and this is not identified in the recommendations of the evaluation committee</p>	<p>Review and checks during the contracting phase of technical action plan and budget for consistency and plausibility; in-depth financial verification and taking appropriate measures for high risk beneficiaries.</p> <p>Project Officers implement evaluators' recommendations in discussion with selected applicants.</p> <p>Strict follow up of budget appropriations; the payment clause is customized if the payment appropriations are not available on time.</p> <p>Internal reporting</p> <p>Hierarchical validation within the authorising department. Use of Commission contractual templates.</p> <p>The budget is checked before the award decision, which increases the economy and efficiency of the distributions of funds.</p> <p>H2020:</p> <p>Participant Guarantee Fund</p> <p>The controls corresponding to this stage are performed using the IT Commission tool for managing grants SYGMA/COMPASS, common to all Research DGs.</p> <p>The validation of beneficiaries is done by REA/URF (Uniform Registration Facility)</p>	<p>Coverage</p> <p>- 100% of the selected proposals and beneficiaries are scrutinised.</p> <p>- 100% of drafts grant agreements.</p> <p>Depth may be determined after considering the type or nature of the beneficiary and/or of the modalities (e.g. substantial subcontracting) and/or the total value of the grant.</p>	<p>Costs:</p> <p>Estimation of cost of staff involved in the contracting process.</p> <p>Benefits:</p> <p>Difference between the budget value of the proposals and that of the corresponding grant agreements.</p> <p>No/value of awards decisions transformed into grant agreements</p> <p>Maximize the use of available commitments</p>	<p>Effectiveness:</p> <p>Value of grant agreements signed over grant amounts requested in applications (%)</p> <p>Efficiency Indicators:</p> <p>Time-to-Grant</p>

Stage 3: Monitoring the execution. This stage covers the monitoring the operational, financial and reporting aspects related to the project and grant agreement (2014-2020 period and completion of 2007-2013 framework period)

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>Risk of poor financial management by beneficiaries and intermediaries</p> <p>The Commission reimburses non eligible costs; risk of irregular transactions to be proceeded with.</p> <p>The beneficiary unduly obtain financial profit as a result from systemic or recurrent errors, irregularities, fraud, etc</p> <p>Several authorising officers implement the same programme and do not treat the beneficiaries equally (FP7/H2020)</p> <p>Changes to contracts are not properly documented or authorised</p> <p>Payments are made late (interest claims)</p>	<p>Programme website, guidance notes, ex-ante sector guidance, information meetings with beneficiaries, helpdesk at COM</p> <p>Controls carried out by operational desks on technical implementation report in order to deliver the “conforme aux faits”</p> <p>Controls carried out by financial desks on financial and legal matters in order to deliver the “bon à payer”</p> <p>Network of Financial Initiating Agents (FIA)</p> <p>New checklists have been developed in 2012 to better reflect the roles of the parties involved in the financial circuits</p> <p>Clarifying procedure on verifying the non-profit rule</p> <p>Procedure for registration of exceptions</p> <p>Monthly reporting to management on late payments</p> <p>FP7/H2020:</p> <ul style="list-style-type: none"> - the monitoring is done using SYGMA/COMPASS (common IT tool used by research DGs) - use of independent reviewers to assess the quality of deliverables; 	<p>Coverage: 100% of files</p> <p>Depth:</p> <ul style="list-style-type: none"> - for desk checks of expenditure: control with reference to corroborative documents (progress reports and final technical implementation report but no reference to underlying documents in case of desks checks). - for controls carried out for “conforme aux faits”: control with reference to corroborative documents (technical implementation report) and eventually corroborative information incorporating an element of independent oversight (e.g. audit certificate or other verification) but no reference to underlying documents - for controls carried out for “bon à payer”: control without reference to underlying documents, but with reference to and including access to the underlying documentation (e.g. timesheets, invoices, physical verification, etc) corroborative documents (technical implementation report) and eventually corroborative information incorporating an element of independent oversight (e.g. audit certificate or other verification) <p>Audit certificates required for any beneficiary claiming more than 375.000 EUR. (FP7/H2020)</p>	<p>Costs: estimation of cost of staff involved in the actual management of running projects.</p> <p>Benefits: budget value of the costs claimed by the beneficiary, but rejected by the project officers. (ineligible amounts in cost claims)</p> <p>Reduction in error rates identified by audit certificates</p>	<p>Effectiveness:</p> <p>Budget amount of the cost items rejected (ineligible costs in cost claims) over total value of cost claims</p> <p>Efficiency indicators:</p> <p>Time-to-payment</p>

Stage 4: - Ex-Post controls (completion of 2007-2013 period)

A - Reviews, audits and monitoring

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators for stages 4A and 4B
<p>Risk of irregular expenditure co-financed remaining undetected</p> <p>Risk of fraudulent activities remaining untracked</p>	<p>At any time during the implementation period and for 5 years after partial or final payment, the Commission can carry out on the spot controls and/or audits with substantive testing of a sample of transactions.</p> <p>Ex-post controls: performed by the Shared Resources Directorate for DG Migration and Home Affairs and DG Justice. The auditable population is represented by files where final payment was made in year N to N-4</p> <p>Common representative audit sample (CRSs) used by Research family DGs to identify the common errors across the whole FP7 operations.. Audit corrections are also implemented via</p>	<p>Coverage: As a general rule, between 15 and 25% of the expenditure of an annual programme checked over the 5 years period.</p> <p>Ex-post controls are made based on a risk assessment</p> <p>Common representative audit sample (CRSs) used by Research family DGs; monetary unit sample (MUS) across the programme to draw valid management conclusions on the error rate in the population (FP7)</p> <p>Depth: Control with reference to and including access to the underlying documentation that is available at the stage of the process in question, for all inputs and outputs (e.g. timesheets, invoices, physical verification, etc).</p> <p>Possibly, the auditors will also perform controls with reference to fully independent corroborative information (e.g., database which justifies certain elements of the claim, 3rd party or Commission assessment of milestones achieved, etc.)</p>	<p>Costs:</p> <p>Estimation of cost of staff involved in the coordination and execution of the audit strategy .Cost of the appointment of audit firms for the outsourced audits.</p> <p>Benefits:</p> <p>Prevented amount (deterrent effect), not quantifiable</p> <p>Detected amount</p>	<p>Effectiveness:</p> <p>Residual error rate</p> <p>Number of projects with errors;</p> <p>Follow-up ratio: Number of files followed-up by AOSD within 3 months (target 90%)</p> <p>FP7: Cumulative Common representative Error Rate</p> <p>Efficiency indicators:</p> <p>Recovery Implementation ratio; N° of recovery orders (RO) issued after ex-post audit (target set as 75% by end-March N+1)</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators for stages 4A and 4B
	extrapolation to non-audited projects.			

B - Implementing results from ex-post audits/controls (completion of 2007-2013 period)

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators for stages 4A and 4B
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely	<p>Systematic registration of audit/control results to be implemented by the operational units.</p> <p>Financial and operational validation of recovery in accordance with financial circuits.</p> <p>Authorisation by Authorising Officer</p> <p>Working Group on the coherence of ex-post/ex-ante controls in research family DGs (Extrapolation Steering Committee(ESC)/ Common Audit Service (CAS))</p> <p>Through a regular analysis, the audit team ensures that the recommendations (issue of recovery orders or supplementary payments) were implemented.</p>	Coverage: 100% of final audit results <i>with a financial impact.</i>	<p>Costs: estimation of cost of staff involved in the implementation of the audit results.</p> <p>Benefits: corrected amount.</p>	Please refer to the indicators above for stages 4A and 4B

ICT 3 - Procurement direct management

Stage 1: Procurement

A - Planning Needs assessment & definition of needs Selection of the offer & evaluation

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators for stages 1A and 1B
<p>Precise procurement needs not clearly defined Inappropriate choice of procurement procedure and calculation of threshold due to the in-depth knowledge necessary.</p> <p>Procurement is highly regulated. Detailed rules exist with even more in depth guidance based on experience and jurisprudence of court judgements</p> <p>The best offer/s are not submitted due to the poor definition of the tender specifications</p>	<p>Procurement needs are clearly defined and justified from an economic or operational point of view and approved by the Authorising Officer.</p> <p>Technical training in procurement. Ex-ante sector ensures continuous support in procedural matters</p> <p>Financial circuits involving ex-ante verifications with procedural expertize</p> <p>New checklists have been developed in 2012 to better reflect the roles of the parties involved in the financial circuits</p> <p>Selection criteria clearly defined and approved by the Authorising officer</p>	<p>Coverage: 100% of calls for tender</p> <p>Frequency: every time necessary, during the preparation of a call</p>	<p>Costs: estimation of cost of staff involved</p> <p>Benefits: best offers received, (not quantifiable)</p>	<p>Effectiveness:</p> <p>Number of projected tender cancelled; Numbers of “valid” complaints or litigations cases filed</p> <p>Efficiency: average cost per tender</p>

B – Evaluation and selection of the offers²

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators for stages 1A and 1B
<p>Risk of delay and lengthy evaluation process Insufficient quality of the evaluation report, which may have impact on the award decision; errors or mismanagement risk costing substantial resources (human and financial), if they are contested, even unsuccessfully, especially if they reach the courts;</p> <p>Conflict of interests</p> <p>Non-compliance with legal and regulatory formalities (publication, transparency, time limits, opening of tenders, etc))</p> <p>The risk of over-dependency of contractors is high due to the limited number of economic providers/need for specialist knowledge</p>	<p>An evaluation committee is set up to prepare the selection of the contractors, except for low value contracts; An advisory body is consulted with regard to procurement files on a mandatory/voluntary basis (HPC); adequate communication to unsuccessful tenderers.</p> <p>Declaration of lack of conflict of interest (required for each member of committee but also for the manager); Every member of staff with significant financial responsibility may be defined as occupying a “sensitive post”. Staff should not occupy a sensitive post for more than five years.</p> <p>Transparency measures: calls for tender are published in the Official Journal and on the Europa website. Updated information and FAQ are posted regularly on the website; physical protection of the offers submitted (locked room and segregation between original and copies)</p> <p>Procedures are set up to analyse the risk of over-dependency of contractors. Sound competition among providers together with quality and affordability of services of providers is ensured by periodic reviews (development of prices, business trends, main players,</p>	<p>Coverage: 100% of the offers analysed. Depth: all documents transmitted; in terms of justification of the draft award decision 100% of the members of the opening committee and the evaluation committee 100% checked.</p>	<p>Costs: estimation of staff costs involved</p> <p>Benefits: Compliance with Financial Regulation (rejected files HPC) Number of litigations/complaints to courts/Ombudsman</p>	<p>Please refer to indicators above for stages 1A and 1B</p>

² For H2020, DG HOME uses framework contracts of other DGs, therefore this stage is not applicable to these transactions.

	market shares, any barriers to entrants, etc)			
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Stage 2: Financial transactions

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>Non-compliance with the legal and regulatory requirements</p> <p>Lack of necessary experience and skills or inadequate arrangements for monitoring the contractor's performance and for verifying the final services/supplies work</p> <p>Delayed payments causing late interests</p>	<p>Standards contracts of DG BUDG are used. The specific models developed for the IT contracts have been also approved by SecGen and DG BUDG; computerized accounting system is used to record the contracts and the transactions related to the contracts in ABAC.</p> <p>The financial circuit put in place in DG Migration and Home Affairs is model 3 "decentralized circuit with central counterweight", where the operational initiation and verification functions as well as the financial initiation function are executed within each directorate. The ex-ante financial verification is performed by the Shared Budget, Control and Ex-post audits Unit (SRD.01)</p> <p>Monthly follow-up of time to pay through reporting (monitoring of invoices due to avoid late interest)</p>	<p>Coverage: 100% of the contracts are controlled. Depth: all documents transmitted</p>	<p>Costs: estimation of cost of staff involved. Benefits: Amount of irregularities, errors and overpayments prevented by the controls (credit notes)</p>	<p>Effectiveness: Amount of penalties Amount of errors and regularities averted over total payments (credit notes/recovery context) Efficiency: Time-to-pay Late interest payment</p>

Stage 3: Supervisory measures

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>An error or non-compliance with regulatory and</p>	<p>Verification that processes are working as designed:</p> <ul style="list-style-type: none"> Risks are assessed at the programme level within the yearly risk analysis exercise. A follow-up of critical risks for DG Home Affairs is 	<p>Coverage: Court of Auditors' audit based on MUS sample on all payments in a year+IAS audit</p>	<p>Costs: estimation of cost of staff involved. Benefits: Amounts</p>	<p>Results of the assessment of implementation</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
contractual provisions, including technical specifications, or a fraud is not prevented, detected or corrected by ex-ante control, prior to payment	<p>ensured every 6 months. For important risks corrective measures were taken to mitigate the risks</p> <ul style="list-style-type: none"> Internal control standard were complied with. <p>All audit instances are entitled to perform audits on procurement (Court of Auditors, Internal Audit Service, and Internal Audit Capacity).</p>	<p>plan</p> <p>Depth: review of the procedures implemented (procurement and financial transactions)</p>	<p>detected associated with fraud & error.</p> <p>Deterrents & systematic weaknesses corrected.</p>	<p>of Internal Control Standard 8</p> <p>“Processes and procedures”</p>

ICT 4 – Expenditure entrusted entities: funds entrusted by the Council/EP to traditional agencies and paid by DG HOME;

Stage 1: - Operations: monitoring, supervision, reporting Ex-Post controls

Main control objectives: Ensuring that the Commission is fully and timely informed of any relevant management issues encountered by the entrusted entity, in order to possibly mitigate any potential financial and/or reputational impacts (legality & regularity, sound financial management, true and fair view reporting, anti-fraud strategy).

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators for stages 4A and 4B
<p>The agency does not respect the provisions of article 60.2 of FR, art 38 of RAP</p> <p>The agency does not respect the provisions of article 60.3 of the FR</p>	<p>The agencies are audited by IAS of the COM (as internal auditor) and by the Court of Auditors (as external audit)</p> <p>The COM is member in the Management Board of the agency</p> <p>The Memoranda of Understanding signed with agencies regulate financial relations between the partner DG and the agency</p>	<p>Coverage: 100% of agencies are supervised</p> <p>Frequency: management board meetings, yearly CoA report; IAS audits</p> <p>Depth: control with the entity</p>	<p>Costs: estimation of cost of staff involved in the actual monitoring of the agency</p> <p>Benefits: the (average annual) total budget amount entrusted to agency</p>	<p>Effectiveness:</p> <p>Number of serious IAS and CoA findings of control failures; budget amount of the errors concerned;</p> <p>Efficiency/cost-efficiency indicators:</p> <p>Cost over amount entrusted to agency</p>

Stage 2: Commission contribution: payment or suspension/interruption

Main control objectives: Ensuring that the Commission fully assesses the management situation at the entrusted entity, before either paying out the (next) contribution for the operational and/or operating budget of the entity, or deciding to suspend/interrupt the (next) contribution (legality & regularity, sound financial management, anti-fraud strategy).

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Control indicators
<p>The Commission does not suspend/interrupt payments despite the detection of systemic errors which call into question the reliability of the ICS of the agency, the L&R of transactions.</p>	<p>Memoranda of Understanding signed with each agency specify the conditions for interruptions/suspension of payments</p>	<p>Coverage: 100% of the payments made to agencies</p> <p>Frequency: quarterly</p> <p>Depth: information provided by internal/external auditors</p>	<p>Costs: estimation of cost of staff involved in the OV and FV of the contribution payments/recoveries</p> <p>Benefits: the (average annual) total budget amount entrusted to the agency; budget recovered or not paid out;</p>	<p>Effectiveness:</p> <p>Budget amount of the suspended/interrupted payments</p> <p>Efficiency indicators:</p> <p>Time-to-pay</p> <p>Cost effectiveness:</p> <p>Average cost per agency</p>

ICT 5 – Expenditure entrusted entities: Indirect management: budget executed via delegation agreements with International Organisations and EU traditional agencies

Stage 1 – Establishment (or prolongation) of the mandate to the entrusted entity (“delegation act”/ “contribution agreement” / etc), including contracting.

Main control objectives: Ensuring that the legal framework for the management of the relevant funds is fully compliant and regular (legality & regularity), delegated to an appropriate entity (best value for public money, economy, efficiency), without any conflicts of interests (anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
The establishment (or prolongation) of the mandate of the entrusted entity is affected by legal issues, which would undermine the legal basis for the management of the related EU funds (via that particular entity).	Ex-ante evaluation Hierarchical validation within the authorising department Inter-service consultation, including all relevant DGs Adoption by the Commission	Coverage/Frequency: 100%/once Depth: Checklist includes a list of the requirements of the regulatory provisions to be complied with. Factors would be (i) whether it is an establishment or a prolongation, (ii) whether it involves selecting an entity and (iii) consistency with any other entities entrusted by the same DG or family. If risk materialises, all funds delegated during the year(s) to the entrusted entity would be irregular. Possible impact 100% of budget involved and significant reputational consequences.	Costs: estimation of cost of staff involved in the preparation, adoption, selection and contracting work. Benefits: The (average annual) total budget amount entrusted to entities, possibly at 100% if significant (legal) errors would otherwise be detected.	Effectiveness: No litigation cases. No OLAF inquiries. No ECA criticism. Efficiency: Total average cost of preparation, adoption, selection and contracting work done for the entrusted entities, compared with total amounts contracted (benchmark: evolution over time)

Stage 2 – Operations: monitoring, supervision, reporting

Main control objectives: Ensuring that the Commission is fully and timely informed of any relevant management issues encountered by the entrusted entity, in order to possibly mitigate any potential financial and/or reputational impacts (legality & regularity, sound financial management, true and fair view reporting, anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
Due to weak "modalities of cooperation, supervision & reporting", the Commission is not (timely) informed of relevant management issues encountered by the entrusted entity, and/or does not (timely) react upon notified issues by mitigating them or by making a reservation for them – which may reflect negatively on the Commission's governance reputation and quality of accountability reporting.	<p>Delegation Act/ Contribution agreement/etc specifying the control, accounting, audit, publication, etc related requirements – <i>incl. the <u>modalities on reporting back relevant and reliable control results</u></i></p> <p>Monitoring or supervision of the entrusted entity (e.g. 'regular' monitoring meetings at operational level; review of reported control results and any underlying mngt/audit reports if available; representation and intervention at the board, scrutiny of annual report, etc).</p> <p>Management review of the supervision results.</p> <p><u>If appropriate/needed:</u></p> <ul style="list-style-type: none"> - reinforced monitoring of operational and/or financial aspects of the entity - intervention, e.g. via own audits on-the-spot - potential escalation of any major governance-related 	<p>Coverage: 100% of the entities are monitored/supervised.</p> <p>Frequency: once or two times a year (progress report(s) and a final report) according to the conditions of the Delegation agreement</p> <p><u>In case of</u> operational and/or financial issues, measures are being reinforced.</p> <p>The depth: control around the entity</p>	<p>Costs: estimation of cost of staff involved in the actual (regular or reinforced) monitoring of the entrusted entities (which may include missions, if applicable).</p> <p>Benefits: The (average annual) total budget amount entrusted to the entity, possibly at 100% if significant (legal, management, accounting, fraud, reporting) errors would otherwise be detected.</p>	<p>Effectiveness: number of serious IAS and ECA findings of control failures; budget amount of the errors concerned.</p> <p>Efficiency Indicators: Average supervision cost per entrusted entity. % cost over annual amount delegated.</p>

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
	issues with entrusted entities - referral to OLAF			

Stage 3 – Commission contribution: payment or suspension/interruption.

Main control objectives: Ensuring that the Commission fully assesses the management situation at the entrusted entity, before either paying out the (next) contribution for the operational and/or operating budget of the entity, or deciding to suspend/interrupt the (next) contribution (legality & regularity, sound financial management, anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage, frequency and depth	How to estimate the costs and benefits of controls	Possible control indicators
The Commission pays out the (next) contribution to the entrusted entity, while not being aware of the management issues that may lead to financial and/or reputational damage.	<p>Delegation Act specifying the control, accounting, audit, publication, etc related requirements – <i>incl. reporting back</i></p> <p>Management review of the supervision results.</p> <p>Ex-ante OV and FV, ‘in-depth’ if need be</p> <p>Hierarchical validation of contribution payment and recovery of non-used operating budget subsidy</p> <p><u>If appropriate/needed:</u> suspension or interruption of payments</p>	<p>Coverage: 100% of the contribution payments.</p> <p>Frequency: for the payment of two pre-financings and the final payment</p> <p>The depth: control around the entity</p>	<p>Costs: estimation of cost of staff involved in the (in-depth?) OV and FV of the contribution payments/recoveries to/from the entrusted entities.</p> <p>Benefits: The (average annual) total budget amount paid to the entity, possibly at 100% if significant (legal, management, accounting, fraud, reporting) errors would otherwise be detected.</p> <p>Benefits in case of recovery or suspension/interruption: the amount and % value of budget recovered or not paid out</p>	<p>Effectiveness: budget amount of the suspended/interrupted payments (if any).</p> <p>Efficiency Indicators: Average cost per paid amounts (% cost over annual amount paid). Time-to-pay</p>

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

Entrusted body	<i>United Nations High Commissioner for Refugees (UNHCR)</i>
Programme concerned	AMIF and ISF annual work programmes for emergency assistance
Annual budgetary amount entrusted	The Delegation agreement with UNHCR was signed in January 2016 for a total amount of EUR 80 million (EUR 75 million from AMIF; EUR 5 million from ISF); two payments have been made in 2016: a first pre-financing of EUR 40 million after the signature of the Delegation agreement and a second pre-financing of EUR 20 million following the receipt of the interim report.
Duration of the delegation	The DA covers the period from 1 January to 31 December 2016.
Justification of the recourse to indirect centralised management	Indirect centralised management was considered as the most appropriate management mode due to the unique role and high specialisation that UNHCR is playing on migration and asylum issues and due to their presence in Greece which maximized the impact at local level.
Justification of the selection of the body	<p>UNHCR was selected as the best placed body to implement the activities under the Delegation Agreement due to their specific nature which requires a high degree of specialisation on migration and asylum issues. Through its mandate as received from the UN General Assembly in 1950, as well through the 1951 Geneva Convention on the status of refugees that bestows a direct role on UNHCR in this regard, UNHCR has been able to acquire a unique expertise in international actions to protect refugees and resolve refugee problems worldwide.</p> <p>This was also recognised in the Leaders' Statement following the Leaders' Meeting held on 25 October 2015 on refugee flows along the Western Balkans Route, which welcomed Greece's intention to increase reception capacity to 30,000 places and committed to supporting Greece and UNHCR to provide rent subsidies and host family programmes for another 20,000 places. This was regarded as an important precondition to make the emergency relocation system work.</p>
Summary description of the implementing task	To support the relocation scheme and hotspots in Greece, a delegation agreement

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

entrusted the body	<p>with UNHCR was signed for a total EU support of EUR 80 million. The project had three main activities:</p> <ol style="list-style-type: none">1. Providing support to the establishment of the hotspots in Lesbos, Kos, Leros, Chios and Samos2. Supporting the relocation process through the provision of information on asylum and relocation procedures and3. Increasing the national reception capacity for asylum seekers <p>In the framework of this project, UNHCR successfully created 20 000 places in non-camp facilities throughout Greece for relocation candidates and vulnerable migrants, such as unaccompanied minors. The accommodation was complemented by a provision of a comprehensive set of services, ranging from transport and interpretation to protection monitoring, psychosocial and medical support to the target group</p>
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ANNEX 8: Decentralised agencies

Heading 3a: Freedom, security and justice*	Implementation of commitment appropriations		Implementation of payment appropriations	
	M€	%	M€	%
Frontex	218.69	100%	218.69	100%
EASO	41.76	100%	29.46	100%
Europol	102.24	99%	102.24	99%
Cepol	8.64	94%	8.64	94%
EMCDDA	14,79	100%	14,79	100%
Eu-LISA	80.02	100%	94.08	100%
Total	466.15	100%	467.91	100%

No used in Annex 3 MP2016		Title	Reason ¹	Scope ²	Type ³	Associated DGs	Costs (EUR)	Comments ⁴	Reference ⁵
I. Evaluations finalised or cancelled in 2016									
a. Evaluations finalised in 2016									
1, 2, 3, 4		Evaluation of the Visa Information System	REFIT	According to Article 50(4) of Regulation 767/2008, Article 17(4) of Decision 2008/633, Article 50(5) of Regulation 767/2008 and Article 57(3) of Regulation 810/2009	R	SG, SJ, JUST, EEAS		The SWD prepared by the Commission presents in an overall evaluation of the system an evaluation of the implementation of the VIS Regulation and of the VIS founding Decision, as well as of the use of VIS by law enforcement authorities (on the basis of the VIS Law Enforcement Access Decision) and the use of biometrics in the visa application procedure (on the basis of the Visa Code).	SWD(2016)328 and SWD(2016)327 (executive summary). The documents can be found in: http://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-is-new/work-in-progress/initiatives/docs/gmige/impact_assesment_en.pdf
15		Evaluation of the Schengen Information System II (SIS II)	L	According to Article 50 of Regulation 1987/2006 and Article 66(5) of Decision 2007/533	R	SG, SJ, HR, JUST, DIGIT			SWD(2016)450. The document can be found in: https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-security/legislative-documents/docs/20161221/commission_staff_working_document_evaluation_of_second_generation_sis2_en.pdf
b. Evaluations cancelled in 2016									
9		Evaluation of Dublin Regulation	L		R			An external study has been completed early 2016 assessing the effectiveness, efficiency and relevance, among other evaluation criteria, of the Dublin Regulation (see below). No evaluation report was presented by the Commission but the evidence collected was used in the proposals for reforming the Dublin system presented by the Commission in May 2016. It was summarised in the explanatory memorandum of the proposal for a revised Dublin Regulation.	
II. Other studies finalised or cancelled in 2016									
a. Other studies finalised in 2016									
		Study on the evaluation of the implementation of the Dublin III Regulation	L		R				The study can be found in: https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/asylum/examination-of-applicants/docs/evaluation_of_the_implementation_of_the_dublin_iii_regulation_en.pdf
		Study on the Temporary Protection Directive	L	Prescribed by Stockholm Programme and committed in the post-Stockholm communication.	R				The study can be found in: https://bookshop.europa.eu/en/study-on-the-temporary-protection-directive-pbDR0116702/?CatalogCategoryID=FLIKABstbqUAAAEjs5EY4e5L
		OECD study on the (economic) impact of EU labour migration Directives	L	Legal migration Directives	R				The study can be found in: http://www.oecd.org/migration/recruiting-immigrant-workers-europe-2016-9789264257290-en.htm
		Study on Council Directive 2009/50/EC on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment (Blue Card Directive)	CWP		R				The study can be found in : https://ec.europa.eu/home-affairs/what-is-new/work-in-progress/initiatives/avzbt_intro_en

		Study on an evaluation of the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice - eu-LISA	L	According to Article 31 of Regulation 1077/2011	R				The study can be found in : http://bookshop.europa.eu/is-bin/INTERSHOP.enfinity/WFS/EU-Bookshop-Site/en_GB/-/EUR/ViewPublication-Start?PublicationKey=DR0116464
		Study on the implementation of the Qualification Directive	L	To assess the transposition and implementation of Directive 2011/95	R				Compliance studies may feed into infringement proceedings, they should not be published or disclosed before the compliance check is completed and a decision whether to pursue the matter or not is made.
		Study on the transposition of Directive 2011/36/EU on preventing and combating trafficking in human beings	L	To assess the transposition of Directive 2011/36	I				Compliance studies may feed into infringement proceedings, they should not be published or disclosed before the compliance check is completed and a decision whether to pursue the matter or not is made.
		Study on implementation of the Directive on Attacks against information systems	L	According to Article 17 of Directive 2013/40	I				Compliance studies may feed into infringement proceedings, they should not be published or disclosed before the compliance check is completed and a decision whether to pursue the matter or not is made.
		Studies regarding the implementation of ex-third pillar measures	O	According to Article 10(3) of Protocol 36 to the TFEU	I				Compliance studies may feed into infringement proceedings, they should not be published or disclosed before the compliance check is completed and a decision whether to pursue the matter or not is made.
		Study on the evaluation of the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice — eu-LISA	L	According to Article 31 of Regulation (EU) No 1077/2011 (eu-LISA establishing Regulation)	R				The study can be found in : http://bookshop.europa.eu/is-bin/INTERSHOP.enfinity/WFS/EU-Bookshop-Site/en_GB/-/EUR/ViewPublication-Start?PublicationKey=DR0116464
		Feasibility study on the use of the Schengen Information System (SIS) for return purposes	L	As a follow-up to the adoption of the European Agenda on Migration and the European Council Conclusions from June 2015, changes to the Schengen Information System (SIS) were to be studied with the purpose of enhancing its use for the return of irregular migrants. The study assesses the feasibility and the technical and operational implications of the proposed changes.	R				The study can be found in : https://bookshop.europa.eu/en/study-on-the-feasibility-and-implications-of-setting-up-within-the-framework-of-the-schengen-information-system-an-eu-wide-system-for-exchanging-data-on-and-monitoring-compliance-with-return-decisions-pbDR0116353/
		SIS II Architecture study	L	According to Article 50 of Regulation 1987/2006 and Article 66(5) of Decision 2007/533	I				The study has not been published

		Study on the feasibility and implications of setting up within the framework of the Schengen Information System an EU-wide system for exchanging data on return decisions and entry bans issued under the Return Directive as well as monitoring compliance with return decisions	O	European Council Conclusions (25 and 26 June 2015)	O				The study can be found in : https://bookshop.europa.eu/en/study-on-the-feasibility-and-implications-of-setting-up-within-the-framework-of-the-schengen-information-system-an-eu-wide-system-for-exchanging-data-on-and-monitoring-compliance-with-return-decisions-pbDR0116353/
	b. Other studies cancelled in 2016								

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

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

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

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

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

Specific annexes related to "Management of Resources"

1. INDICATORS FOR ASSESSING CONTROL EFFECTIVENESS AS REGARDS LEGALITY AND REGULARITY - SHARED MANAGEMENT -

	2016	2015
Stage 1: Negotiation and assessment/approval of spending proposals		
Number of annual/national programmes adopted	0	54
Total value of annual/national programmes adopted (€ million)	0	7252,12
% of programmes adopted	N/A	93%
Average value of an adopted programme (€ million)	N/A	134,3
% of financial allocation adopted	N/A	99%
Number of revisions of annual/national programmes	40	24
Stage 2: Implementation of programmes		
Number of designation notifications received	19	42
out of which accepted by DG HOME	19	40*
Number of system reviews -desks reviews completed	28	2
Number of system reviews -meetings with MSs	7	4
Amounts associated with systems for which the COM work did not reveal substantial compliance problems (€ million)	108,91	560,24
No of systems for which serious weaknesses were found on the spot despite the validation on paper of the MCS (both programming periods)	2	2
MCSs with weakneses (%; SOLID)	12%	16%
Stage 3: monitoring and supervision, closure of annual programmes and ex-post controls		
Number of annual programmes open (SOLID)	49	59
Amount of open programmes (€ million)	578,31	600,82
Number of AMIF-ISF committees	4	2
Number of monitoring missions	78	62
Number of system audits	3	1
Total number of annual programmes (SOLID) over the programming period, out of which there is		
reasonable assurance	222 (33%)	229 (34%)
limited assurance with limited impact	332 (49%)	328 (49%)
limited assurance with significant impact	108 (16%)	104 (15%)
no assurance	14 (2%)	14 (2%)
Number of final cost claims received (closures of annual programmes SOLID)	121	114
Number of final cost claims received (accounts AMIF/ISF)	23	0
Eligible amount in final cost claims received and closed (closures of annual programmes SOLID) (€ million)	791,66	625,56
Value of payments made SOLID(€ million)	275,24	582,23
Value of payments made AMIF/ISF(€ million)	740,86	
Number of annual programmes closed SOLID	122	130
Number of accounts cleared AMIF/ISF	23	
Value of programmes closed SOLID(€ million)	1013,61	821,93
Value of accounts in the clearance decision AMIF/ISF(€ million)	165,17	
Average implementation rate for closures processed in the year SOLID	78,00%	81,60%
AMIF/ISF implementation rate: Cumulative value of annual cost claims / Total value of national programmes	12,00%	0,00%
Ineligible amounts in final costs claims (€ million)	5,9	23,31
Number of withheld payments	0	0
Number of suspended payments	0	0
Number of exceptions	6	9
Number of non-compliance events	0	0
Number of ex-post audits performed	7 (10 funds)	6
Errors detected by ex-post controls (€)	1.091.019	1,257,656
Amount for which the COM has reasonable assurance (€)	2.026.776.451	1.622.381.677
Corrections implemented by recoveries ex-post controls (€ million)	0,72	8,58
Total financial corrections (€ million)	5,89	31,88
Number of programmes with a reported error rate assessed as reliable	658	453
% of expenditure for which the COM can rely on the work done by the AA	99%	96%
number of projects with errors vs number of projects audited	46,46% (46 out of 101)	63% (38 out of 63)
Cumulative detected error rate (%)	2,26%	2,76%
Cumulative residual error rate (%)	0,75%	0,62%

1. INDICATORS FOR ASSESSING CONTROL EFFECTIVENESS AS REGARDS LEGALITY AND REGULARITY

DIRECT MANAGEMENT GRANTS

	2016		2015	
	non-research	research	non-research	research (NEW)
Stage 1: Programming, evaluation and selection of proposals				
Available budget for calls (€ million)	687,25	123,00	261,94	30,5
Number of proposals received	378	216,00	366	51
of which EMAS	67		38	
non EMAS	311		328	
Value of proposals received (€ million)	802,39	1.159,00	336,97	328,9
Number of projects selected	118	29,00	121	6
of which EMAS	45		33	
non-EMAS	73		88	
Value of projects selected (awarded budget) (€ million)	505,26	140,00	214,51	31,7
of which EMAS	450		163	
non-EMAS	55,26		51,51	
% of value of proposals received over budget available	1,17	9,42	1,29	10,78
% of value of projects selected/available budget for calls	73,52%		81,89%	
Number of litigation cases/redress procedures	0		1	
Stage 2: Contracting				
EC contributions requested in the applications contracted (€ million)	1008,48		336,97	42,2
EC contribution provided through grant agreement signed (€ million)	467,85	53,2	228,39	41,9
Reduction in EC contribution (€ million)	540,63		14,83	0
% reduction in EC contribution	54%		7%	0,00%
Number of grant agreements signed	111	11	121	6
Average amount of grants signed (€)	4.214.865	4.836.364	1.887.521	6.983.333
Exceptions recorded by the ex-ante financial verification	0	0	2	0
Stage 3: Monitoring				
Number of payments made	346	55	308	69
Value of payments made (€ million)	392,47	55,66	167,12	62,48
Value of cost claims processed (€ million)	170,02	63,04	110,76	102,93
Number of cost claims processed	287	43	265	70
Ineligible costs in cost claims (€ million)	1,06	0,14	2,76	0,11
Ineligible costs in cost claims processed (%)	0,62%	0,22%	2,49%	0,11%
Exceptions recorded by the ex-ante financial verification	4	0	0	0
Stage 4: Ex-post				
number of ex-post controls	45	n/a	36	n/a
average amount of grant audited	490.806	n/a	488.735	n/a
% of projects audited that contained errors detected by ex-post controls	78%	n/a	86%	n/a
Absolute value of proposed correction	1.060.682	n/a	2.677.981	n/a

1. INDICATORS FOR ASSESSING CONTROL EFFECTIVENESS AS REGARDS LEGALITY AND REGULARITY

Errors prevented for audited population (savings of the total EU grant paid) - annually in reference year	5,13%	n/a	4,03%	n/a
Errors detected for the audited population (in% of the total EU grant paid (in addition to the errors already prevented) - annually in reference year	4,80%	n/a	15,20%	n/a
Follow-up ratio: number of files followed up by AOSD within 3 months (target 90%)			82%	n/a
Implementation ratio for recovery orders (target set at 75% at end of March N+1)			71%	n/a
Cumulative detected error rate/Common Representative Error Rate (%)	3,59%	5,03%	3,36%	4,47%
Cumulative residual error rate (%)	3,07%	2,70%	2,88%	n/a

DIRECT MANAGEMENT - PROCUREMENT

	2016	2015
Stage 1: Procurement procedure		
Number of tenders	4	11
Number of contracts signed	144	196
Value of contracts signed (€ million)	32,94	55,16
Unfavourable ex-ante opinions (HPC and ex-ante verification)	0	0
Exceptions and non-compliance events	0	2+1
Redress procedures	0	0
Stage 2: Contracting		
Number of payments made	525	597
Value of payments made (€ million)	32,83	34,14
Amount of credit notes issued	0,15	0,74
Number of credit notes issued	6	26
Exceptions and non-compliance events recorded by the ex-ante financial verification	4	2+1

INDIRECT MANAGEMENT - traditional agencies

	2016	2015
Stage 1: Operations: monitoring, supervision and reporting		
Number of deviations from the FFR requested	N/A	0
Stage 2: Commission's contribution		
Total Payments made (€ million)	467,91	332,02
Amounts suspended/interrupted (€ million)	0	0

1. INDICATORS FOR ASSESSING CONTROL EFFECTIVENESS AS REGARDS LEGALITY AND REGULARITY

INDIRECT MANAGEMENT - delegation agreements

	2016	2015
<i>Stage 1: establishment of mandate</i>		
total amounts delegated (€ million)	82	12,5
<i>Stage 2: Operations: monitoring, supervision, reporting</i>		
Number of serious IAS and ECA findings of control failures;	0	0
Budget amount of the errors concerned	0	0
<i>Stage 3: Commission contribution: payment or suspension/interruption</i>		
Amounts suspended/interrupted (€ million)	0	0
Total Payments made (€ million)	62,01	15,1

2. COST EFFECTIVENESS OF CONTROLS (PER CONTROL SYSTEM)

	Control system	2016			2015			2014		
		Costs (€M)	Denominator (€M)	Indicator	Costs (€M)	Denominator (€M)	Indicator	Costs (€ M)	Denominator (€M)	Indicator
Shared management	Overall indicator (cost of controls/payments made)	8,74	1016,1	0,86%	8,01	582,23	1,38%	7,77	351,33	2,21%
Direct management grants non research	Overall indicator (cost of controls/payments made)	5,89	392,47	1,50%	5,93	167,12	3,55%	6,75	108,56	6,22%
	Cost of evaluation and selection procedure/ value contracted (%) (stage 1)	0,98	467,85	0,21%	1,32	228,39	0,58%	1,97	79,61	2,47%
	Cost of control from contracting and monitoring the execution up to payment included/ amount paid (%) (stage 2 and 3)	4,16	392,47	1,06%	4,17	167,12	2,50%	4,36	108,56	4,02%
	Cost of control ex post audits/ value of grants audited	0,75	22,09	3,40%	0,74	17,59	4,2%	0,42	10,81	3,88%
Direct management grants research (data available starting 2015)	Overall indicator (cost of controls/payments made)	3,36	55,66	6,04%	3,34	62,48	5,35%	na	na	na
	Cost of evaluation and selection procedure/ value contracted (%) (stage 1)	0,66	53,2	1,24%	0,63	41,9	1,50%	na	na	na
	Cost of control from contracting and monitoring the execution up to payment included/ amount paid (%) (stage 2 and 3)	2,7	55,66	4,85%	2,62	62,48	4,19%	na	na	na
	Cost of control ex post audits/ value of grants audited	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct management procurement	Overall indicator (cost of controls/payments made)	2,69	32,83	8,19%	2,64	34,14	7,73%	3,07	32,74	9,38%
	Cost of controls of the evaluation and selection procedure/ value contracted (%) (stage 1)	1,88	32,94	5,71%	1,75	55,16	3,17%	1,53	35,02	4,37%
	Financial transactions related cost of control/ amount paid (%) (stage 2)	0,81	32,83	2,47%	0,89	34,14	2,61%	1,54	32,74	4,70%
	Related cost of control of the supervisory measures/ value of transactions checked (stage 3)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Indirect management	Overall indicator (cost of controls/payments made)	2,32	529,98	0,44%	2,27	347,12	0,65%	1,68	241,79	0,69%
	Cost of remuneration fees paid to entrusted entity (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Total	23,00	2043,87*	1,13%	22,19	1203,19*	1,84%	19,27	757,93*	2,54%

* total payments of the year (including payments for systems for which no assessment of costs was made due to their imateriality, e.g cross sub-delegations)

3. EFFICIENCY INDICATORS: "TIME-TO" INDICATORS (DAYS)

		2016	2015
Shared management	Time-to adopt national programmes	N/A	69
	Time-to-pay pre-financings	69	31
	Time-to-close (SOLID programmes)	315	204
Direct management grants	Time-to-inform (non-research grants)	172	112
	Time-to-grant (non-research grants)	89	95
	Time-to grant* (research grants)	242	245
	Time-to-pay (all grants)	72	48
Others	Procurement: Time-to-pay	21	18
	Delegation agreements - time to pay	30	na
	Traditional agencies: time-to-pay	13	13

4. FINANCIAL CORRECTIONS (SHARED MANAGEMENT)

Financial Corrections Made in 2016 Per Member State For 2007-2013					
Member State	EIF	RF	EBF	ERF	Total
Czech Republic	0,13	0,02	0,08	0,07	0,31
France	0,45			0,44	0,89
Germany				0,06	0,06
Greece	0,34	0,40	0,50	1,35	2,58
Hungary			0,02		0,02
Italy			0,17		0,17
Ireland	0,01	0,11		0,00	0,13
Latvia		0,09	0,00	0,00	0,09
Netherlands			0,02		0,02
Norway			0,01		0,01
Poland	0,00		0,24		0,24
Portugal	0,06				0,06
Slovakia				0,01	0,01
Spain			0,76		0,76
Sweden	0,11	0,01			0,12
Switzerland			0,00		0,00
United Kingdom	0,02	0,03		0,37	0,42
Total	1,13	0,66	1,79	2,30	5,89

Cumulative Net Amount at Risk per Member State (in Millions €)													
Member State	EIF			ERF			RF			EBF			Total Amount at Risk per MS
	Net Amount at Risk	Payments of closed APs	RER	Net Amount at Risk	Payments of closed APs	RER	Net Amount at Risk	Payments of closed APs	RER	Net Amount at Risk	Payments of closed APs	RER	
Austria (AT)	0,05	9,87	0,51%	0,12	22,61	0,52%	0,04	10,05	0,40%	-	8,59	0,00%	0,21
Belgium (BE)	0,00	5,46	0,00%	0,33	16,68	1,96%	0,08	15,25	0,53%	0,01	9,83	0,11%	0,42
Bulgaria (BG)	0,02	3,52	0,62%	0,00	2,18	0,06%	0,01	2,33	0,32%	0,10	19,66	0,49%	0,13
Switzerland (CH)	-	-	-	-	-	-	-	-	-	0,01	17,61	0,03%	0,01
Cyprus (CY)	0,02	1,73	1,18%	0,01	9,92	0,11%	0,02	7,26	0,26%	-	21,74	0,00%	0,05
Czech republic (CZ)	0,17	8,66	1,96%	0,07	3,37	1,96%	0,03	1,40	1,96%	0,14	7,30	1,98%	0,41
Denmark (DK)	-	-	-	-	-	-	-	-	-	-	6,65	0,00%	-
Estonia (EE)	0,06	6,60	0,88%	0,00	2,12	0,04%	0,00	1,62	0,02%	0,00	26,40	0,00%	0,06
Finland (FI)	-	5,44	0,00%	-	10,10	0,00%	0,00	4,45	0,09%	-	50,24	0,00%	0,00
France (FR)	0,39	19,91	1,95%	0,34	27,17	1,24%	0,12	67,03	0,18%	0,55	119,57	0,46%	1,40
Germany (DE)	5,23	52,26	10,00%	3,30	66,12	5,00%	0,18	16,71	1,11%	0,12	75,94	0,16%	8,83
Greece (EL)	0,01	10,66	0,11%	0,26	19,09	0,00%	0,63	34,43	1,84%	-	32,30	0,00%	0,65
Hungary (HU)	0,04	9,21	0,44%	0,01	7,18	0,17%	0,01	3,75	0,40%	0,03	35,85	0,08%	0,10
Ireland (IE)	0,00	4,25	0,01%	0,01	4,87	0,29%	0,00	3,23	0,01%	-	-	-	0,01
Iceland (ISL)	-	-	-	-	-	-	-	-	-	-	0,32	0,00%	-
Italy (IT)	0,51	119,80	0,43%	0,35	48,33	0,72%	0,00	39,69	0,01%	-	237,59	0,00%	0,86
Latvia (LV)	0,00	7,05	0,00%	0,00	2,87	0,06%	0,02	3,19	0,60%	0,05	16,69	0,31%	0,07
Lithuania (LT)	-	4,98	0,00%	-	3,21	0,00%	0,03	3,12	0,80%	0,22	135,10	0,16%	0,24
Luxembourg (LU)	0,02	2,95	0,62%	0,00	2,48	0,00%	-	1,69	0,00%	-	0,35	0,00%	0,02
Malta (MT)	0,00	1,30	0,08%	0,00	7,81	0,00%	0,00	2,74	0,14%	0,51	67,27	0,76%	0,52
Norway (NO)	-	-	-	-	-	-	-	-	-	0,08	7,62	1,07%	0,08
Poland (PL)	0,05	17,36	0,26%	0,03	12,68	0,28%	0,23	15,71	1,47%	0,88	55,43	1,59%	1,19
Portugal (PT)	0,02	13,02	0,12%	0,00	2,23	0,09%	0,01	4,98	0,24%	-	13,19	0,00%	0,03
Romania (RO)	0,00	4,78	0,01%	-	3,12	0,00%	0,00	5,04	0,01%	0,26	47,97	0,54%	0,26
Slovakia (SK)	0,01	4,09	0,32%	0,03	4,95	0,62%	0,06	4,52	1,23%	0,00	6,44	0,02%	0,10
Slovenia (SI)	0,01	3,95	0,21%	0,01	2,94	0,32%	0,00	1,91	0,21%	0,09	37,56	0,23%	0,11
Spain (SP)	-	64,43	0,00%	-	7,18	0,00%	0,05	31,53	0,15%	0,75	194,18	0,38%	0,80
Sweden (SE)	0,03	10,41	0,29%	0,00	68,09	0,00%	0,00	9,67	0,02%	0,00	6,65	0,01%	0,04
The Netherlands (NL)	0,03	11,70	0,28%	0,18	25,13	0,72%	0,14	21,29	0,68%	0,04	21,44	0,17%	0,39
The United Kingdom (UK)	0,94	55,01	1,70%	0,51	49,63	1,03%	0,29	58,79	0,49%	-	-	-	1,73
Total	7,60	458,42	1,66%	5,57	432,07	1,23%	1,97	371,39	0,53%	3,83	1.279,47	0,30%	18,72

Level of assurance		
Total payments	2.541,34	RER below 2%
Overall RER	0,74%	2% < RER< 5%
		5%< RER < 10%
		RER above 10%

ANNEX 10: Shared Management 2014-2020 - AMIF ISF

Member State	AMIF			ISF		
	Payments and Pre-Financing cleared in 2016 in Mio. Euro	RER	Amount at risk in Mio. Euro	Payments and Pre-Financing cleared in 2016 in Mio. Euro	RER	Amount at risk in Mio. Euro
AT	9,80	1,00%	0,10	2,15	1,00%	0,02
BE	3,58	1,00%	0,04	0,76	1,00%	0,01
BG	0,57	1,00%	0,01	6,63	1,00%	0,07
DE	9,55	1,00%	0,10	7,32	1,00%	0,07
EE	0,49	1,00%	0,005	4,55	1,00%	0,05
ES	26,36	2,00%	0,53	2,12	1,00%	0,02
FI	16,72	1,00%	0,17	0,20	1,00%	0,002
FR	29,89	2,00%	0,60	14,29	1,00%	0,14
IE	1,96	1,00%	0,02	-	-	-
IT	1,62	1,00%	0,02	-	-	-
LT	0,11	1,00%	0,001	24,40	1,00%	0,24
LU	1,52	1,00%	0,02	-	-	-
NL	0,38	1,00%	0,004	0,17	1,00%	0,002
Total RER	102,55	1,55%	1,59	62,60	1,03%	0,62

Note: Only 13 Member States submitted payment requests for the accounts 2016.

ANNEX 12: Performance tables

General objective 1: Towards a New Policy on Migration

Impact indicator 1a: Rate of return of irregular migrants to third countries

Explanation: The indicator measures the % of effected returns compared to return decisions issued by the Member States.

Source of the data: Eurostat¹, DG HOME

Baseline (2014)	Interim Milestone ² (2015)	Target (2020)	Latest known results (2016)
41.8%	42.5%	<p>Increase</p> <p>No quantified target was set.</p> <p>'Increasing' the rate of return of irregular migrants is an agreed objective specified <i>i.a.</i> in the Communication on the EU Action Plan on Return [COM(2015)453 final, September 2015].</p>	<p>Bookmark 1³: Return decisions</p> <p>Bookmark 2: Returns</p> <p>46.38%⁴</p>

Completed evaluations: none

Impact indicator 1b: Gap between the employment rates of third-country nationals compared to EU nationals⁵, age group 20-64

¹ Eurostat collects both the nominator and the denominator annually from the Ministries of Interior / Border Guards / Police of the Member States. The data depend very much on national circumstances and policies. In addition, the time lag between the return decision and its execution means that the reference population of the nominator and denominator are not the same.

² In case of short- or medium-term objectives (all targets are set to be achieved in less than 3 years) the milestones column should be deleted from the table.

³ Please note that Eurostat periodically revises its published data to reflect new or improved information, also for previous years. The latest published data is available by clicking on "bookmark". The "latest known value" column reflects the data that was available at the time of the preparation of the AARs 2016 and it is the reference point for the AARs of Commission services.

⁴ This statistical data does not yet include the data from Portugal.

⁵ Host-country nationals and other EU nationals counted together.

Source of the data: Eurostat			
Baseline (2014)	Interim Milestone (2015)	Target (2020) Considering the recent increase of the employment gap between third-country nationals compared to EU nationals (the gap was only 10.6 points in 2010 against 13.4 in 2014), a decrease in 2020 compared with the baseline would be a good result, considering the high influx of refugees in the EU during the 2014-2016 period and the length of integration on the labour market of this category of third-country nationals.	Latest known results (2016)
Gap: 13.4 points EU nationals: 69.8% Third-country nationals: 56.4%	Gap: 14 points EU nationals: 70.7% Third-country nationals: 56.7%	Decrease	Bookmark Gap: 15.2 points EU nationals: 71.8% Third-country nationals: 56.6%
Completed evaluations: none			

Specific objective 1.1: Reduce incentives for irregular migrationRelated to spending programmes ISF/B,
Horizon 2020**Result indicator 1.1a:** Number of joint return operations initiated and carried out by Frontex⁶**Source of data:** Frontex

Baseline (2015)	Interim Milestone (2018)	Target (2020)	Latest known results (2016)
66	120	130 FRONTEX Return Office established and adequately staffed to sustain efficient and ongoing joint return operations on a regular basis. This figure is dependent on the volatility of relevant external factors (e.g. political situation in the third countries implementing readmission agreements, third country nationals that abscond in order not to be returned etc.)	During 2016 Frontex Return Office organised 232 Joint Return Operations with a total number of 10 698 returnees.

Result indicator 1.1b: Number of human smuggling investigations supported by Europol**Source of data:** Europol

Baseline (2015)	Interim Milestone (2018)	Target (2020)	Latest known results (2016)
6 521 contributions from Member States ⁷ 211 analysis reports providing information on	Increase the number of analysis reports on migrant smuggling produced by Europol in order to provide Member states with	Significantly increased flow of intelligence and information on migrant smuggling to Europol resulting in Increased EUROPOL capacity to proactively support and contribute to migrant smuggling	11 942 SIENA ⁸ messages were contributed to Focal Point (FP) Checkpoint in 2016 (+34% compared with 2015).

⁶ The number of joint return operations organised by Frontex depends on the demand for support on return from the Member States and ultimately on the number of return decisions issued to irregular migrants in the EU.

⁷ The Member States have ownership of the data. For this reason the updated figure for 2015 – 8 929 – is different from the one previously provided – 6 521. This is not however unusual since data may change depending on the date of extraction, be affected by new insertions or deletions and especially due to the re-categorisation of contributions which can occur at a later stage. It is also fair to say that the exponential increase of migrant smuggling contributions created a significant back-log. Launching and strengthening the EMSC made it possible to accelerate the processing of all this information.

⁸ Europol's Secure Information Exchange Network Application

<p>several hits with telephone numbers, addresses and persons were forwarded to EU MS.</p> <p>11 joint action days were coordinated and supported by Europol.</p> <p>Europol continuing support in 140 investigations on migrant smuggling in 2016</p>	<p>information on hits in Europol's databases. This is especially plausible in light of the establishment of the European Migrant Smuggling Centre and the significant resources committed to it.</p> <p>Increased number of joint action days/arrests as a result of Europol's supporting actions.</p>	<p>investigations leading to disruption of smuggling operations. This figure is dependent on the volatility of relevant external factors (e.g. political situation in the third countries and migratory flows and number irregular migrants wishing to enter Europe), and capability of MS law enforcement agencies.</p>	<p>287 operational analytical products were produced by EMSC analysts and specialists in 2016.</p> <p>EMSC supported 27 joint and common action days in 2016.</p> <p>93 High Priority cases were supported by the EMSC in 2016.</p> <p>Throughout 2016, the EMSC received on average more than 900 contributions per month and an average of around 170 new investigations was recorded on a monthly basis since the EMSC's launch in February.</p>
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Main outputs in 2016:

Policy-related outputs

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- Implementation of the EU Action Plan on Return and the EU Action Plan on Migrant Smuggling	- Increased rate of return of irregular migrants to third countries measured as a % of effected returns compared to return decisions issued by the Member States	- Both Action Plans list a series of actions to be undertaken, some of them in 2016	The return rate increased from 42.5% in 2015 to 46.38% in 2016 . Work is underway to implement the Action Plan on return and to step up cooperation with third countries of origin and transit.
- Conclusion of Readmission agreements	- New readmission agreements or bilateral arrangements signed and new negotiations opened	- Progress with Belarus and Morocco, new negotiations with Jordan and Tunisia	<p>New negotiations were launched in October with Tunisia, Nigeria and in November with Jordan.</p> <p>Joint Way Forward was signed with Afghanistan.</p> <p>Meetings of Joint Readmission Committees were held with Cape Verde, Serbia, FYRoM, Moldova, Russia, Sri Lanka and Pakistan to assess the implementation of Readmission Agreements concluded with those</p>

			<p>countries.</p> <p>Several technical missions were carried out to priority countries for readmission (Senegal, Ivory Coast, Mali, and Ethiopia) and focused on finding ways to improve practical cooperation on readmission with third countries' authorities.</p> <p>No progress was achieved in the negotiations of readmission agreements with Belarus and Morocco due to both countries objecting to hold new negotiation rounds in 2016. In the wake of the signing of the Mobility Partnership with Belarus (see below), the parties agreed to meet in early 2017 in order to resolve the outstanding issues.</p>
- Evaluation and review of the smuggling of human beings "Facilitators" package (Directive 2002/90/EC and FD 2002/946/JHA) ⁹	- Adoption by the Commission	- October 2016	The evaluation process was delayed but completed in 2016. Its results will be presented early 2017.
- Proposal for a Regulation on an EU travel document for return (COM(2015) 668 final) presented by the Commission in December - 2015) ⁿ expenditure outputs	- Adoption by the co-legislators	- Q4 2016	The Regulation was adopted by the Parliament on 15 September and by the Council on 13-14 October. It was signed on 26 October 2016.

Major additional policy-related outputs (not included in the 2016 Management Plan)

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
Creation of Integrated Return Management Application (IRMA)	Launch of the	2016	IRMA was launched as a secure platform to facilitate the joint planning of return operations and to assist the

⁹ CWP 2016

A need was identified for Member States to improve and strengthen their return capacity to ensure a more integrated and coordinated approach and management of returns. This necessitated a dedicated tool to provide a better information sharing, multi-disciplinary approach and streamlining of all return related matters. In response, the Integrated Return Management Application (IRMA) was therefore developed as restricted information exchange system for Member States' experts to facilitate the planning, organisation and implementation of return and readmissions activities by Member States with the objective of further increasing return rates. It also offers information on best practices and guidelines per third country, legislation, return programmes, data on return operations and statistics.	application		Member States and the EBCG in gathering and sharing operational information. It helps build operational synergies between the Member States, the European Border and Coast Guard (EBCG), the Commission and the EU-funded programmes (ERIN, EURINT and EURLO).
<ul style="list-style-type: none"> - Commission Implementing Decisions on Schengen evaluations on return -Proposals for Council Implementing Decision setting out a recommendation on Schengen evaluations on return 	- Adoption by the Commission	2016	<p>C(2016) 22 / COM(2016) 12 - Belgium evaluation of 2015</p> <p>C(2016) 5097 / COM(2016) 97 - Germany evaluation of 2015</p> <p>C(2016)3252 / COM(2016) 252 - Liechtenstein evaluation of 2015</p> <p>C(2016)5098 / COM(2016) 98 - the Netherlands evaluation of 2015</p> <p>C(2016)3257 / COM(2016) 257 - Luxembourg evaluation of 2016</p> <p>C(2016) 6001/4 / COM(2016) 511/4 - Italy evaluation of 2016</p>
<p>Creation of posts for European Migration Liaison Officer (EMLOs) seconded by EU MS to EU Delegations in priority third countries</p> <p>The deployment of European Migration Liaison Officer (EMLOs) was called by the European Council in April 2015, confirmed by the EU Agenda on Migration, by the EU Action Plan against migrant smuggling as well as by the Migration Partnership Framework adopted in June 2016.</p>	Selection and deployment of EMLOs in EU Delegations	15 EMLOs in 2016	<p>13 candidates selected in processes led by DG HOME in cooperation with EEAS, DG DEVCO, SG, DG HR and DG NEAR.</p> <p>11 EMLOs deployed in 2016</p>

Main expenditure outputs			
Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- National programmes AMIF – estimated number of projects on return :157	Indicator 1: Number of persons trained on return-related topics with the assistance of the Fund	3 520 (estimation on the basis of AMIF national programmes on 18/01/2016)	Indicator 1: 4 026 persons trained on return-related topics with the assistance of the Fund
- Union actions – estimated number of projects under AWP 2016: 2	Indicator 2: Number of returnees who received pre or post return reintegration assistance co-financed by the Fund	23 486 (estimation on the basis of AMIF national programmes on 18/01/2016)	Indicator 2: 21 228 returnees who received pre or post return reintegration assistance co-financed by the Fund
- Emergency assistance projects under AMIF: 2	Indicator 3: Number of returnees whose return was co-financed by the Fund, persons who returned voluntarily and persons who were removed	62 754 voluntary and 31 265 forced (estimation on the basis of AMIF national programmes on 18/01/2016)	Indicator 3: 26 187 returned voluntarily and 11 561 were removed
	Indicator 4: Number of monitored removal operations co-financed by the Fund	520 (corrected estimation on the basis of AMIF national programmes on 18/01/2016)	Indicator 4: due to an incorrect interpretation of the indicator by a MS (persons removed are counted instead of number of operations), the indicator cannot be quantified correctly at this stage

Specific objective 1.2: Effective border management - save lives and secure EU external borders			Related to spending programmes ISF/B, Horizon 2020
Result indicator 1.2a: Reintroduced controls at internal borders (excluding cases notified due to the big events, meetings, summits etc.)			
Source of data: Member States			
Baseline (2015)	Interim Milestone (2018)	Target (2020)	Latest known results (situation on 31/12/2016)

4 cases (DE, AT, SI, FR)	0	0	6 cases (AT, DE, DK, FR, NO, SE)
Result indicator 1.2b: Number of Frontex Joint Operations coordinated at EU external borders Source of data: Frontex			
Baseline (2013)	Interim Milestone (2018)	Target (2020)	Latest known results (situation on 31/12/2016)
17 joint operations (JO) for 2 283 ¹⁰ man/days	increase	Increased operational activity compared to the baseline. The increase compared to the baseline reflects the need of increased EU support in the field of external border management in the context of the migratory crisis where the national border management systems of the frontline MS are exposed to disproportionate migratory pressure.	16 JO and 1 Rapid Border Intervention carried out 2016 5 500 officers deployed with 311 600 man-days
Result indicator 1.2c: Number of fully operational hotspots in reference to the number of hotspots identified Source of data: Progress Reports on the implementation of the hotspots ¹¹ and Hotspots daily reports			
Baseline (2015)	Interim Milestone (2016)	Target On 13 May 2015, the Commission announced the setting up of the 'hotspot' approach under the European Agenda on Migration. On 29 September 2015, the Commission adopted a Communication ¹² calling for the full roll-out of the Relocation Scheme and Migration Management Support Teams working in 'hotspot' areas. On 14 October 2015, the Commission presented a Communication ¹³ setting out the next steps for the coming six months. On this basis, hotspots should be operational by March 2016. In its conclusions on 17 December 2015, the European Council recalled that deficiencies in the	Latest known results (situation on 31/12/2016)

¹⁰ The figure indicated in the Strategic Plan was corrected (from 2 283 to 88 502)

¹¹ e.g. COM(2015)678 final and COM(2015)679 final on 15 December 2015.

¹⁴ https://ec.europa.eu/priorities/sites/beta-political/files/december2016-action-plan-migration-crisis-management_en.pdf

¹⁴ https://ec.europa.eu/priorities/sites/beta-political/files/december2016-action-plan-migration-crisis-management_en.pdf

		<p>functioning of hotspots should be rapidly addressed. Five hotspot areas have been identified by the Greek authorities in Lesvos, Leros, Kos, Chios and Samos.</p> <p>Italy has identified six hotspot areas in Lampedusa, Pozzallo, Porto Empedocle/Villa Sikanian, Trapani, Augusta and Taranto.</p>	
By the end of 2015, 2 hotspots were fully operational (in Lampedusa and Lesbos) out of the 11 hotspots identified).	100 % (11 fully operational hotspots)	Swift operation of all identified hotspots	<p>In 2016, Greece implemented the 5 planned hotspots (Lesvos, Leros, Kos, Chios and Samos) with the operational and financial support of EU Agencies and the European Commission. As of 20 March 2016, they have been adapted to the EU-Turkey Statement, in order to enhance the asylum process and facilitate swift returns to Turkey from the islands.</p> <p>However, arrivals still exceed returns in overcrowded hotspots that need to be decongested. In that view, the Commission has developed with Greece a Joint Action Plan on the implementation of the EU-Turkey Statement¹⁴ that was endorsed by the European Council on 15 December 2016¹⁵.</p> <p>Italy initially planned to open 6 hotspots by end 2015. By 31 December 2016, four hotspots (Lampedusa, Trapani, Taranto and Pozzallo) with a combined capacity of 1 600 places were operational in Italy.</p> <p>In addition, Italy announced on 7 December 2016 the application of the hotspot procedure in 15 ports of disembarkation 'operating as hotspots'. Despite the unprecedented number of migrant arrivals in 2016, Italy has made significant progress with regard to the registration and identification of migrants, increasing the overall fingerprinting rate to around 97 % for all of 2016.</p>

¹⁴ https://ec.europa.eu/priorities/sites/beta-political/files/december2016-action-plan-migration-crisis-management_en.pdf

¹⁵ <http://www.consilium.europa.eu/en/press/press-releases/2016/12/15-euco-conclusions-final/>

Completed evaluations:

Report on the evaluation of the Visa Information System COM(2016)655 of 14 October 2016.

Report on the evaluation of the operation and use of the Schengen Information System – COM(2016)880 of 21 December 2016.

Main outputs in 2016:**Policy-related outputs**

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- EU Smart Border Package including - Revised Proposal for a Regulation establishing an Entry Exit System (EES) to register entry and exit data of third country nationals crossing the external borders of the Member States of the European Union (2016/HOME/001)	- Adoption by the Commission	- April 2016 (with a view to being adopted by the co-legislators end 2016)	Adopted on 6/4/2016 (COM(2016)194 et 196)
- Regulation amending Regulation (EC) No 562/2006 (Schengen Border Code) (2016/HOME/001)	- Adoption by the Commission	- April 2016 (with a view to being adopted by the co-legislators end 2016)	Adopted on 6 April 2016 COM(2016) 196 final
- Communication on 'Stronger and Smarter Information Systems for Borders and Security'	- Adoption by the Commission	- April 2016 (with a view to being adopted by the co-legislators end 2016)	Adopted on 6/4/2016 (COM(2016)205)
- Adoption of the draft regulation amending the Schengen Borders Code as regards the reinforcement of checks against relevant databases at external borders (COM(2015) 670 final)	- Adoption of a common position by the Council	- June 2016 (commitment included in the Programme of the Dutch Presidency)	- Adoption of a common position of the Council adopted in February 2016. - Political agreement reached between the co-legislators in December 2016.

- Implementation of the hotspots ¹⁶ approach as identified in the European Agenda on Migration	- Completion of the political commitments set: (1) by the Commission setting out the next steps for the coming six months on 14 October 2015 and (2) by the European Council calling on 17 December 2015 to rapidly address deficiencies in the functioning of hotspots.	- March 2016	See above Result indicator 1.2c
- Communications on the Implementation of the hotspots in Greece and in Italy	- Adoption by the Commission	- February 2016	The Commission closely monitored the situation in hotspots and regularly reported on the state of play of the hotspots in Greece and Italy ¹⁷ in 2016, notably in the context of the implementation of relocation and resettlement ¹⁸ and of the EU-Turkey statement ¹⁹ . In addition, DG HOME issued Daily Internal Reports on migration flows in Italy (and in Greece until mid-2016). These reports were uploaded on the Integrated Political Crisis Response (IPCR) platform. DG HOME contributed to the daily reports of the Structural Reform Support Service (SRSS) on the migration crisis in Greece and to the weekly ISAA report (sections on Greece and Italy).

¹⁶ A 'hotspot' is a section of the EU external border or a region with extraordinary migratory pressure which calls for reinforced and concerted support by EU Agencies, as identified in the European Agenda on Migration.

¹⁷ COM(2016) 85 final.

¹⁸ COM(2016) 165 final, COM(2016) 222 final, COM(2016) 360 final, COM(2016) 416 final, COM(2016) 480 final, COM(2016) 636.

¹⁹ COM(2016) 231 final, COM(2016) 349 final and COM(2016) 634 final.

- Report on the evaluation of SIS II (2016/HOME/005)	- Adoption by the Commission	- Q2 2016	Adopted on 21/12/2016 COM(2016)880 SWD(2016)450
- Proposals for a new Regulation on the Schengen Information System	- Adoption by the Commission	- Q4 2016	Adopted on 21/12/2016 COM(2016)882 2016/0408, COM(2016)883 2016/0409, COM(2016)881 2016/0407.

Major additional policy-related outputs (not included in the 2016 Management Plan)

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- Regulation on the European Border and Coast Guard.	- Entry into force	2016	Political agreement reached by the European Parliament and the Council on 22 June 2016 Entry into force on 6 October 2016
- Proposal for a Regulation establishing a European Travel Information and Authorisation System (ETIAS)	- Adoption by the Commission		Adopted on 16/11/2016 (COM(2016)731) The Management Plan / Strategic Plan 2016 was drafted in the beginning of 2016. Only in September 2016 the priority of securing external borders and presenting concrete initiatives to accelerate and broaden the EU response in continuing to strengthen the management of external borders was confirmed) ²⁰ and the adoption of a legislative proposal for the establishment of ETIAS by November 2016 was announced, a decision that was also highlighted by President Juncker in his State of the Union speech before the European Parliament ²¹
- Commission Implementing Decisions on Schengen evaluations in SIS/SIRENE area -Proposals for Council Implementing Decision setting out a recommendation on Schengen	- Adoption by the Commission	2016	C(2016)24/COM(2016)14 (Germany – evaluation in 2015) C(2016)5101/ COM(2016)101 (Netherlands – evaluation in 2015) C(2016)3251/ COM(2016)251 (Liechtenstein – evaluation in 2015) C(2016)3258/COM(2016)258 (Luxembourg – evaluation in 2016) C(2016) 6002/ COM(2016) 512 (Italy – evaluation in 2016) C(2016)6015/COM(2016)535 (Greece – evaluation in 2016)

²⁰ (COM(2016)205 final - Communication of 14 September 2016 'Enhancing security in a world of mobility : improved information exchange in the fight against terrorism and stronger external borders' confirmed the priority)

²¹ Speech available at: http://europea.eu/rapid/press-release_SPEECH-16-3043_en.htm

<p>evaluations in SIS/SIRENE area</p> <p>- Commission Implementing Decisions on Schengen evaluations/ -Proposals for Council Implementing Decision setting out a recommendation on Schengen evaluations (Visa policy)</p>	Adoption by the Commission		<p>C(2016)20/ COM(2016)10 (Germany – evaluation in 2015) C(2016)9600/ COM(2016)96 (Netherlands – evaluation in 2015) C(2016)3259/COM(2016)259 (Luxembourg – evaluation in 2016) C(2016)6003/ COM(2016) 513 (Italy – evaluation in 2016) C(2016)6019/COM(2016)539 (Greece – evaluation in 2016) C(2016)6725/COM(2016)695 (Croatia – evaluation in 2016)</p>
<p>- Commission Implementing Decisions on Schengen evaluations on management of the external borders/absence of border control at the internal borders -Proposals for Council Implementing Decision setting out a recommendation on Schengen evaluations management of the external border/absence of control at the internal borders</p>	- Adoption by the Commission	2016	<p>C(2016)25/COM(2016)15 (Germany – evaluation in 2015) C(2016)26/COM(2016)16 (DE/FR Internal border – evaluation in 2015) C(2016)23/COM(2016)13 (Belgium- evaluation in 2015) C(2016)450/COM(2016)45 (Greece-unannounced visit in 2015) C(2016)5099/COM(2016)99 (Hungary-unannounced visit in 2015) C(2016)5102/COM(2016)102 (Poland-unannounced visit in 2015) C(2016)3254/COM(2016)254 (Switzerland Internal border - unannounced visit in 2015) C(2016)3256/COM(2016)256 (Luxembourg- visit in 2016) C(2016)3250/COM(2016)250 (The Netherlands-visit in 2015) C(2016)3255+Corrigendum C(2016)5256/COM(2016)255 (Port of Algeciras-unannounced visit 2016) C(2016)6005/COM(2016)515 (Copenhagen airport-unannounced visit in 2016) C(2016)6006/COM(2016)516 (Barcelona airport-unannounced visit in 2016)</p>
<p>-Commission proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1030/2002 laying down a uniform format for residence permits for third country nationals</p>	Adoption by the Commission		Adopted by the Commission on 30/06/2016 COM (2016) 494 final

-Commission Communication on an Action Plan to strengthen the European response to travel document fraud	Adoption by the Commission	Report due at the end of 1st quarter 2018	Adopted by the Commission on 08/12/2016 COM (2016) 790 final The increasingly significant problem of travel document fraud came under the spotlight in the context of the terrorist attacks in Europe and migration flows. Document fraud became an enabler of terrorism and organised crime, and was linked to the trafficking of human beings ²² and migrant smuggling. Against this background, it is crucial that the EU and especially the Member States intensify efforts to improve the security of travel documents issued to EU and third country nationals. Travel document security is an important factor in better border protection and migration management and the move towards an effective and genuine Security Union. ²³ The adoption of the action plan was decided by cabinets of President and FVP. This was not then included in the SP/MP as decided only at the beginning of 2016.
- Integrated Situational Awareness and Analysis reports in the framework of the European Union Integrated Political Crisis Response arrangements	Reports transmitted to the Council	Report due weekly every Tuesday	50 reports produced in 2016

Main expenditure outputs			
Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- National programmes ISF-Borders – estimated number of projects on borders management:242	Indicator 1: Number of staff trained and number of training courses in aspects related to border management with the help of the Instrument	4 704 staff (estimation on the basis of ISF national programmes on 18/01/2016)	Indicator 1: 3 011 staff trained
	Indicator 2: Number of border control	2 101 (estimation on the basis of	Indicator 2: 5 736 border control

²² Staff working document SWD(2016) 159 final accompanying the Commission's *Report on the progress made in the fight against trafficking in human beings* (2016).

²³ Commission Communication on *Delivering on the European Agenda on Security to fight against terrorism and pave the way towards an effective and genuine Security Union* (COM(2016) 230 final, 20.4.2016).

<p>- Union actions – planned projects under AWP 2016: 4 projects</p> <p>- Emergency assistance ISF-Borders: 5</p> <p>- FP7 and H2020 projects related to borders: 34 M EUR (5 projects)</p>	<p>(checks and surveillance) infrastructure and means developed or upgraded with the help of the Instrument.</p> <p>Indicator 3: Number of gates funded and number of border crossings of the external borders through ABC gates supported from the Instrument out of the total number of border crossings</p> <p>Indicator 4: Number of national border surveillance infrastructure established/further developed in the framework of EUROSUR.</p> <p>Indicator 5: Number of incidents reported by Member States to the European Situational Picture</p>	<p>ISF national programmes on 18/01/2016)</p> <p>14 gates, 47 811 868 crossings through ABC gates, 349 874 663 total border crossings (estimation on the basis of ISF national programmes on 18/01/2016)</p> <p>44 ((estimation on the basis of ISF national programmes on 18/01/2016)</p> <p>21 622 (estimation on the basis of ISF national programmes on 18/01/2016)</p>	<p>(checks and surveillance) infrastructure and means developed or upgraded with the help of the Instrument</p> <p>Indicator 3: 10 506 677 border crossings through ABC gates</p> <p>Indicator 4: 4 national border surveillance infrastructure established/further developed in the framework of EUROSUR</p> <p>Indicator 5: 3 631 incidents reported by Member States to the European Situational Picture</p> <p>As a result of the 2015 call for proposals, additional projects were launched in 2016 :</p> <ul style="list-style-type: none"> - Three are directly managed by DG HOME with EU financial support amounting to EUR 18 000 000 - Seven are managed by the Research Executive Agency (REA), with EU financial support amounting to EUR 22 000 000
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Specific objective 1.3: Enhance protection and solidarity

Related to spending programme(s)
Asylum, Migration and Integration Fund

Result indicator 1.3a: Number of persons relocated

Source of data: Hotspots daily reports

Baseline (2015)	Interim Milestone		Target	Latest known results (situation on 31/12/2016)
	(2016)	(2017)		
272 ²⁴	90 000 [the Council Decisions do not establish an interim milestone-number needed to be reached under swiftly relocation conditions]	69 728	The target has been established by the Council Decisions on Relocation [Council Decision (EU) 2015/1523 of 14 September 2015 establishing provisional measures in the area of international protection for the benefit of Italy and of Greece; and Council Decision (EU) 2015/1601 of 22 September 2015 establishing provisional measures in the area of international protection for the benefit of Italy and Greece] 160 000 to be relocated by 26 September 2017	9 923 in all of which 9 654 in 2016 (in 2016 2 462 from Italy and 7 192 from Greece). In total, by 31 Dec 2016 2 649 people had been relocated from Italy and 7 274 from Greece). DG HOME now considers that it should be feasible to transfer <u>all currently eligible</u> relocation applicants in Greece and Italy to other Member States by September 2017. To achieve this goal, Member States should carry out at least 2 000 relocations per month from Greece and 1 000 from Italy as of December 2016 and 1 500 from Italy and 3 000 from Greece as of April 2017.

Result indicator 1.3b: Number of persons resettled

Source of data: Member States

²⁴ The value indicated in the Strategic Plan was 272. This number has been corrected and decreased to 269 because 3 cases were Dublin cases, not relocations.

Baseline (2015)	Interim Milestone (2016)	Target 8 December 2017 [Commission Recommendation of 8 June 2015 on a European resettlement scheme, Member States' Conclusions on Resettlement of 20 July 2015]	Latest known results (situation on 31/12/2016) Total number of people resettled under the Member States' Conclusions on Resettlement of 20 July 2015, including the 1:1 mechanism with Turkey
3 358	10 250	20 504	14 205

Result indicator 1.3c: Convergence of protection recognition rates for asylum seekers from the same country

Source of data: Eurostat

Baseline (2014)	Interim Milestone (2015)	Interim Milestone (2017)	Target (2020)	Latest known results (2016)
The standard deviation in terms of recognition rates for international protection among Member States on the caseload on Afghanistan, one of the most relevant in the EU is 22.27 ²⁵ Recognition rates for asylum seekers from Afghanistan varied from 22 to 89% (63% in Belgium, 22% in Denmark, 46% in Germany, 27% in Greece, 89% in Italy, 48% in Sweden)	27.3	Lower (increased convergence)	Lower (increased convergence) The way Member States process applications for asylum seekers from a top source third country is one of the indicators of how much the Common European Asylum System contributes to the harmonisation of rules and practices in the EU regarding asylum procedures. The EU acquis on asylum defines common rules on the different steps and aspects of an asylum application and should therefore lead to reduced amplitude of recognition rates for asylum seekers from a source third country.	28.2

²⁵ For Member States with at least 100 decisions regarding asylum seekers from Afghanistan; Figure for 2014 in the Strategic Plan needs to be updated from 22.27 to 25.2 as some MS provided additional data.

Completed evaluations : None

Main outputs in 2016:

Policy-related outputs

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- Communication on reforming the common asylum system and enhancing legal avenues to Europe	- Adoption by the Commission	- April 2016	The Communication was adopted on 6 April 2017 (COM(2016) 197 final)
- CEAS reform package including (1) Proposal amending the Dublin Regulation ²⁶ (2016/HOME/075) (2) Proposal for a structured system on resettlement ²⁷ (2016/HOME/078)	- Adoption by the Commission	- May 2016	The Commission adopted the two CEAS reform packages. The first one was adopted on 4 May 2016 and includes the proposals to amend the Dublin Regulation (COM(2016) 270 final), EASO Regulation (COM(2016) 271 final) and the Eurodac Regulation (COM(2016) 272 final). The second package was adopted on 13 July 2016 (instead of September) and includes the proposals for a regulation establishing a common procedure for international protection and repealing the Asylum Procedures Directive (COM(2016) 467 final), the Qualification Directive to transform it into a Regulation (COM(2016) 466 final), the Reception Conditions Directive (COM(2016) 465 final) and the proposal for establishing a Union Resettlement Framework (COM(2016) 468 final).
- Commission Decision on the confirmation of the application to Ireland of the Council Decision (EU) 2015/1601 of 22 September 2015 establishing provisional measures in the area of international protection for the benefit of	- Adoption by the Commission	- Q1 2016	Commission Decision of 01.03.2016 on the confirmation of the application to Ireland of the Council Decision (EU) 2015/1601 of 14 September 2015 establishing provisional measures in the area of international protection for the benefit of Italy and of Greece

²⁶ Commission Work Programme 2016

²⁷ Commission Work Programme 2016

Italy and of Greece			
- Proposal for Council implementing decision concerning allocation of applicants for international protection under Council Decision (EU) 2015/1601 to Ireland, Norway and Liechtenstein	- Adoption by the Commission	- Q2 2016	Postponed for political reasons
- Report to the Council on the implementation of the Council Decisions on Relocation ²⁸	- Adoption by the Commission	- Over 2016 (second report in April, third report in May)	Eight reports were adopted in 2016 : 1. In March COM(2016) 165 final, 2. In April COM(2016) 222 final, 3. In May COM(2016) 360 final, 4. In June COM(2016) 416 final, 5. In July COM(2016) 480 final, 6. In September COM(2016) 636 final, 7. In November COM(2016) 720 final, 8. In December COM(2016) 791 final.

Main expenditure outputs

Description	Indicator	Target	Latest known results (situation on 31/12/2016)
- National programmes AMIF – number of projects on asylum and solidarity objective (resettlement/relocation): 772	Indicator 1: Number of target group persons provided with assistance through projects in the field of reception and asylum systems supported under the Fund	125 725 (estimation on the basis of AMIF national programmes on 18/01/2016)	Indicator 1: 366 426 target group persons provided with assistance
- Union actions – planned projects under AWP 2016: 2	Indicator 2: Capacity (i.e. number of places) of new reception accommodation infrastructure set up in line with the common requirements for reception conditions set out in the Union acquis and of existing reception	5 381 places (estimation on the basis of AMIF national programmes on 18/01/2016)	Indicator 2: 7 415 places
- Emergency assistance AMIF: 7 projects			

²⁸ Article 12 of Council Decisions

	<p>accommodation infrastructure improved in accordance with the same requirements as a result of the projects supported under the Fund</p> <p>Indicator 3: Number of persons trained in asylum-related topics with the assistance of the Fund</p> <p>Indicator 4: Number of country-of-origin information products and fact-finding missions conducted with the assistance of the Fund</p> <p>Indicator 5: Number of projects supported under the Fund to develop, monitor and evaluate asylum policies in Member States</p> <p>Indicator 6: Number of persons resettled with support of the Fund</p> <p>Indicator 7: Number of applicants and beneficiaries of international protection transferred from one Member State to another with support of the Fund</p>	<p>3 080 persons trained (estimation on the basis of AMIF national programmes on 18/01/2016)</p> <p>10 393 (estimation on the basis of AMIF national programmes on 18/01/2016)</p> <p>20 (estimation on the basis of AMIF national programmes on 18/01/2016)</p> <p>7 707 (estimation on the basis of AMIF national programmes on 18/01/2016)</p> <p>49 118 (estimation on the basis of AMIF national programmes on 18/01/2016)</p>	<p>Indicator 3: 6 186 persons trained</p> <p>Indicator 4:15 478 country-of-origin information products and fact-finding missions</p> <p>Indicator 5:14 projects supported</p> <p>Indicator 6:12 423 persons resettled (based on information in the annual accounts)</p> <p>Indicator 7:0 beneficiaries of international protection (refers to transfers of beneficiaries of international protection in the framework of Article 18 of AMIF) and 6 467 persons were relocated from Greece and Italy (information from annual accounts)</p>
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Major additional policy-related outputs (not included in the 2016 Management Plan)

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
<p>- Recommendations addressed to the Hellenic Republic on the urgent measures to be taken by Greece in view of the resumption of transfers under the Dublin Regulation</p> <p>Recommendation addressed to the Member States on the resumption of transfers to Greece under Regulation (EU) No. 604/2013.</p> <p>For the Common European Asylum System to work there must be a real possibility to return asylum seekers to the country of first entry to the EU, as foreseen by the commonly agreed EU rules. Since 2011, Member States have not been able to carry out Dublin transfers to Greece following two judgements of the European Court of Human Rights (ECHR) and the European Court of Justice (ECJ) which identified systemic deficiencies in the Greek asylum system. In 2016, while acknowledging the progress achieved to manage the migratory crisis, the Commission addressed recommendations describing all necessary measures to be taken by Greece in view of ensuring that Greece complies again with its legal obligations under the Dublin Regulation by taking further important steps to remedy the remaining systemic deficiencies in the Greek asylum and reception system.</p>	<p>- Adoption by the Commission</p>	<p>- 2016</p>	<p>First Recommendation adopted on 10/02/2016 C(2016) 871final</p> <p>Second Recommendation adopted on 15/06/2016 C(2016) 3805final</p> <p>Third Recommendation adopted on 28/09/2016 C(2016) 3311final</p> <p>Fourth Recommendation adopted on 08/12/2016 C(2016) 8525final</p>

Specific objective 1.4 : A new policy on legal migration to address skill shortages in the EU and enhance effective integration			Related to spending programme(s) Asylum, Migration and Integration Fund
Result indicator 1.4a: Number of first residence permits issued for "Education reasons"			
Source of data: Eurostat			
Baseline (2014)	Interim Milestone ²⁹ (please introduce as many columns as the number of milestones)	Target (2020) This indicator measures the attractiveness of the EU as a place for studies for TCNs. The recast of the Students & Researchers Directive, which will enter into force in 2018, should, among other factors, contribute to increase the figure.	Latest known results (2015)
	(2017)		
267 752 first permits issued for education reasons in the 25 EU Member States bound by the EU acquis (all but UK, DK and IE)	302 800	430 000	265 515 The 2016 value will be known when data are released by Eurostat in July 2017.
Result indicator 1.4b: Share of multiple entry visas (MEVs) with long validity (one year or more) on total number of visas issued			
Source of data: Member States			
Baseline (2014)	Interim Milestone	Target (2020)	Latest known results (2015)
	(2017)		
48% (this includes all multiple-entry visas issued and not only those with long periods of validity)	53%	60% (under the recast Visa Code, the percentage will be related only to multiple entry visas with long validity; the proposal for a recast Visa Code will include mandatory rules on the issuing of MEVs to regular travellers, therefore	58.6% in 2016. 48.5% in 2015.

²⁹ The column should be deleted if only short-and medium term (less than 3 years) targets are set.

		increasing the share of MEVs being issued; a higher target than 60% does not seem realistic as more regular travellers will hold MEVs with a long period of validity, and thus there will be a more important share of first time travellers amongst the visa applicants)	
Completed evaluations : none			

Main outputs in 2016:			
Policy-related outputs			
Description	Indicator (e.g. adoption by the Commission; completion)	Target date	Latest known results (situation on 31/12/2016)
- Legal migration package, including -- a Communication on reforming the common asylum system and enhancing legal avenues to Europe (see above)	- Adoption by the Commission	- April 2016	See above
-- a Proposal amending Directive 2009/50/EC on the conditions of entry and residence of third country nationals for the purpose of highly qualified employment (Blue Card Directive) ³⁰ (2016/HOME/025)	- Adoption by the Commission	- Q2 2016	Adopted on 7 June 2016 - COM(2016) 378
-- an Action Plan on the integration of third country nationals (2016/HOME/171)	- Adoption by the Commission	- Q2 2016	Adopted on 7 June 2016 – COM (2016) 377
- Recast of the students & researchers Directive	- Adoption by the co-legislators	- Q2 2016	Adopted on 11 May 2016 - (EU) 2016/801

Main expenditure outputs

³⁰ State of the Union Speech 2015, Commission Work Programme 2016

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
<p>- National programmes AMIF – estimated number of projects on legal migration and integration: 538</p> <p>- Union actions – planned projects under AWP 2016: 15³¹</p>	<p>Indicator 1: Number of target group persons who participated in pre-departure measures supported under the Fund</p> <p>Indicator 2: Number of target group persons assisted by the Fund through integration measures in the framework of national, local and regional strategies</p> <p>Indicator 3: Number of local, regional and national policy frameworks/measures/tools in place for the integration of third-country nationals and involving civil society and migrant communities, as well as all other relevant stakeholders, as a result of the measures supported under the Fund</p> <p>Indicator 4: Number of cooperation projects with other Member States on the integration of third-country nationals supported under the Fund</p> <p>Indicator 5: Number of projects supported under the Fund to develop, monitor and evaluate integration policies in Member States</p>	<p>33 488 (estimation on the basis of AMIF national programmes on 18/01/2016)</p> <p>347 656 (estimation on the basis of AMIF national programmes on 18/01/2016)</p> <p>306 (estimation on the basis of AMIF national programmes on 18/01/2016)</p> <p>8 (estimation on the basis of AMIF national programmes on 18/01/2016)</p> <p>16 (estimation on the basis of AMIF national programmes on 18/01/2016)</p>	<p>Indicator 1: 10 950 target group persons who participated</p> <p>Indicator 2: 1 602 041 target group assisted</p> <p>Indicator 3: 1 920 local, regional and national policy frameworks/measures/tools</p> <p>Indicator 4: 9 cooperation projects</p> <p>Indicator 5: 29 projects supported</p>

³¹ Number in Management Plan to be corrected from 15 o 20

General objective 2: An area of justice and fundamental rights based on mutual trust**Specific objective 2.1: A strong EU response to tackling terrorism and preventing radicalisation**Related to spending programme(s)
Internal Security Fund - Police**Result indicator 2.1a:** Level of security for EU citizens: measured through the ratio between the number of failed, foiled or completed terrorist attacks in the EU and the number of arrests for terrorism related offences**Source of the data:** Europol (Te-Sat Report)

Baseline (2014)	Interim Milestone (2018)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the general objective	Latest known results (2015)
25,7 points (199 attacks and 774 arrests)	20 points	15 points	19.6 (211 attacks and 1 077 arrests)

Result indicator 2.1b: Number of suspicious transactions reported within the FIU's platform**Source of data:** FIU.NET

Baseline (2014)	Interim Milestone (2018)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the specific objective	Latest known results (2016)
12 076	20 000	25 000	15 277

Result indicator 2.1c: Number of contributions to the European Bomb Data System**Source of data:** European Bomb Data System

Baseline (2014)	Interim Milestone (2018)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the specific objective	Latest known results 2015 (in 2016 the European Bomb Data System (EBDS) migrated to the Europol Platform for Experts (EPE). Additionally, a new web-based portal was created for the European Explosives Ordnance Disposal Network (EEODN). Future results will
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			have to be reported on a basis of different system and may not be fully comparable with data for 2014 and 2015)	
1 804	2 450	2 600	2 071	
Result indicator 2.1d: Number of alleged terrorists arrested/prosecuted Source of data: Europol/Eurojust				
Baseline (2014)	Interim Milestone		Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the specific objective	Latest known results (2016) D2
	(2015)	(2018)		
30 notifications on ongoing investigations and prosecutions 180 notifications on court results The number includes data transmitted spontaneously to Eurojust throughout the year, as well as data sent following Eurojust's request to receive information in the framework of drafting its contribution to the EU Terrorism Situation and Trend (TE-SAT) Report	100 notifications on ongoing investigations and prosecutions 218 notifications on court results.	Increase	Increase	133 notifications on ongoing investigations and prosecutions 269 notifications on court results.
Result indicator 2.1e: Number of terrorist contents removed from Internet/number of counter narratives produced Source of data: Internet Referral Unit				
Baseline (2014)	Interim Milestone (2018)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the specific objective		Latest known results (2016)
Contents: 0 (EU IRU did not	4 216 referrals	4 678 referrals		19 721 referrals

exist)			
Counter narratives produced: 9	15 (aggregated)	25 (aggregated)	17 (aggregated)
Completed evaluations : none			

Main outputs in 2016:

Policy-related outputs

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- European Counterterrorism Centre in Europol	- Setting up within Europol	- January 2016	The centre started operating on 01/01/2016 and proposals for upgrading its capabilities were submitted on 14/09/2016 - COM(2016) 602 final
- Communication on an Action Plan for strengthening the fight against terrorist financing	- Adoption by the Commission	- February 2016	COM(2016)50 adopted on 02/02/2016
- Communication updating the global approach to transfers of PNR data to third countries (CWP 2016) (2016/HOME/59)	- Adoption by the Commission	- October 2016	- Communication - Updating the global approach to transfers of Passenger Name Record (PNR) data to third countries Foreseen adoption : 2017 The Communication was not adopted in 2016 as the Commission waited for the Opinion of the Court of Justice in the Canada PNR case.
- Communication on further strengthening the CBRN-E security (2016/HOME/062)	- Adoption by the Commission	- Q3 2016	Foreseen adoption : 2nd Quarter 2017 The delay is due to Commission's decision-making process.
- Proposals for Council Decisions on the conclusion of the Council of Europe Convention on the Prevention of Terrorism, and on the conclusion of its Additional protocol (2015/HOME/253 and 2015/HOME/255)	- Adoption by the Commission	- Q4 2016	On hold until adoption Terrorism Directive Foreseen adoption : 2 nd Quarter 2017
- Proposal for a Directive harmonising	- Adoption by the Commission	- Q4 2016	A Proposal for a Directive on countering money

money laundering offences under Article 87 TFEU			laundrying by means of criminal law was adopted on 21/12/2016 COM(2016)826
- Communication on options for an EU terrorist financing tracking system	- Adoption by the Commission	- Q4 2016	Appraisal on the need for an EU terrorist financing tracking system was presented on 21/12/2016 as part of the 3 rd Security Union Progress report COM (2016)831 final
- Communication on options for a terrorist assets freezing regime under Article 75 TFEU	-	- Q4 2016	Appraisal on the need for a terrorist assets freezing regime under Article 75 TFEU was presented on 21/12/2016 as part of the 3 rd Security Union report - COM(2016) 831 final

Major additional policy-related outputs (not included in the 2016 Management Plan)

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- Communication on supporting the prevention of radicalisation leading to violent extremism The initiative was proposed following the Brussels attacks on 22 March 2016	- Adoption by the Commission	- Q3 2016	Adopted on 04/06/2016, COM(2016) 379 final
Plan outlining the steps to be taken to implement Directive (EU)2016/681 (EU PNR Directive), including indicative milestones This Plan is a follow-up to the adoption of the EU PNR Directive in 2016 and was requested by Commissioner King after his appointment in September 2016.	Adoption by the Commission	Q4 2016	SWD(2016) 426 adopted on 28/11/2016 - Implementation Plan for Directive(EU)2016/681 of the EP and of the Council of 27 April on the use of PNR data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime

Main expenditure outputs

Description	Indicator	Target	Latest known results (situation on 31/12/2016)
- National programmes ISF-Police –number of projects on	Indicator 1: Number and tools put in place and/or further upgraded with the	40 (estimation on the basis of ISF national	Indicator 1: 99 tools

<p>security related risks and crisis: 57</p> <p>- Union actions – planned projects under AWP 2016: 7</p> <p>- Emergency assistance ISF-Police: 1 project</p> <p>- FP7 and H2020 projects related to counter-terrorism and radicalisation: 20 M (6 projects)</p>	<p>help of the Instrument to facilitate the protection of critical infrastructure by Member States in all sectors of the economy</p> <p>Indicator 2: Number of projects relating to the assessment and management of risks in the field of internal security supported by the Instrument</p> <p>Indicator 3: Number of expert meetings, workshops, seminars, conferences, publications, websites and online consultations organised with the help of the Instrument. Broken down by relating to critical infrastructure protection, and relating to crisis and risk management</p>	<p>programmes on 18/01/2016)</p> <p>13 (estimation on the basis of ISF national programmes on 18/01/2016)</p> <p>133 (estimation on the basis of ISF national programmes on 18/01/2016)</p>	<p>Indicator 2:15 projects</p> <p>Indicator 3:45 expert meetings, workshops, seminars, conferences, publications, websites and on-line consultations</p> <p>As a result of the 2015 call for proposals, additional projects were launched in 2016 :</p> <p>- Two projects directly managed by DG HOME with EU financial support amounting to EUR 10 000 000</p> <p>- Two projects managed by the Research Executive Agency (REA with EU financial support amounting to EUR 7 000 000</p>
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Specific objective 2.2: Disrupt organised crime

Related to spending programme(s) Internal Security Fund - Police

Result indicator 2.2a: Operational cooperation as evidenced by the number of Joint Investigation Teams

Source of the data: Europol / Eurojust

Baseline (2014)	Interim Milestone (2018)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the general objective	Latest known results (2016) The data concerning Europol cover the period 1 January - 4 December 2016
122 supported by Eurojust* 44 supported by Europol* *some JITS are supported by both Europol and Eurojust (leading to duplication in the number of JITS reported. Europol numbers are to be confirmed at this stage	Increase	Increase	115 supported by Eurojust in 2016* 42 supported by Europol in 2016* *Some JITS are supported by both Europol and Eurojust, leading to duplication in the number of JITS reported. The number of JITS supported by Europol is slightly lower than the one in 2014, i.e. Europol has chosen to somewhat shift its focus to other instruments. As a result, JITS are only a part of the picture. Europol supported MS law enforcement authorities during a total of 1 056 operations in 2016.
Result indicator 2.2b: Use of EU information exchange mechanisms: measured through the number of hits in SIS and Prüm databases and the use of Europol's Siena and EIS Source of the data: Europol – EU-LISA			
Baseline (2014)	Interim Milestone (2018)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the general objective	Latest known results (2015/2016)
Number of hits registered on foreign SIS alerts: 128 598 hits	SIS: increase	SIS: increase	<u>Hits registered on foreign SIS alerts: 200 778 in 2016.</u> Number of hits increased accordingly from 154 768 hits in 2015 to 200 778 hits in 2016 – increase of 30%.

<p>Prüm: 2 082 741 matches* in 2014 *includes: DNA matches (38 268) + fingerprints total verified matches (5 855) + Vehicle Registration Data total responses to requests (2 038 618)</p>	<p>Prüm: increase</p>	<p>Prüm: increase</p>	<p><u>Prüm: 2 219 311 matches* in 2015</u> *includes: DNA matches (37 313) + fingerprints total verified matches (5 826) + Vehicle Registration Data total responses to requests (2 176 172) <u>(final 2016 data not yet available-</u> The Prüm decision foresees that information on implementation is submitted to the Council. The Secretariat general of the Council will collect 2016 data from MS and produce an overview in the course of Q3 2017).</p>
<p>SIENA: 605 245 messages exchanged</p>	<p>SIENA: increase</p>	<p>SIENA: increase</p>	<p><u>SIENA: 869 858 messages exchanged in 2016</u></p>
<p>EIS: 367 922 searches performed</p>	<p>EIS: increase</p>	<p>EIS: increase</p>	<p><u>EIS: 1 436 838 searches performed in 2016</u></p>
<p>Result indicator 2.2c: Number of freezing and confiscation orders executed, and estimated value of property frozen and property recovered Source of data: Member States</p>			
<p>Baseline (N/A)</p>	<p>Interim Milestone (2018)</p>	<p>Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the specific objective</p>	<p>Latest known results (year)</p>
<p>No baseline – new provision under Article 11 of Directive 2014/42/EU</p>	<p>Increase (if data available)</p>	<p>Increase</p>	<p>No data yet available</p>
<p>Result indicator 2.2d: Number of suspicious transactions reported within the FIU's platform Source of data: FIU.net</p>			

Baseline (2014)	Interim Milestone (2018)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the specific objective	Latest known results (2016)
12 076	20 000	25 000	15 277
Completed evaluations : none			

Main outputs in 2016:			
Policy-related outputs			
Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- Communication updating the global approach to transfers of PNR data to third countries (CWP 2016) (2016/HOME/59) (see above)	- Adoption by the Commission	- October 2016	(See also under Specific objective 2.1 – main outputs in 2016) - Communication - Updating the global approach to transfers of Passenger Name Record (PNR) data to third countries Foreseen adoption: 2017 The Communication was not adopted in 2016 as the Commission was and is still waiting for the Opinion of the Court of Justice in the Canada PNR case.
- Proposal amending the framework on facilitation of irregular migration composed of Directive 2009/90/EC and Framework Decision 2002/946/JHA (see under the specific objective "reduce incentives for irregular migration") (2016/HOME/007)	- Adoption by the Commission	- October 2016	-The Commission has carried out a REFIT evaluation of the current EU legal framework on the facilitation of irregular immigration (Directive 2002/90/EC and Framework Decision 2002/946/JHA) to inform its decision about whether a legislative modification would be needed. The outcome of the evaluation is expected to be published by March 2017. In the meantime, the Commission continues implementing the Action Plan against migrant smuggling, in cooperation with all relevant actors.
- 3rd Action Plan on Security Statistics ³² (2016/HOME/60)	- Adoption by the Commission	- October 2016	Due to be adopted in Q2 2017, as a Communication on Evidence-based Policy for the fight against Organised Crime.

³² CWP 2016

-2nd EU Anti-Corruption Report (2016/HOME/61)	- Adoption by the Commission	- Q4 2016	The Commission took a political decision not to publish a second EU Anti-Corruption Report. While it was acknowledged that anti-corruption stays of high priority, it was agreed that the focus of anti-corruption work under the current Commission should be streamlined as part of the European Semester on economic governance.
- Proposal for a Directive laying down minimum provisions on the constituent elements of criminal acts and penalties in the field of illicit drug trafficking, as regards the definition of drug COM(2013) 618 final 2013/0304 and a Regulation on new psychoactive substances COM(2013) 619 final 2013/0305/HOME/006)	- Adoption by the EP and Council	- Q4 2016	The Commission adopted a proposal for a Regulation amending Regulation (EC) No 1920/2006 as regards information exchange, early warning system and risk assessment procedure on new psychoactive substances in August 2016. The Council agreed a general approach on the package in December 2016. Trilogues on the package will start in the first half of 2017.
- Post-2016 Strategy on eradicating trafficking in human beings including a review on the implementation of the EU Strategy towards the eradication of trafficking in human beings 2012-2016 (2016/HOME/158)	- Adoption by the Commission	- Q4 2016	The adoption of the European Agenda towards the eradication of trafficking in human beings(2016/HOME/158) has been postponed to 2nd quarter of 2017 in line with DG HOME's Management Plan 2017 The internal processes have not yet been concluded within the Commission. In addition, in order to ensure policy coherence, it is important to take into account not only the results of the extensive consultation that was held, but also the latest deliverables under the Anti-trafficking Directive 2011/36/EU and 2012-2016 EU Strategy to eradicate trafficking in human beings, which were published in the fourth quarter of 2016 (Study on comprehensive policy review of anti-trafficking projects funded by the European Commission; the Commission Report assessing the extent to which Member States have taken the necessary measures in order to comply with Directive 2011/36/EU on preventing and combating trafficking in human beings and protecting its victims in accordance with Article 23 (1) and the Commission Report assessing the impact of existing national law, establishing as a criminal offence the use of services which are the objects of exploitation of trafficking in human beings, on the prevention of trafficking in

			human beings, in accordance with Article 23 (2) of the Directive 2011/36/EU).
- First EU Report on trafficking in human beings (2016/HOME/158)	- Adoption by the Commission	- Q2 2016	The report on the progress in the fight against trafficking in human beings was published on 19 May 2016.
- Report on the extent to which the MS comply with Directive 2011/36/EU alongside the Report assessing the impact of existing national law that criminalises those who use the services of victims of trafficking, on prevention of this crime ^[1] (2016/HOME/065)	- Adoption by the Commission	- Q4 2016	Both reports were published on 02/12/2016 : 1. The report on the extent to which the Member States have taken the necessary measures to comply with the Directive 2011/36/EU on combating and preventing trafficking in human beings and protecting its victims in accordance with Article 23 (1) - 'Transposition Report' 2. The Report assessing the impact of existing national law, establishing as a criminal offence the use of services which are the objects of exploitation of trafficking in human beings on the prevention of trafficking in human beings, in accordance with Article 23 (2) of the Directive 2011/36/EU - 'Users Report'
- Implementing decision on common protocols and support data formats for the transfer of PNR data by air carriers	- Adoption by the Commission	- Q2/3 2016	Commission implementing decision on PNR data formats and transmission protocols submitted to Member States under comitology procedure. Foreseen adoption :1 st quarter 2017 The delay between the planned adoption and the adoption scheduled for Q1 2017 is due to the time needed to conduct a public consultation and the requirements to use the comitology procedure.
- EU Security Forum	- Organisation of the first meeting of the Forum	- Q2/Q3 2016	The EU Security Forum was conceived as an instrument to increase transparency in the design of security policies, by bringing together a wide array of stakeholders, from MS, MEP to practitioners, industry and civil society. The development of the security threat in the EU since the adoption of the Agenda in April 2015 has required a re-prioritisation of DG HOME work and resources. Instead of

^[1] CWP 2016

			<p>organising a one-off yearly event to increase transparency, this objective was pursued and met by other means, namely:</p> <ul style="list-style-type: none"> - A much higher involvement of the industry (Internet Forum and through the projects funded under H2020 and ISF-P) and civil society (RAN Centre of Excellence, Internet Forum, hate speech initiative) - A much higher transparency towards the EP and the Council with frequent communications (on firearms in 12/2015, on terrorist financing on 02/2016, on the security Union on 4/2016, on IT systems for borders and security on 4/2016), on hybrid threats on 4/2016, on radicalisation on 6/2016, on security and mobility on 9/2016; - A much higher transparency towards citizens: after each attacks of Thalys (failed, August 2015), Paris (November 2015), Brussels (March 2016), Nice (July 2016); - With monthly reports by Commissioner for the Security Union, the first one being published on 12/10/2016.
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Major additional policy-related outputs (not included in the 2016 Management Plan)50.

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
Plan outlining the steps to be taken to implement Directive (EU)2016/681 (EU PNR Directive, including indicative milestones)	- Adoption by the Commission	Q4 2016	SWD(2016) 426 adopted on 28/11/2016 - Implementation Plan for Directive(EU)2016/681 of the EP and of the Council of 27 April on the use of PNR data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime
Negotiations on the Commission proposal to revise Directive 477/91 on the legal framework for firearms (Firearms Directive)	- Provisional political agreement by European Parliament and Council	Q4 2016	COM presented the proposal on 18/11/2015. The revision aims to restrict the availability of some of the most powerful types of semi-automatic weapons and those that could be easily converted into fully automatic weapons, as well as to enhance the exchange of information between Member States and improve traceability and marking rules for firearms. On 20/12/2016, the European Parliament and Council reached a

			provisional political agreement on the Firearms Directive.
- Commission Implementing Decisions on Schengen evaluations on police cooperation -Proposals for Council Implementing Decision setting out a recommendation on Schengen evaluations on police cooperation	- Adoption by the Commission	2016	C(2016)21 - Germany evaluation of 2015 C(2016)3253 - Liechtenstein evaluation of 2015 C(2016)5100 - the Netherlands evaluation of 2015 COM(2016)11 - Germany evaluation of 2015 COM(2016)253 - Liechtenstein evaluation of 2015 COM(2016)100 - the Netherlands evaluation of 2015

Main expenditure outputs

Description	Indicator	Target	Latest known results (situation on 31/12/2016)
-National programmes ISF-Police –number of projects on police cooperation / crime prevention: 205 - Union actions – planned projects under AWP 2016: 16	Indicator 1: Number of joint investigation teams (JITs) and European Multidisciplinary Platform against Criminal Threats (EMPACT) operational projects supported by the Instrument, including the participating Member States and authorities.	32 (estimation on the basis of ISF national programmes on 18/01/2016)	Indicator 1:7 JITs and EMPACT
	Indicator 2: Number of law enforcement officials trained on cross-border-related topics with the help of the Instrument, and the duration of their training (person days).	18 253 persons trained, 16363 days (estimation on the basis of ISF national programmes on 18/01/2016)	Indicator 2:2 382 persons trained and 11 587.6 days
	Indicator 3: Number and financial value of projects in the area of crime prevention.	39 projects, financial value: 23 958 695 EUR (estimation on the basis of ISF national programmes on 18/01/2016)	Indicator 3: 95 projects for a value of EUR 34 969 852

- FP7 and H2020 projects related to combatting crime: 30 M EUR (9 projects)	Indicator 4: Number of projects supported by the Instrument, aiming to improve law enforcement information exchange which is related to Europol data systems, repositories or communication tools.	15 (estimation on the basis of ISF national programmes on 18/01/2016)	Indicator 4:22 projects Five projects were added in 2016 through the 2015 call for proposals: - Four under direct management of HOME, worth 22 million Euros in EU contribution - One project worth 2 million in EU contribution, under the management of the Research Executive Agency (REA).
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Specific objective 2.3: An effective response to cybercrime			Related to spending programme(s) Internal Security Fund - Police
Result indicator 2.3a: Level of concern about using the internet for things like online banking or buying things online Source of data: Eurobarometer			
Baseline (2014)	Interim Milestone (2017/2018)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the specific objective	Latest known results (year)
43% concerned about misuse of personal data; 42% concerned about security of online payments; (Special EB 423)	Decrease	Decrease	A new Eurobarometer Survey will be conducted in 2017.
Result indicator 2.3b: Number of operations conducted with the involvement of EC3 Source of data: Europol (EC3)			

Baseline (2013)	Interim Milestone (2017)	Target (2020) Target set at a realistic level, reflecting however significant progress in achieving the specific objective	Latest known results (2016) ³³
57 high-profile operations 169 non-high-profile operations	Increase (bearing in mind natural limit imposed by resources of EC3)	Increase (bearing in mind natural limit imposed by resources of EC3)	2014: 72 high-profile operations 2015: 131 high-profile operations 2016: 175 high-profile operations (data on non-high-profile operations are no longer collected by Europol)
Completed evaluations : none			

Main outputs in 2016:			
Policy-related outputs			
Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- Proposal amending the Framework decision on Combatting Fraud and Counterfeiting on Non-Cash Means of Payment ³⁴ (2016/HOME/077)	- Adoption by the Commission	- October 2016	Review and table proposal regarding the 2001 framework decision on combatting fraud and counterfeiting on non-cash means of payment Foreseen adoption : September 2017 Delays in approval of the inception impact assessment.
- Report on the evaluation of the Framework decision on Combatting Fraud and Counterfeiting on Non-Cash	- Adoption by the Commission	- October 2016	The evaluation is carried out back to back with an impact assessment of possible options to review the Framework Decision. The analysis is going on and will be completed in 2017.

³³ The reported numbers do not reflect completed operations, they count large operations actively supported during the year, i.e. products and services delivered within their scope (reports, meetings, actions, etc.). Furthermore, these numbers **CANNOT be accumulated over the years** as performance metrics only capture active unique operations on an annual basis.

³⁴ CWP 2016

Means of Payment (2016/HOME/077)			
- Report on the implementation of Directive 2011/93 on child sexual abuse and sexual exploitation and child pornography (2015/HOME/206)	- Adoption by the Commission	- Q3 2016	Adopted on 16 December 2016. Slippage from Q3 due to late adoption and notification of national transposition measures by MS.
- Report on the implementation of Art. 25 of Directive 2011/93/EU (blocking and removal of child sexual abuse materials) (2015/HOME/207)	- Adoption by the Commission	- Q3 2016	Adopted on 16 December 2016. Slippage from Q3 due to late adoption and notification of national transposition measures by MS.
- Network of Centres of Excellence on Cybercrime Research and Training	- Creation of the Network	- February 2016	ISF-funded SENTER project to create the network has started, with the involvement of several Cybercrime Centres of Excellence, which have built the network. The project is currently ongoing and its outcome and actual impact will need to be assessed once it is finished.

Major additional policy-related outputs (not included in the 2016 Management Plan)

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
Non-paper: Progress Report following the Conclusions of the Council of the European Union on Improving Criminal Justice in Cyberspace	Adoption by the Commission	December 2016	Adopted on 5 December 2016

Main expenditure outputs

Description	Indicator	Target	Latest known results (situation on 31/12/2016)
- National programmes ISF-Police – number of projects on police cooperation / crime prevention: 205	Indicator 1: Number of joint investigation teams (JITs) and European Multidisciplinary Platform against Criminal Threats (EMPACT) operational projects supported by the	32 (estimation on the basis of ISF national programmes on 18/01/2016)	Indicator 1: 7 JITs and EMPACT

One project was added in 2016 through the 2015 call for proposals, worth 5 million Euros in EU contribution.

Result indicator 3.1: Number of participants who are directly involved

Source of the data: project holders' final reports

Baseline (2014)	Interim Milestone (2018)	Target (2020)	Latest known results (2016)
1 100 000	1 200 000	1 300 000 (based on annual work programmes to be adopted by the programme committee of EFCP)	1 100 000

Main outputs in 2016:**Main expenditure outputs**

Description	Indicator	Target	Unit in charge
- Remembrance of projects	Number of projects	44	38 projects selected
- Town-Twinning Projects	Number of projects	315	1 st round: 124 projects selected + 2 nd round 113 projects selected
- Networks of towns	Number of projects	45	30 projects selected
- Civil society projects	Number of projects	35	25 projects selected
- Structural support – Framework partnerships (4 years)	Number of operating grants	35	37 operating grants

The numbers of outputs produced in 2016 are lower than the number of outputs foreseen due to:

- The higher average value of grant per /project;
- The reduction of the allocated budget for the implementation of the "Europe for Citizens" programme, following the transfer of an amount of 840 000 EUR to the budget line 18.04.01.02 in support to the European Citizens' initiative (new budget line created by the European Parliament) in 2016);
- Projects that are better structured with an enlarged partnership, involving a bigger number of participants and hence more citizens involved per project.

Major additional policy-related outputs (not included in the 2016 Management Plan)

Description	Indicator	Target date	Latest known results (situation on 31/12/2016)
- Networking meeting on the theme "European citizenship in challenging times"	- Organisation by the Commission	- Q2 2016	Held in Barcelona from 31 May 2016 to 1 st June 2016

General objective 4: A Deeper and Fairer Internal Market with a Strengthened Industrial Base

Main outputs in 2016:

Policy-related outputs

Description	Indicator	Target date		Unit in charge
- Proposal for a Regulation of the European Parliament and of the Council establishing a Union certification system for aviation security screening equipment (2015/HOME/140)	- Adoption by the Commission	- Q2 2016		The proposal was adopted on 7.9.2016 COM(2016) 491 final.
- Proposal for a Regulation of the European Parliament and of the Council establishing a Union certification system for alarm systems (2015/HOME/133)	- Adoption by the Commission	- Q3 2016		Delays due to procedural obstacles. The adoption date has been postponed to Q4 2017. The Inception Impact Assessment was published in July.