



Annual Activity Report 2021

DG MIGRATION AND HOME AFFAIRS

Table of Contents

Acronyms and other short forms	3
THE DG IN BRIEF.....	5
EXECUTIVE SUMMARY	7
A. Key results and progress towards achieving the Commission’s general objectives and DG’s specific objectives (executive summary of section 1).....	7
B. Key Performance Indicators (KPIs).....	12
C. Key conclusions on Financial management and Internal control (executive summary of section 2.1).....	14
D. Provision of information to the Commissioner	15
1. KEY RESULTS and progress towards achieving the Commission’s general objectives and DG’s specific objectives.....	16
Specific objective 1: Strengthened Internal Security	16
Specific objective 2: An effective asylum and migration management policy	22
Specific objective 3: A fully functioning area of free movement	28
Specific objective 4: Stronger cooperation with partner countries.....	33
2. MODERN AND EFFICIENT ADMINISTRATION AND INTERNAL CONTROL.....	41
2.1. Financial management and internal control.....	41
2.1.1. Control results	42
2.1.2. Audit observations and recommendations.....	66
2.1.3. Assessment of the effectiveness of internal control systems.....	67
2.1.4. Conclusions on the assurance.....	69
2.1.5. Declaration of Assurance and reservations	71
2.2. Modern and efficient administration – other aspects	72
2.2.1. Human resource management.....	72
2.2.2. Digital transformation and information management	73
2.2.3. Sound environmental management	75
2.2.4. Examples of initiatives to improve economy and efficiency of financial and non-financial activities	76

Acronyms and other short forms

AMIF	Asylum, Migration and Integration Fund
AAR	Annual Activity Report
BMVI	Instrument for Financial Support for Border Management and Visa policy
CEPOL	EU Agency for Law Enforcement Training
DG BUDG	Directorate-General for Budget
DG HOME	Directorate-General for Migration and Home Affairs
EASO	European Asylum Support Office
EMAS	Emergency Assistance
EMCDDA	European Monitoring Centre for Drugs and Drug Addiction
EMPACT	European Multidisciplinary Platform Against Criminal Threats
EUAA	European Union Agency for Asylum (successor of EASO as of 19/1/2022)
eu-LISA	European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice
Europol	EU Agency for Law Enforcement Cooperation
FY	Financial Year
FP7	7 th Framework Programme
Frontex	European Border and Coast Guard Agency (EBCG)
IOM	International Organization for Migration
ISF	Internal Security Fund
OLAF	European Anti-Fraud Office
RAL	open commitments / <i>reste à liquider</i>
RER	Residual Error Rate
SOLID	Solidarity and Management of Migration Flows – Funding Programme
UNHCR	United Nations High Commissioner for Refugees



Dear Reader,

At the time of writing, the unimaginable has happened: war has returned to Europe. Even though we are not directly at war ourselves, it has turned our world upside down and changed the way we think and act. The EU has reacted at the speed of light, and I am proud to say that DG HOME immediately stepped up to the challenge in our fields of responsibility. On 4 March - only 8 days after the Russian invasion had started - Member States accepted our proposal to activate the Temporary Protection Directive to provide refugees from Ukraine with immediate residence rights in the EU. We have also proposed visa policy sanctions against the Russian elite; issued guidelines for border guards; proposed to repeal existing investor citizenship schemes; and facilitated access to Home Affairs Funds. We are now putting into practice the 10-Point Plan presented on 28 March, in collaboration with the French Presidency, for a stronger coordination on welcoming refugees from Ukraine, including through the Solidarity Platform to make it easier for the EU to coordinate support and reception capacity among Member States.

I am proud to see the tangible impact that our support is having on the ground.

This is also the case for our activities in 2021. This report describes how DG HOME performed last year, and how we have contributed to the objectives of the von der Leyen Commission half-way through its mandate.

DG HOME continued to be very productive in 2021. We prepared more than 230 initiatives for adoption. We launched several important initiatives to step up the fight against organised crime and increase cooperation with our partner countries; we put forward new milestones for the return to a fully functioning Schengen Area. We also made progress on managing migration, for example the reception conditions for migrants on the Greek islands have been considerably improved – at the time of writing the centres host 3 160 people, compared to 17 000 at the end of 2020 and 42 000 at the end of 2019.

2021 was marked by crises to which DG HOME was actively engaged in the EU response: the effects of the Taliban take-over of power in Afghanistan; the continued impact of the Covid-19 pandemic; and the instrumentalisation of migrants by the Belarusian regime. Our coordinated response was important to put an end to the use of people in this hybrid attack; particularly decisive was Commissioner Johansson's and Vice-President Schinas' outreach to partner countries.

On the funding side, we have worked intensively with Member States over the 2014-2020 financial period to ensure Sound Financial Management in a rapidly changing policy context, while we have been obliged to increase budgetary and operational flexibility to meet new policy challenges, such as the Covid-19 pandemic.

I have led this DG and its highly committed and dedicated staff for more than 2 years now. It is likely that the political environment in which we work will continue to change and provide us with new challenges. Considering this, I will remain fully committed to continue the ongoing internal work to ensure growing staff wellbeing despite a growing workload.

I wish you all a good read of DG HOME's 2021 Annual Activity Report.

Monique Pariat

Director-General for Migration and Home Affairs

THE DG IN BRIEF

The Directorate-General for Migration and Home Affairs (DG HOME) is responsible for EU policy, legislation and action in the fields of security, borders and migration. Commissioner Ylva Johansson gives political guidance, while Director-General Monique Pariat steers the DG operationally.

DG HOME policies are **shared competences** of the European Union¹, based on European core values and principles: human dignity, freedom, democracy as well as the rule of law, equality, tolerance, and respect for human rights.

DG HOME's **vision** is an open and secure Europe, where people can enjoy their rights and freedoms.

DG HOME's **mission** is to help ensure that the European Union protects and makes a real positive difference in the areas of migration and security.

The requirement to provide swift and effective response to migration challenges and security threats has led to necessary staff reinforcements in the past years.

618 people were working in DG HOME in 2021.

Working for a comprehensive approach on migration and security, the Schengen area and borders, DG HOME: prepares **legislative proposals** to establish EU rules and develops common policies in these areas; monitors and enforces Member States' correct **implementation** of applicable rules; and provides **financing** to support policies. DG HOME also supports Member States operationally via its **migration management support teams** posted in Greece, Italy, Spain, Cyprus, and Malta, working in close cooperation with EU Agencies.

DG HOME accommodates a **Taskforce for Migration Management**, supporting migration management in Greece and responding to other emerging migration crises, like the one at the external EU borders with Belarus. DG HOME also hosts the **EU Anti-trafficking Coordinator**, the Commission **Counter-Terrorism Coordinator** since May 2021 and the **Return Coordinator** (appointed in March 2022).

The EU has established **six Agencies**² in the area of Migration and Home Affairs, which have a key role in the effective implementation of Home Affairs policies. In addition, DG HOME supervises the Research Executive Agency for the 'Civil Security for Society' part of the Horizon Europe programme.

In 2021, DG HOME managed a budget of € 2.64 billion³, mainly through three Funds: the **Asylum, Migration and Integration Fund (AMIF)**, the **Border Management and Visa Instrument (BMVI)** and the **Internal Security Fund (ISF)**. This represents almost 1.6% of EU's 2021 budget. For the implementation of the allocated budget, DG HOME uses different implementation modes⁴:

¹ Treaty on the Functioning of the European Union (TFEU – Title V of Part three).

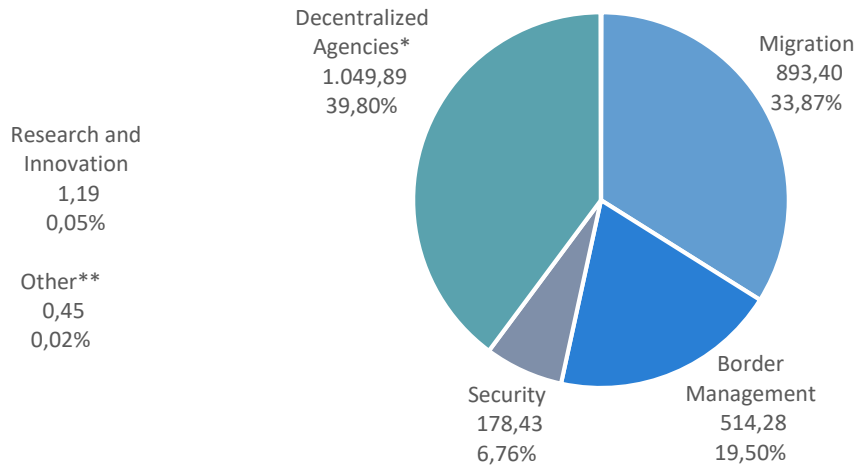
² The EU Agency for Law Enforcement Cooperation (Europol); the EU Agency for Law Enforcement Training (CEPOL); the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA); the EU Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA); the European Union Agency for Asylum (EUAA) and the European Border and Coast Guard Agency (Frontex) https://ec.europa.eu/home-affairs/what-we-do/agencies_en

³ In terms of commitment appropriations expiring in 2021 as per underlying data for Annex 4 to the present Annual Activity Report.

⁴ See Part 2 for more information and reporting on the commitments that have been made in 2020.

- **Shared management** of AMIF/BMVI/ISF (2021-2027), AMIF/ISF funds (2014–2020);
- **Direct management** of research and non-research grants, and procurement;
- **Indirect management** of decentralised agencies and entrusted entities.

Migration and Home Affairs budget 2021: € 2 637.65 mio



* DG HOME agencies: EBCGA, EUAA, eu-LISA, Europol, Ceuol, EMCDDA

** Other: Global envelope, Co-delegation from DG JUST (support expenditure)

EXECUTIVE SUMMARY

This Annual Activity Report is a management report of the Director-General of DG HOME to the College of Commissioners. Annual Activity Reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the Treaties⁵.

A. Key results and progress towards achieving the Commission's general objectives and DG's specific objectives (executive summary of section 1)

Contributing mainly to the Commission's General Objective 5, *Promoting our European way of life*, DG HOME continued in 2021 to develop EU-level rules in the fields of migration and home affairs, to oversee their implementation and to provide operational and financial support in an environment drastically impacted by the Covid-19 pandemic, highly affecting also DG HOME's areas of activities.

The Commission reacted promptly to crises in the course of 2021. Following the one triggered by **Belarus** at the EU's external border, DG HOME prepared proposals to suspend the Visa Facilitation Agreement with Belarus⁶, made proposals to address situations of instrumentalisation in the field of migration⁷, contributed to the Communication on Responding to state-sponsored instrumentalisation of migrants at the EU⁸ and proposed € 244.20 million in financial support to Latvia, Lithuania and Poland. The takeover of power in **Afghanistan** by the Taliban also triggered a European response. In this context, the **Migration Preparedness and Crisis Blueprint** proved its added value, allowing for information exchange and operational coordination at EU level. DG HOME's engagement in the **High-level Forum on providing protection to Afghans at risk** was decisive. Overall Member States pledged **almost 65 000 places** for resettlement and humanitarian admission in 2021-2022.

The implementation of the **Migration and Home Affairs Funds** focused on the 2014-2020 Funds, since the first Work Programmes for the Thematic Facilities for the financial period 2021-2027 were only adopted in November 2021. The Member States' programmes will be approved in 2022. The implementation of the **2014-2020 Funds progressed according to plan.**

⁵ Article 17(1) Treaty on European Union.

⁶ COM(2021) 612 final of 29.9.2021. Council Decision (EU) 2021/1940 of 9 November 2021 on the partial suspension of the application of the Agreement between the European Union and the Republic of Belarus on the facilitation of the issuance of visas, OJ L 396 of 10.11.2021, p. 58.

⁷ COM(2021) 890 final of 14.12.2021.

⁸ JOIN(2021) 32 final of 23.11.2021.

In 2021, DG HOME contributed to...

... strengthened internal security and stronger engagement with partner countries:

As we see new and increasingly complex cross-border security threats emerge, the EU must intensify cooperation to address them. In line with the 2020–2024 Strategic Plan⁹, DG HOME continued to implement the **EU Security Union Strategy**¹⁰, preparing new initiatives on terrorism and radicalisation, organised crime, cybersecurity and hybrid threats.

Fighting organised crime: The Commission stepped up efforts further in this field and adopted the **EU Strategy to tackle Organised Crime 2021-2025**¹¹, setting out tools and measures to disrupt criminal organisations across borders, both online and offline. As robust police cooperation is essential in the fight serious and organised crime, DG HOME prepared a **Police Cooperation Package**¹² addressing information exchange and operational cooperation, as well as a proposal for a **revision of the mandate** for the **European Monitoring Centre for Drugs and Drug Addiction**¹³. Throughout 2021, DG HOME also supported actions to ensure improved control of **firearms** in the EU and neighbouring countries. The **EU Strategy on combatting Trafficking in Human Beings**¹⁴ proposes concrete actions to address this particularly serious form of organised crime € 65 million was spent in 2021 to prevent and combat crime¹⁵.

Fighting crimes in a digital age: The fight against **child sexual abuse** online became even more relevant in the context of the **Covid-19 pandemic**. The EU adopted a Regulation on a temporary derogation¹⁶ to the provisions on the confidentiality of communication and traffic data, prepared by DG HOME and DG CNECT in 2020. It will ensure that providers of online communications services can continue to detect and report child sexual abuse online and remove child sexual abuse material.

Fighting terrorism and radicalisation: The Regulation addressing the dissemination of **terrorist content online**¹⁷ entered into force in June 2021. In addition, the **EU Internet Forum**¹⁸ presented a Knowledge Package on banned violent right-wing extremist groups, symbols, and manifestoes to help online platforms to moderate content. In the context of the 2020 Counter-Terrorism Agenda for the EU¹⁹, DG HOME finalised the **evaluation of the Directive on combating terrorism**²⁰.

⁹ https://ec.europa.eu/info/system/files/home_sp_2020_2024_en.pdf

¹⁰ COM(2020) 605 final of 24.7.2020.

¹¹ COM(2021) 170 final of 14.4.2021.

¹² https://ec.europa.eu/home-affairs/news/boosting-police-cooperation-across-borders-enhanced-security-2021-12-08_en

¹³ COM(2022) 18 final of 12.1.2022.

¹⁴ COM(2021) 171 final of 14.4.2021.

¹⁵ Data source: Member States' Annual Accounts for ISF Police the 2021 financial year (16.10.2020–15.10.2021), Specific Objective "Preventing and Combating Crime" – ISF Police.

¹⁶ Regulation (EU) 2021/1232 of 14.7.2021, OJ L 274 of 30.7.2021, p. 41.

¹⁷ COM(2018) 640 final of 12.9.2018.

¹⁸ https://ec.europa.eu/commission/presscorner/detail/en/IP_15_6243

¹⁹ COM(2020) 795 final of 9.12.2020.

²⁰ SWD (2021) 324 final of 18.11.2021 and COM (2021) 701 of 18.11.2021.

Engaging partner countries on security: To ensure **stability and security** in the EU, cooperation with third countries and at global level is vital. DG HOME continued its cooperation on counter-terrorism and prevention of radicalisation with the Western Balkans and Eastern Partnership countries. Work continued, among others, on Passenger Name Record cooperation with the U.S., Australia, Canada, and on the drug dialogues with China.

... an effective asylum and migration management policy both inside the EU and in our cooperation with partner countries:

To reach the objectives set in the 2020-2024 Strategic Plan, DG HOME continued in 2021 to work on the implementation of the Pact on Migration and Asylum²¹. In September, the Commission adopted its first **Progress Report on the Pact**²². The events in the second half of the year at the border with Belarus and in Afghanistan made it clear that making progress on the Pact is a priority.

Reducing the incentives for migrants to arrive irregularly and promoting legal channels: As announced in the 2021 Commission Work Programme, DG HOME prepared a renewed **EU action plan against migrant smuggling (2021-2025)**²³, as well as a Communication on the application of the **Employers Sanctions Directive**²⁴. These initiatives aim to prevent organised exploitation of migrants and reduce irregular migration. At the same time, the EU needs to enhance legal channels for people to arrive lawfully. The **revised EU Blue Card Directive**²⁵ was adopted by the co-legislators, responding to one of the key objectives of the Pact: to attract highly skilled workers to the EU. Resettlements went down in 2021 due to the Covid-19 pandemic, but 8 780²⁶ migrants were still resettled to the EU, mainly from Syria (6 543 persons), Sudan (462 persons), and Eritrea (about 339 persons)²⁷.

Promoting integration: DG HOME supports Member States in their efforts to integrate third-country nationals in European societies through cooperation and funding. In 2021, Member States spent **€ 146.8 million** of Migration and Home Affairs Funds on legal migration and integration measures for the benefit of migrants²⁸.

Returning migrants with no right to stay: For the EU asylum system to be credible, migrants with no right to stay need to be returned. As indicated in the Commission Work Programme, the Commission adopted in 2021 its first **Strategy on voluntary returns and reintegration**²⁹. The Strategy provides among others tools and guidance to improve the sustainability of returns by increasing cooperation with partner countries. The Commission

²¹ https://ec.europa.eu/info/publications/migration-and-asylum-package-new-pact-migration-and-asylum-documents-adopted-23-september-2020_en

²² COM(2021) 590 final of 29.9.2021.

²³ COM(2021) 591 final of 29.9.2021.

²⁴ COM(2021) 592 final of 29.9.2021

²⁵ Directive (EU) 2021/1883 of 20.10.2021, OJ L 382 of 28.10.2021, p.1.

²⁶ Data source: The Asylum, Migration and Integration Fund Programme Statement, based on Member States' Annual Accounts for the 2021 financial year (16.10.2020–15.10.2021).

²⁷ Data source: Member States' Annual Accounts for the 2021 financial year (16.10.2020–15.10.2021).

²⁸ Data source: Member States' Annual Accounts (amount in €), for the 2021 financial year (16.10.2020–15.10.2021).

²⁹ COM(2021) 120 final of 27.4.2021.

adopted also its first assessment reports on third countries' **cooperation on readmission in 2019³⁰ and in 2020³¹**, linking measures in the field of **EU visa policy** to the level of **cooperation on readmission**. In this context, **three proposals for decisions under Article 25a Visa Code** were adopted, proposing restrictive Visa measures for nationals of The Gambia³², Iraq³³ and Bangladesh³⁴.

Strengthening the external dimension of migration policy is key for an effective and comprehensive migration management. **Action Plans for engagement on migration** with selected priority countries have been prepared, which is needed to advance on the implementation of the external aspects of the Pact. Also, DG HOME continued **regional migration dialogues** with the same aim.

Providing help to people in need: During the year, people continued fleeing persecution in their home countries in search of a better life. With the support of Migration and Home Affairs Funds, Member States assisted asylum-seekers and a total of **€ 180.2 million** in EU contribution was spent in the area of asylum in 2021³⁵. A significant step forward in the modernisation of the EU's asylum and reception practices was also taken when the legislators adopted the **Regulation on the European Union Agency for Asylum³⁶** which replaces the European Asylum Support Office and gives it better means to help Member States reinforce their asylum and reception systems.

In **Greece**, the first new Multi-Purpose Reception and Identification Centres opened on Samos³⁷, Kos and Leros. The Commission has granted € 276 million to Greece to build five such centres. In 2021, Greece benefited from € 390 million from the Asylum, Migration and Integration Fund and the Internal Security Fund. The population in the Greek hotspots went from 17 000 persons at the end of 2020 (42 000 at the end of 2019), to 3 500 at the end of 2021.

... a fully functioning Schengen area of free movement:

As set out in the 2020-2024 Strategic Plan, free movement across internal borders is intrinsic to the *European Way of Life* and to preserve it, we need Member States to apply correctly and fully the Schengen *acquis*³⁸. In 2021, DG HOME added new comprehensive milestones towards the **return to a fully functioning Schengen Area**. They include the

³⁰ COM(2021) 56 final, of 10.2.2021.

³¹ COM(2021) 828 final, of 21.12.2021.

³² COM(2021) 413 final of 15.7.2021.

³³ COM(2021) 414 final of 15.7.2021.

³⁴ COM(2021) 412 final of 15.7.2021.

³⁵ Data source: Member States' Annual Accounts (amount in €), for the 2021 financial year (16.10.2020–15.10.2021).

³⁶ Regulation (EU) 2021/2303 of 15.12.2021, OJ L 468 of 30.12.2021, p. 1.

³⁷ [Opening of the first new reception centre on Samos – Zervou \(europa.eu\)](#).

³⁸ At present six specific policy fields of the *acquis* are subject to evaluations: data protection, external borders, police cooperation, returns, SIS-Sirene and visas. While the latter five are in the remit of DG HOME, data protection is in the remit of DG JUST.

Strategy for the future of Schengen³⁹, a new way forward that ensures the security and mobility in Europe, facilitating the EU's economic recovery after the pandemic.

In parallel, the Commission proposed improvements to the **Schengen evaluation and monitoring mechanism**⁴⁰, which will also strengthen confidence in the good implementation of the Schengen rules, helping to restore trust between Member States.

Further delivering on initiatives listed in the 2021 Commission Work Programme and announced in the Schengen Strategy, the Commission presented a **revision of the Schengen Borders Code**⁴¹ in December, which sets out new rules to make the area without internal border controls more resilient and to reinforce the Schengen governance.

Preserving Schengen in a pandemic: To tackle the effects of the Covid-19 pandemic, which resulted in travel restrictions due to public health concerns, the Commission proposed in March a **common framework for an EU Digital Covid Certificate**^{42 43}, to which DG HOME contributed, which helps ensure that restrictions currently in place can be lifted in a coordinated manner. DG HOME also prepared **three recommendations**⁴⁴, adopted by the Commission in 2021, providing guidance for safe travels into the EU taking into account the repeatedly changing epidemiological situation in 2021.

The **EU digital Covid certificate** has been a crucial element in Europe's response to the Covid-19 pandemic, facilitating free movement in the EU.

More than 1.2 billion* certificates have been generated by the end of 2021. 60 countries* across five continents are plugged into the system of recognition of certificates, and more will follow.

Von der Leyen Commission, Key achievements & next steps, europa.eu, January 2022.

³⁹ COM(2021) 277 final of 2.6.2021.

⁴⁰ COM(2021) 278 final of 2.6.2021. See the accompanying impact assessment, SWD(2021) 119 final.

⁴¹ COM(2021) 891 final of 14.12.2021.

⁴² Regulation (EU)2021/953 of 14.6.2021, OJ L 211 of 15.6.2021, p. 1.

⁴³ https://ec.europa.eu/info/about-european-commission/what-european-commission-does/delivering-political-priorities/von-der-leven-commission-two-years_en#tackling-the-covid-19-pandemic-and-starting-europes-recovery

⁴⁴ COM(2021)132 final of 2.2.2021; COM(2021) 816 final of 20.5.2021; COM(2021) 754 final of 25.11.2021.

B. Key Performance Indicators (KPIs)

Key performance indicator 1: *Enhanced cooperation and information exchange between law enforcement authorities, measured by the use of EU and decentralised information exchange databases and mechanisms by law enforcement authorities (result indicator 1.3).*

This indicator shows the growing importance of cross border information exchange. 2021 is the milestone for this indicator, by which an increase in information exchange compared to 2019 should be reached. The milestone has been achieved, as indicated in the table:

	2016	2017	2018	2019 (baseline)	2020	2021 (milestone)	2024 (target)
SIS^A	Ratio: 0.28	Ratio: 0.32	Ratio: 0.32	Ratio: 0.31	Ratio: 0.22	Ratio: 0.25	Increase
Prüm^B: total matches	2 806 642	3 466 995	4 538 388	3 500 000	4 753 373	6 201 192	Increase
SIENA^C: messages exchanged	869 858	1 005 610	1 110 962	1 244 000 ⁴⁵	1 266 233	1 542 658	Increase
ARO^D: messages exchanged via SIENA	3 382	5 268	5 912	6 966	7 964	18 603	Increase
EIS^E: searches performed	1 436 838	2 478 825	4 062 974	7 489 400 ⁴⁶	10 231 322	12 256 546	Increase
PNR^F:							
i) total number of spontaneous transfers	n/a ⁴⁷	n/a	n/a	91	88	142	Increase
ii) total number of emergency requests	n/a	n/a	n/a	61	9	0	
iii) total number of case-by-case requests	n/a	n/a	n/a	1 827	4 404	7 507	

A) Schengen Information System (SIS). Measuring the ratio between the number of hits on discreet or specific check alerts and the total number of such alerts issued. Data source: eu-LISA.

B) Data source: Council/Member States.

C) Secure Information Exchange Network Application (SIENA). Data source: Europol.

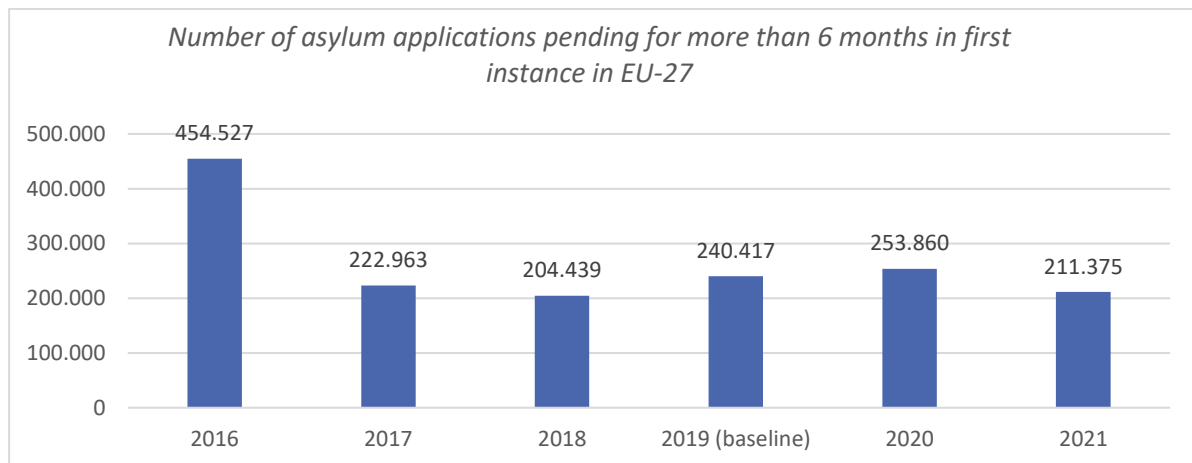
D) Asset Recovery Offices (ARO). Data source: Europol.

E) Europol Information System (EIS). Data source: Europol.

F) Passenger Name Record (PNR). Data source: Council/Member States.

Key performance indicator 2: *An effective asylum policy, measured by number of asylum applications pending for more than 6 months in first instance (result indicator 2.1).*

At the end of 2021, 211 375 applications⁴⁸ had been pending for more than 6 months, which is about 42 500 less than at the end of 2020. The objective is to reduce the number of pending cases till 2024.⁴⁹



⁴⁵ The baseline in the 2020-2024 Strategic Plan of 1 100 000 has been updated to 1 244 000.

⁴⁶ The baseline in the 2020-2024 Strategic Plan of 4 000 000 has been updated to 7 489 400 as 2019 was the first year when Europol reported QUEST searches together with the searches performed directly in EIS. For the duration of the Strategic Plan this way of reporting will remain unchanged.

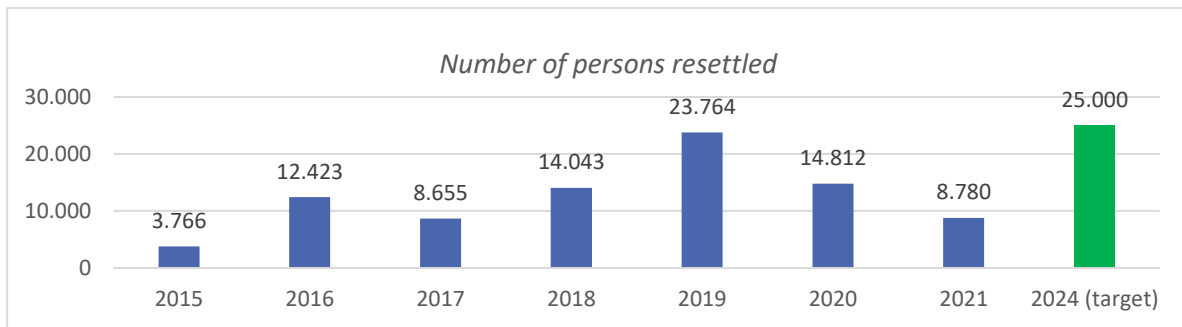
⁴⁷ The deadline for transposing the PNR Directive was 25.5.2018; no data available before that date.

⁴⁸ Data for 2021 refer to EU26 only, as data for Lithuania are not available yet.

⁴⁹ Data source for KPI 2: EU Asylum Agency. The baseline in the 2020-2024 Strategic Plan referred to EU-27+ (including Norway and Switzerland). This has been updated, and only the EU Member States are included in this chart.

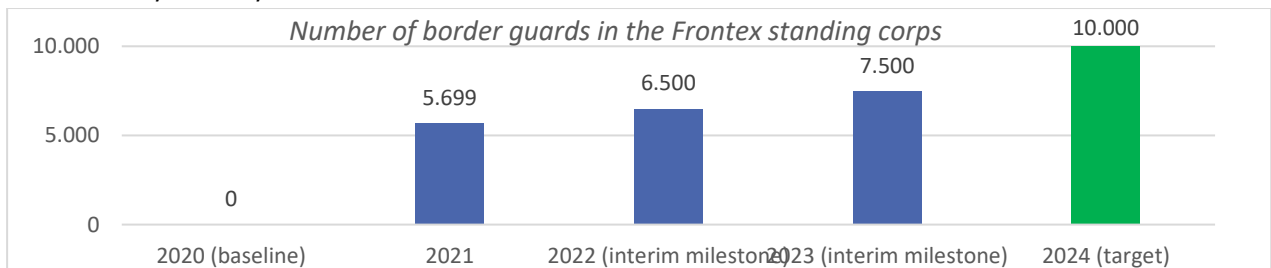
Key performance indicator 3: *Genuine legal pathways available, measured by number of persons resettled* (result indicator 2.3).

This indicator shows the number of persons who arrive yearly in the Member States via resettlement under EU schemes⁵⁰. In 2021, the implementation of the pledges made for the 2020-2021 EU scheme continued amidst challenging circumstances and disruptions caused by the Covid-19 pandemic. With the Pact on Migration and Asylum, the number of resettlements is expected to be scaled up in the years to come.

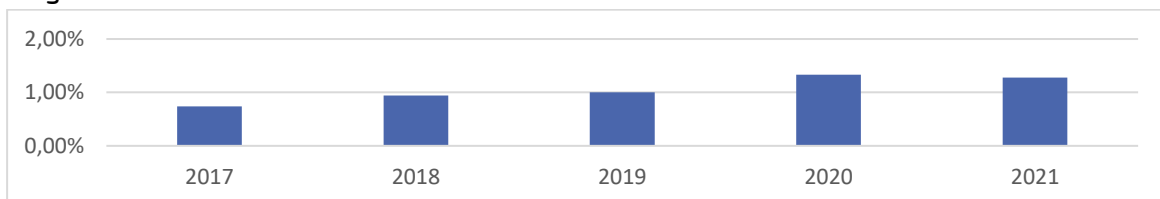


Key performance indicator 4: *A well-protected external border, measured by the gradual establishment of the European Border and Coast Guard standing corps* (result indicator 3.1).

This indicator measures the establishment of a standing corps by Frontex and the Member States, as required by Regulation (EU) 2019/1896 on the European Border and Coast Guard. In only 2 years, the number of border guards selected for the standing corps went from 0 to 5 699. This is 57% of the target of 10 000. The challenge of starting the recruitment of such a high number of qualified border guards in a period marked by Covid-19 has been successfully met by Frontex.



Key performance indicator 5: Overall risk at closure (indicator 1 for 'sound financial management'). This indicator illustrates that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place that give the necessary guarantees concerning the legality and regularity of underlying transactions. The estimated risk at closure for 2021 was 1.28%, which is well below the target for 2024 of under 2%.



⁵⁰ Data source for KPI 3: The Asylum, Migration and Integration Fund Programme Statement, based on Member States' Annual Accounts for the 2021 financial year (16.10.2020–15.10.2021). The baseline in the 2020-2024 Strategic Plan referred to the calendar year. The baseline has now been adapted and aligned with the Programme Statement of the Asylum, Migration and Integration Fund.

C. Key conclusions on Financial management and Internal control (executive summary of section 2.1)

In line with the Commission's Internal Control Framework DG HOME has assessed its internal control systems during the reporting year and has concluded that it is effective and the components and principles are present and functioning well overall, but some improvements are needed as minor deficiencies were identified. Please refer to AAR section 2.1.3 for further details.

In addition, DG HOME has systematically examined the available control results and indicators, including those for supervising entities to which it has entrusted budget implementation tasks, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to section 2.1 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated. Improvements and reinforcements that are necessary to address the audit recommendations and internal control weaknesses are being implemented. The Director-General, in her capacity as Authorising Officer by Delegation has signed the Declaration of Assurance albeit qualified by reservations concerning:

1) Shared management – Reservation concerning AMIF and ISF 2014-2020 in several Member States

2) Centralised Direct Management AMIF/ISF

3) Decentralised agencies – Frontex: Reservation on reputational grounds

D. Provision of information to the Commissioner

In the context of the regular meetings during the year between the Director-General and the Commissioner on management matters, the main elements of this report and assurance declaration, including the reservations envisaged, have been brought to the attention of Commissioner Johansson, responsible for Migration and Home Affairs.



1. KEY RESULTS and progress towards achieving the Commission’s general objectives and DG’s specific objectives

In 2021, DG HOME continued to work towards its vision of an open and secure Europe, by developing EU-level rules, monitoring their implementation and giving financial support, as well as operational support to Member States on the ground. This Activity Report provides an overview of DG HOME’s main achievements.

A number of initiatives were put forward by DG HOME in line with its 2021 Management Plan. These initiatives form the basis for achieving the objectives as set in the 2020–2024 Strategic Plan. DG HOME’s activities contribute mainly to the Commission’s General Objective 5, Promoting our European way of life, divided on four Specific Objectives:

Promoting our European Way of Life			
Strengthened Internal Security	An effective asylum and migration management policy	A fully functioning area of free movement	Stronger cooperation with partner countries

The list of deliverables relating to the Specific Objectives are detailed in Annex 2. Indicators that come from the Programme Statements for the Asylum, Migration and Integration Fund and the Internal Security Fund⁵¹ are drawn from the Annual Implementation Reports submitted by the Member States.

General Objective: Promoting our European way of life

Specific objective 1: Strengthened Internal Security

In 2021, DG HOME continued to deliver actions in key areas of the **Security Union Strategy 2020-2025**⁵², namely organised crime, terrorism and radicalisation and fighting crime in a digital age.

New and increasingly complex cross-border security threats continue to emerge, and to address them, the EU must intensify cooperation. Successful joint police operations, such as the one against Encrochat⁵³, gave a significant blow to criminal groups, but the threat remains high, as the groups are constantly adjusting their *modi operandi*, using new technologies and seizing opportunities, like the Covid-19 pandemic⁵⁴, to make illicit profits.

⁵¹ The programmes statements for AMIF and ISF are included in the Working Document Part I Programme Statements of operational expenditure annexed to the Draft General Budget of the European Union.

⁵² COM(2020) 605 final of 24.7.2020.

⁵³ In 2020 Encrochat was one of the largest providers of encrypted digital communication with a very high share of users presumably engaged in criminal activity. User hotspots were particularly present in source and destination countries for cocaine and cannabis trade, as well as in money laundering centre. Source: Europol: <https://www.europol.europa.eu/media-press/newsroom/news/dismantling-of-encrypted-network-sends-shockwaves-through-organised-crime-groups-across-europe>.

⁵⁴ Criminals easily adapt to new situations like the Covid-19 pandemic: ransomware increased by more than 300%, with victims paying more than 280 million Euro in ransom in 2020; scams to sell non-existing medical products amounting to over 1.1 billion vaccine doses for a total price of over € 15.4 billion have been detected.

To respond to these challenges, the Commission adopted in April the **EU Strategy to tackle Organised Crime 2021-2025**⁵⁵, which sets out tools and measures to disrupt the business models and structures of criminal organisations across borders, both online and offline - including actions for enhancing law enforcement capacity in digital investigations. The Commission also proposed actions to enable Member States to use the **European Multidisciplinary Platform Against Criminal Threats** (EMPACT) to its full potential⁵⁶. DG HOME, together with other competent Commission services, supported the development of the new EMPACT cycle 2022-2025⁵⁷, **and significantly reinforced its funding**. On 22 December 2021, DG HOME launched a call for expression of interest for the '*Specific Action EMPACT*', in line with the actions listed in the **work programme 2021-2022** for the Internal Security Fund Thematic Facility, with an envisaged amount of € 15 million. DG HOME will assess admissible proposals in 2022.

Robust police cooperation is essential in the fight serious and organised crime. To achieve that, DG HOME prepared a **Police Cooperation Package** to improve information exchange between law enforcement authorities and strengthen operational police cooperation. As announced in the Security Union Strategy and in the Schengen Strategy⁵⁸, the Police Cooperation Package enhances support for police cooperation between EU Member States' law enforcement authorities in a comprehensive way, on the basis of three instruments: 1) a proposal for a Recommendation on operational police cooperation⁵⁹; 2) a proposal for a Directive on information exchange between law enforcement authorities in Member States⁶⁰; 3) a proposal for a Regulation on Automated Data Exchange Mechanism for Police Cooperation ('Prüm II')⁶¹.

In this context, DG HOME also continued to support the negotiations between the European Parliament and the Council on the **revision of the Europol Regulation**⁶² leading to a political agreement on this file at the beginning of 2022.

Relating to Agencies, and building on the EU Drugs Strategy and Action Plan on Drugs 2021-2025, DG HOME prepared a proposal for a **revision of the mandate** for the **European Monitoring Centre for Drugs and Drug Addiction**⁶³, which was adopted on 12 January 2022. The proposal ensures that the Agency is appropriately equipped to deal with current and future drug-related challenges at Union and international level.

The external study supporting the **evaluation of the European Union Agency for Law Enforcement Training** (CEPOL) was completed and DG HOME finalised the evaluation

⁵⁵ COM(2021) 170 final of 14.4.2021.

⁵⁶ SWD(2021) 74 final of 14.4.2021.

⁵⁷ Council of the EU, press release, 26 May 2021: 'Fight against organised crime: Council sets out 10 priorities for the next 4 years'.

⁵⁸ COM(2021) 277 final of 2.6.2021.

⁵⁹ COM(2021) 780 final of 8.12.2021.

⁶⁰ COM(2021) 782 final of 8.12.2021. See the accompanying impact assessment report, SWD(2021) 374 final.

⁶¹ COM(2021) 784 final of 8.12.2021. See the supporting impact assessment and evaluation, SWD(2021) 378 final.

⁶² Proposal COM(2020) 796 final of 9.12.2020. Political agreement reached on 1.2.2022.

⁶³ COM(2022) 18 final of 12.1.2022. See the accompanying impact assessment report, SWD(2022) 8 final.

report to assess the impact, effectiveness and efficiency of the Agency⁶⁴. Moreover, **a new Executive Director** was recruited, who took up her duties on 16 February 2022.

Focus of DG HOME funding in security in 2021	
€ 29 million ⁶⁵	Exchange of security related information
€ 25 million ⁶⁶	Intensification of cross-border joint operations
€ 34 million ⁶⁷	Combatting and preventing crime, including terrorism

Throughout 2021, the Commission stepped up actions to ensure improved control of firearms in the EU and neighbouring countries. Based on a proposal from DG HOME, the Commission adopted measures that will give Member States **improved access to the information** necessary for approving requests for acquisition or possession of certain firearms⁶⁸. DG HOME also prepared a **report⁶⁹ on the application of the Directive on control of the acquisition and possession of weapons⁷⁰**. It highlighted the positive effects of existing EU laws and identified areas for further improvement (*i.e.* digitalisation of the European Firearms Pass and blueprints for 3D printing of weapons). To ensure the Directive's full implementation, DG HOME conducted a wide-ranging compliance exercise throughout 2021, leading to 79 infringement proceedings, followed by a compliance assessment of national implementation of the Directive, which may lead to further specific enforcement actions. DG HOME also initiated an impact assessment to revise the Regulation on imports and exports of firearms⁷¹ and held a public consultation related to it.

To improve efficiency in the fight against organised crime, DG HOME started preparing two initiatives that will be adopted in 2022: the revision of the **Directive on the freezing and confiscation of the proceeds of crime⁷²** and of the **Council Decision on Asset Recovery Offices⁷³**, with an impact assessment and a back-to-back evaluation, including a public consultation. The evaluation of the **European Crime Prevention Network** will be presented in 2022, based on a study done by external consultants.

Work continued to combat **trafficking in human beings**. In April 2021, the Commission adopted a new **EU Strategy⁷⁴**. It lays down overarching legal, policy and operational initiatives in a comprehensive way, from prevention to conviction of criminals, while emphasising the protection of the victims⁷⁵ - in particular women and children. As

⁶⁴ <https://op.europa.eu/en/publication-detail/-/publication/114ed910-e85b-11eb-93a8-01aa75ed71a1/language-en>

⁶⁵ Member States' Annual Accounts for ISF Police for the 2021 financial year (16.10.2020–15.10.2021). Related to National Objective "Exchange of information".

⁶⁶ ISF Union Action Projects selected under 2020 calls and financed in 2021. See: Funding and Tenders portal 9 <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>.

⁶⁷ Member States' Annual Accounts for ISF Police for the 2021 financial year (16.10.2020–15.10.2021). Related to National Objective "Preventing and Combating".

⁶⁸ Delegated Regulation (EU) 2021/1423, OJ L 307, 1.9.2021.

⁶⁹ COM(2021) 647 of 27.10.2021.

⁷⁰ Directive (EU) 2021/555 of 24.3.2021.

⁷¹ Regulation (EU) No 258/2012.

⁷² Directive 2014/42/EU of 3.4.2014.

⁷³ Council Decision 2007/845/JHA.

⁷⁴ COM(2021) 171 final of 14.4.2021.

⁷⁵ Number of victims in EU-27: 13461 in 2015 and 2016 and 14 145 in 2017 and 2018.

announced in the Strategy, an evaluation of the **Anti-Trafficking Directive**⁷⁶ **has been launched**, which will be the basis for considering a review of the Directive. DG HOME also launched a public consultation on the future EU policies on combatting trafficking in human beings. The new **EU Anti-Trafficking Coordinator** was appointed on 1 July 2021.

The fight against **child sexual abuse** online became even more relevant in the context of the **Covid-19 pandemic**. The EU adopted a Regulation on a temporary derogation⁷⁷ to the provisions on the confidentiality of communication and traffic data in the rules governing the privacy of electronic communications, prepared by DG HOME and DG CNECT in 2020. It will ensure that providers of online communications services can continue to detect and report child sexual abuse online and remove child sexual abuse material. Contributing to the implementation of the EU Strategy for a more effective fight against child sexual abuse⁷⁸, DG HOME carried out an impact assessment followed by a public consultation with a view to propose a Regulation on the **detection, removal and reporting of child sexual abuse online**, and establish an **EU Centre** to prevent and counter child sexual abuse. Several factors have led to a delay in the adoption (which is now planned for the second quarter of 2022): the complexity of the instrument, and the necessity to balance different interests at stake. The delayed adoption of the interim Regulation has also impacted the work on this Regulation.

In the framework of the Internal Security Fund, DG HOME published a call for proposals for projects on **preventing and combatting child sexual abuse** reflecting the priorities of the EU strategy for a more effective fight against child sexual abuse⁷⁹, to a value of € 16 million. The call closed on 24 February 2022.

In the context of the 2020 Counter-Terrorism Agenda for the EU⁸⁰, DG HOME finalised the **evaluation**⁸¹ **of the Directive on combating terrorism**⁸². According to the evaluation, the Directive functions well overall. It is highly relevant; it has generated added value beyond what could have been achieved unilaterally by Member States; it has largely achieved its objectives in the way that was expected; and the impact on fundamental rights, freedoms and the rule of law was limited.

Also in 2021, the Commission ordered **several studies**⁸³ to support evidence-based policymaking in the area of **counter-terrorism**. The results of these studies are available and most of them were shared with Member States via relevant expert groups. The one on

⁷⁶ Directive 2011/36/EU of 5.4.2011.

⁷⁷ Regulation (EU) 2021/1232 of 14.7.2021.

⁷⁸ COM(2020) 607 final of 24.7.2020.

⁷⁹ COM(2020) 607 of 24.7.2020.

⁸⁰ COM(2020) 795 final of 9.12.2020.

⁸¹ SWD (2021) 324 final of 18.11.2021 and COM (2021) 701 of 18.11.2021.

⁸² Directive (EU) 2017/541 of 31.3.2017.

⁸³ Study of different metropolitan approaches in countering the threats posed by unmanned aircraft systems (UAS); Study into measures to prevent terrorist attacks with vehicles and mitigate the impacts thereof; Study on the feasibility of restricting access to dangerous chemicals which can be used for terrorist attacks; Study establishing a baseline for the Monitoring Programme for Regulation (EU) 2019/1148 of the European Parliament and of the Council of 20 June 2019 on the marketing and use of explosives precursors.

restricting access to dangerous chemicals will contribute to an Impact Assessment that DG HOME plans to launch in 2022.

The Regulation addressing the dissemination of **terrorist content online**⁸⁴ entered into force in June 2021. DG HOME supported Member States and Hosting Service Providers on the implementation of the regulation through a series of workshops. A call for proposal of € 4 million was published in October 2021, to support small companies in implementing the Regulation. The **EU Internet Forum**⁸⁵ presented a non-legally binding Knowledge Package on banned violent right-wing extremist groups, symbols, and manifestoes to help online platforms to moderate content.

To measure progress, the number of **victims of terrorist attacks** is set as an impact indicator in the 2020–2024 Strategic Plan. The most recent data available at the time of publication of this Report, relates to 2020, when 21 people died as a result of terrorist attacks and 54 people were injured (compared to 32 deaths and 157 injured in 2019).⁸⁶

On the **prevention of radicalisation**, a second pillar has been added to the Radicalisation Awareness Network to reinforce the support to policy makers and researchers. This new pillar is funded via a new framework contract with a ceiling of € 30 million and comes on top of the original strand of the Network, focusing on first-line-practitioners.

In February 2021, the **Regulation on the marketing and use of explosives precursors**⁸⁷ started to apply. The stricter rules, which now cover also online marketplaces, will ensure a higher level of security for EU citizens. DG HOME will as of 2021 annually monitor the outputs, results and impact of this Regulation. To set a baseline, DG HOME commissioned a study on the situation in 2020. This study was finalised in December 2021⁸⁸.

In the course of 2021, DG HOME started preparing the sixth joint review of the implementation of the **EU-U.S. Terrorist Finance Tracking Programme Agreement**⁸⁹. Finally, in December 2021, DG HOME set up a **Network of counter-terrorism financial investigators** to support the exchange of investigation techniques and experiences, which will start its work in 2022. DG HOME also launched **EU Protective Security Advisory missions** to support Member States with vulnerability assessments and the security of high-risk events, critical infrastructure and public areas, including places of worship. Many of the planned missions did not take place due to the epidemiological situation. Nevertheless, the team composed of DG HOME and Member States experts supported security arrangements e.g. around one of the biggest music festivals in Europe.

⁸⁴ COM(2018) 640 final of 12.9.2018.

⁸⁵ https://ec.europa.eu/home-affairs/networks/european-union-internet-forum-euif_en

⁸⁶ Datasource: Europol's EU Terrorism Situation & Trend Report (Te-Sat) 2021

⁸⁷ Regulation (EU) 2019/1148 of 20.6.2019.

⁸⁸ No publication due to the sensitivity of the issue.

⁸⁹ Council Decision 2010/412/EU of 27.7.2010.

As indicated in the 2022 Commission Work Programme, a **revision of the Advance Passenger Information Directive**⁹⁰ will be adopted in 2022. To this aim, DG HOME prepared an impact assessment and a supporting study⁹¹, and conducted a review of the Implementing Decision on data formats and transmission protocols to be used for the transmission of Passenger Name Records data⁹².

In the context of the EU-NATO agenda, DG HOME, as the lead service in the Commission for the **2022 Parallel and Coordinated Exercises** (PACE), launched the preparations for the Exercise. In addition, DG HOME set up a technical working group to identify possible common **EU performance requirements for threat-detection equipment** used in public spaces (non-aviation).

As the lead service responsible for anti-corruption policies in the Commission, DG HOME held the pen on the anti-corruption part of the Commission's second **Rule of law report**⁹³, which was adopted in July 2021. In addition, DG HOME contributed to assessing Member States' draft **Recovery and Resilience**⁹⁴ plans - in particular in the areas of anti-corruption and integration, but also in other relevant fields such as asylum system reform - and took part in the assessment of the Operational Arrangements and of the first payment requests. DG HOME also carried out a screening exercise as part of the re-launched **European Semester**.

For the **2021 United Nations General Assembly Special Session on corruption**, DG HOME prepared the next steps and cooperated with the other EU institutions to ensure that the EU fulfils obligations under the **United Nations Convention against Corruption**. The EU's self-assessment is expected to be adopted in the first half of 2022.

EU-funded **security research** is crucial to enable national authorities and industries to develop solutions necessary to adapt to the rapidly changing security environment. In December, DG HOME published a **Staff working document on Enhancing security through research and innovation**⁹⁵, which illustrates how EU security research and innovation is a strategic contributor to the EU security policy priorities. Moreover, it describes the measures being put in place to enable an optimal uptake of research results into tools and services available to national authorities and EU agencies.

External communication activities supported the adoption of key initiatives in 2021. In particular, communication actions raised awareness on the Strategy on Combatting Trafficking in Human Beings (2021-2025), and the EU Strategy to tackle Organised Crime, both adopted in April 2021, as well as on the Police Cooperation Code reinforcing the

⁹⁰ Directive 2004/82/EC of 6.8.2004.

⁹¹ An external technical study supporting the impact assessment was published in October 2021 ('[Study supporting an impact assessment: potential effects of different possible measures on advance passenger information](#)').

⁹² Decision (EU) 2017/759 of 29.4.2017.

⁹³ COM(2021) 700 final of 20.7.2021.

⁹⁴ https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en

⁹⁵ SWD (2021) 422 final of 15.12.2021.

internal security adopted in December 2021. The wider communication actions on internal security, including comprehensive sets of press materials, audio-visuals (e.g. video on police cooperation across the EU), social media promotion and actions (e.g. Twitter Spaces event on Anti-Trafficking Day, Twitter moment on EMPACT), support of relevant EU/international days (e.g. EU Anti-trafficking Day, European Day on the Protection of Children against Sexual Exploitation and Sexual Abuse) and public consultations (e.g. on CSA, on Police Cooperation Code, Firearms, on the directive against Trafficking in Human Beings) have been conducted and also fed into the overall corporate communication.



The activities under the Specific Objective of *Strengthened Internal Security* contributes to the United Nations' **Sustainable Development Goal 16**⁹⁶, aiming to tackle terrorism and prevent radicalisation, disrupt organised crime, fight cybercrime, and fight corruption, financial crime, counterfeiting crime and trafficking in human beings and firearms.

The activities under the Specific Objective of *Strengthened Internal Security* contributes to the United Nations' **Sustainable Development Goal 16**⁹⁶, aiming to tackle terrorism and prevent radicalisation, disrupt organised crime, fight cybercrime, and fight corruption, financial crime, counterfeiting crime and trafficking in human beings and firearms.

Specific objective 2: An effective asylum and migration management policy

To reach the objectives set in the **2020-2024 Strategic Plan**, DG HOME continued in 2021 to work on the **Pact on Migration and Asylum**⁹⁷. In September, the Commission adopted its first **Progress Report on the Pact**⁹⁸, noting that until there is a comprehensive reform of the EU's asylum and migration system, the EU will remain more vulnerable and less prepared to react to changing circumstances. The events in the second half of the year at the border with Belarus and in Afghanistan made it clear that making progress on the Pact is a priority more than ever.

During the year, DG HOME supported the negotiations between the European Parliament and the Council on the related legislative negotiations. They advanced however slower than expected due to the different political views regarding the options for moving forward and the difficulties in reconciling those views. At the same time, major steps forward was made with the adoption of:

- the **Regulation on the European Union Agency for Asylum**⁹⁹, which replaces the European Asylum Support Office and gives it better means to help Member States reinforce their asylum and reception systems; and
- the revised **EU Blue Card Directive**¹⁰⁰, which is a response to one of the key objectives of the Pact: to attract highly skilled workers to the EU. The revised Directive includes more flexible



⁹⁶ Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

⁹⁷ https://ec.europa.eu/info/publications/migration-and-asylum-package-new-pact-migration-and-asylum-documents-adopted-23-september-2020_en

⁹⁸ Report on Migration and Asylum, COM(2021) 590 final, 29.9.2021.

⁹⁹ Regulation (EU) 2021/2303 on the European Union Agency for Asylum, 15.12.2021; entered into force on 19.1.2022.

¹⁰⁰ Directive (EU) 2021/1883 on the conditions of entry and residence of third-country nationals for the purpose of highly qualified employment, of 20.10.2021; entered into force on 27.11.2021.

admission conditions for highly skilled foreign workers, enhanced rights and the possibility to move more easily between Member States, both for the short term and in a longer term perspective.

To further improve the rules in the area of legal migration, based on a public consultation and on targeted stakeholders' consultations, DG HOME carried out an Impact Assessment and prepared legislative proposals as well as a communication as part of the 'Skills and Talent Package', planned to be adopted by the Commission in spring 2022.

People who settle in the EU need to be supported in their integration process. Based on the **Action Plan on integration and inclusion 2021-2027**¹⁰¹, DG HOME reinforced cooperation with the European Integration Network¹⁰², with regional and local actors¹⁰³, and the Urban Agenda Partnership on the inclusion of migrants and refugees¹⁰⁴. It also published a new Toolkit on the use of EU Funds for the integration of people with a migrant background¹⁰⁵ to provide practical support on how to design efficient integration measures under the new EU funding programmes. DG HOME also organised the 6th edition of the European Migration Forum in October 2021 as part of the regular consultation and dialogue with civil society and diaspora organisations, focusing on contribution of migrants towards recovery.

Integration and legal migration in 2021

€ 147 million¹⁰⁶

895 364 migrants benefiting from integration measures on national, local and regional level.¹⁰⁷

As part of the comprehensive approach to migration under the Pact on Migration and Asylum, DG HOME prepared a renewed **EU action plan against migrant smuggling (2021-2025)**¹⁰⁸ – as announced in the 2021 Commission Work Programme – and a Communication on the application of the **Employers Sanctions Directive**¹⁰⁹. These initiatives aim to prevent organised exploitation of migrants and reduce irregular migration, in coherence with the Pact's aim to promote sustainable and orderly management of migration. The initiatives will address both persistent challenges in dismantling organised criminal groups, as well as the need to adapt to new challenges including state-sponsored migrant smuggling, as seen in 2021 at the external borders of the EU with Belarus. A public consultation on the EU action plan against migrant smuggling was conducted¹¹⁰, aiming to

¹⁰¹ COM(2020) 758 final, 24.11.2020.

¹⁰² https://ec.europa.eu/migrant-integration/eu-grid/european-integration-network_en

¹⁰³ For example with the launch of the [partnership](#) between the Commission and the Committee of the Regions in March 2021.

¹⁰⁴ <https://futurium.ec.europa.eu/en/urban-agenda/inclusion-migrants-and-refugees> for example on better access to mental health care for migrants.

¹⁰⁵ https://ec.europa.eu/regional_policy/en/information/publications/guides/2018/toolkit-on-the-use-of-eu-funds-for-the-integration-of-people-with-a-migrant-background.

¹⁰⁶ Asylum, Migration and Integration Fund. Data source: Member States' 2021 Accounts for the financial year 16.10.2020–15.10.2021. Special Objective "Integration/legal migration".

¹⁰⁷ Data source: The Asylum, Migration and Integration Fund Programme Statement, based on Member States' 2021 Annual Implementation Reports for the financial year 16.10.2020–15.10.2021. Indicator SO2.C3: Number of local, regional and national policy frameworks/measures/tools in place for the integration of third country nationals and involving civil society, migrant communities as well as all other relevant stakeholders.

¹⁰⁸ COM(2021) 591 final, 29.9.2021.

¹⁰⁹ COM(2021) 592 final, 29.9.2021

¹¹⁰ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12724-Fighting-migrant-smuggling-2021-2025-EU-action-plan/public-consultation_en

improve the evidence base underpinning the initiative by providing the possibility to the public and all relevant stakeholders, including those who will be directly affected by this initiative, to provide their views and input.

Promoting sustainable return and establishing a common EU system on **return** is another one of the strategic objectives of the Pact. For the EU asylum system to be credible, **migrants with no right to stay** need to be returned. As indicated in the Commission Work Programme, the Commission adopted in 2021 its first **Strategy on voluntary returns and reintegration**¹¹¹ as prepared by DG HOME. The Strategy provides among others tools and guidance to improve the sustainability of returns by increasing cooperation with partner countries. It also aims at increasing the proportion of voluntary returns, as those offer a more humane and cost-efficient way to return people.



In addition to pushing for the adoption of proposed legislation, DG HOME worked to improve cooperation with **key countries of**

origin. Following-up on the recommendations in the **European Court of Auditors'** special report 17/2021 on readmission¹¹², DG HOME works together with Member States on a more flexible approach in negotiations on readmission agreements. The approach of the Pact is followed, pooling different policies and instruments, and strengthening the incentives for third-countries to cooperate (see Special Objective 4 for more information on readmissions, and also on resettlements).

DG HOME also worked on a continuous basis with Member States readmission practitioners and European Migration Liaison Officers to build and transfer good practices on readmission processes, and to give operational support to Member States. To improve the effectiveness of the return system, the Commission appointed on 2 March 2022 a Return Coordinator in DG HOME.

Despite the severe restrictions due to the Covid-19 pandemic, Frontex organised in the calendar year 2021, 337 return operations with charter flights, **returning almost 10 200 persons** to their countries of origin.¹¹³ In addition, almost 4 800 returns by scheduled flights with more than **8 100 persons** took place to approximately 90 destinations, increasing efficiency and reducing costs. DG HOME closely follows Frontex' work to ensure the full operationalisation of its mandate on returns.



Returns in 2021 with DG HOME funding
€ 62 million ¹¹⁴ 27 709 persons returned under shared management ¹¹⁵

¹¹¹ EU strategy on voluntary return and reintegration, COM(2021) 120 final of 27.4.2021.

¹¹² <https://op.europa.eu/webpub/eca/special-reports/readmission-cooperation-17-2021/en/>

¹¹³ Compared to 332 return operations with charter flights returning almost 8 000 persons in 2020.

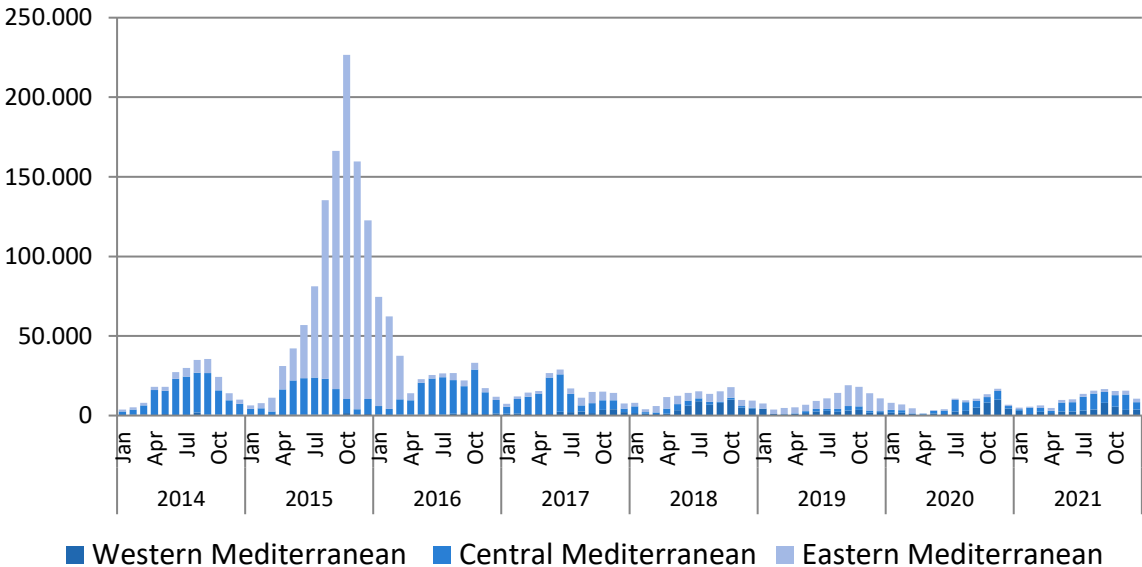
¹¹⁴ Asylum, Migration and Integration Fund. Data source: Member States' 2021 Accounts for the financial year 16.10.2020–15.10.2021.

¹¹⁵ Data source: The Asylum, Migration and Integration Fund Programme Statement, based on Member States' 2021 Annual Implementation Reports for the financial year 16.10.2020–15.10.2021. Indicator relates to voluntary and forced returns.

One of the aims of the Pact is to get more effective EU **asylum procedures**, ensuring that applications from migrants of a certain nationality is treated in a similar way in different Member States. To monitor how we advance towards this goal, the Commission uses the **impact indicator** *Convergence in recognition rates for asylum applicants*. In 2021, we saw a positive development, as deviation decreased to 20%¹¹⁶ (compared to 28% in 2019).¹¹⁷

Looking at the situation on the ground, the decreasing trend of arrivals turned in 2021: nearly **200 000 irregular border crossings** were reported, which is 60% more than in 2020.¹¹⁸ The number of asylum applications increased by 33%¹¹⁹. At the end of 2021, in total around 759 000 applications for international protection were still under consideration by the national authorities.¹²⁰ In this context, it can be noted that EUAA in 2021 expanded its assistance to Spain, Latvia, Lithuania and Belgium (joining Greece, Italy, Cyprus and Malta).

Irregular border crossings along the main migratory routes 2014-2021



Source: Frontex

In the summer, the Belarus regime initiated a hybrid attack on the EU, especially Lithuania, Poland and Latvia, which experienced a sudden increased of migrants flows at their borders with Belarus, being instrumentalised for political purposes by the Lukashenko regime. To address this **emergency situation**, DG HOME mobilised the relevant JHA Agencies (particularly Frontex, Europol and the EU Asylum Agency) and led the work to put forward a **set of temporary asylum and return measures**¹²¹. The measures, which were presented on 1 December 2021, would allow the Member States concerned to set up swift and orderly processes to manage the situation in full respect of fundamental rights and

¹¹⁶ The calculation is based on quarterly data from Eurostat available up to Q4 2021 for the 10 MS used in the calculation.
¹¹⁷ In 2020 deviation decreased to 24% (compared to 28% in 2019). Data source: Eurostat.
¹¹⁸ 199 917 in 2021, compared to 125 110 in 2020, 141 741 in 2019 and 1 822 102 during the migration crisis in 2015. Source: Frontex
¹¹⁹ 630 550 in 2021, compared to 472 395 in 2020, 698 760 in 2019 and 1 282 690 in 2015. Source: Eurostat.
¹²⁰ 758 645 at the end of 2021 for EU-26 (data for one Member State not available yet), compared to 765 665 in at the end of 2020. Data source: Eurostat. This figure refers to the total number of pending asylum applications, while Key Performance Indicator 2 relates to asylum applications pending for more than 6 months in first instance.
¹²¹ COM(2021) 752 final of 1.12.2021.

international obligations, including the principle of non-refoulement. Financing of the measures will be accommodated within the budget of the existing EU funding instruments under the period 2014-2020 and 2021-2027 in the field of migration, asylum and border management. Where exceptionally necessary, if the situation aggravates further, the flexibility mechanisms within the Multiannual Financial Framework 2021-2027 could be used. This proposal complements the **Schengen reform** presented on 14 December 2021, in which the Commission proposes a **Regulation addressing situations of instrumentalisation in the field of migration and asylum**¹²². (For other measures addressing the instrumentalisation of migrants by Belarus, see Specific Objective 4).

The increased migratory pressure in 2021 as well as the crisis at the border with Belarus and in Afghanistan highlighted the need for strong situational awareness on migration. In this context, the **Migration Preparedness and Crisis Blueprint** proved its added value, catering for timely collection of data and information, and operational coordination among key actors at EU level. The **European Migration Network**¹²³ supported this work among others by assessing risks related to migration inflow to Poland¹²⁴. The Network also contributed with input for policymaking in the EU and Member States via its publications¹²⁵.

In addition, DG HOME continued issuing Integrated Situational Awareness and Analysis reports, which provided the Council with a weekly situational picture of migration and asylum in the EU. To further **improve preparedness**, DG HOME is exploring, together with its Agencies and Member States, how to develop a European approach for migration forecasting¹²⁶.

Close cooperation continued also with the **Knowledge Centre on Migration and Demography** in the Commission's Joint Research Centre to increase anticipation and foresight and help to prepare EU responses to key trends in this work stream.

DG HOME continued working to improve the management of migration and the reception and living conditions for migrants, in particular in **Greece** by supporting national authorities through the Task Force for Migration Management. The first new Multi-Purpose Reception and Identification Centre on Samos¹²⁷ opened in September, followed by new ones on Kos and Leros in November. New Centres on Lesbos and Chios will be expected to open in 2022. The Commission has granted € 276 million to Greece to build these five centres.

¹²² COM(2021) 890 final of 14.12.2021.

¹²³ https://ec.europa.eu/home-affairs/networks/european-migration-network-emn_en

¹²⁴ file:///C:/Users/nilssch/Downloads/202146_migration_risk_analysis.pdf

¹²⁵ https://ec.europa.eu/home-affairs/networks/european-migration-network-emn/emn-publications_en

¹²⁶ Feasibility study on a forecasting and early warning tool for migration based on Artificial Intelligence technology.

<https://op.europa.eu/en/publication-detail/-/publication/946b0bc7-7006-11eb-9ac9-01aa75ed71a1/language-en>

¹²⁷ [Opening of the first new reception centre on Samos – Zervou \(europa.eu\)](https://ec.europa.eu/home-affairs/networks/european-migration-network-emn/emn-publications_en)

Examples of achievements in Greece with DG HOME funding in 2021¹²⁸

€ 75 million ¹²⁹	9 401 enrolments of beneficiaries of international protection in HELIOS integration project
€ 15.6 million ¹³⁰	1 690 places for unaccompanied minors in shelters
€ 91.5 million	25 482 places in apartments for vulnerable asylum seekers

In 2021, **the reduction of the population in the reception facilities on the islands continued**, going from 17 000 persons at the end of 2020 (compared to 42 000 at the end of 2019), to about 3 500 at the end of 2021 - which is almost one quarter of the official nominal capacity on the hotspot islands. Furthermore, with the support of the European Union Asylum Agency, the productivity of the Greek Asylum Service and Appeals Authority increased significantly. At the end of 2021, the backlog of pre-registrations in Greece, first and second instance asylum decisions was just over 40 000 (50% less than in December 2020).

In addition to Greece, DG HOME continued to support operationally the national authorities in Italy, Spain, Cyprus and Malta.

Thanks to the € 70 million emergency assistance support that DG HOME provided to the **Spanish** authorities at the end of 2020 to manage the migratory flows and increase reception capacities on the **Canary Islands**, the situation has improved there. Additionally, in 2021 DG HOME supported Spain with € 14 million to help manage the mass arrival of over 10 000 people from Morocco to Ceuta over just 2 days, on 17 and 18 May 2021.

Relocations in 2021 with DG HOME funding

€ 0.97 million	96 persons relocated from Malta to 4 Member States and 60 from Italy to 4 Member States. 6 persons relocated from Spain to Luxembourg ¹³¹
€ 35.1 million	2 434 persons relocated from Greece to 12 Member States in 2021 under Emergency Assistance ¹³²

In the field of **external communication**, targeted actions accompanied the initiatives taken. Each legislative proposal was accompanied by a Press Release, Memo, Factsheet and audio-visual material shared via HOME and Corporate websites¹³³ and social media channels (@EUHomeAffairs). In addition, positive corporate narrative was issued via web and social media channels, for example: World Refugee Days testimonial videos with refugees; Twitter Spaces event on World Refugee Day with UNHCR and other DGs; Progress on reception and living conditions for migrants in Greece; Regular updates on relocation and

¹²⁸ Asylum, Migration and Integration Fund support.

¹²⁹ The amount corresponds to the overall cost of the project from June 2019- December 2021.

¹³⁰ The amount refers to the period from April 2021-December 2021.

¹³¹ Asylum, Migration and Integration Fund. Data source: Member States' 2021 Accounts for the financial year 16.10.2020–15.10.2021 from the perspective of the sending Member States.

¹³² Relocations took place also in the context of the Greek project HOME/2019/AMIF/CA/EMAS/0124, which started in April 2020 and ends on 31 December 2022 amounting to € 35.1 million.

¹³³ https://ec.europa.eu/info/strategy/priorities-2019-2024/promoting-our-european-way-life/new-pact-migration-and-asylum_en

resettlement efforts and milestones; communication campaigns on AMIF funding and successful EU funded projects (e.g. Football for Unity); Quarterly update of statistics web page to support fact-based migration policy¹³⁴; Targeted events such as the sixth European Migration Forum and the migration panel at the Conference on the future of Europe.

DG HOME continued to monitor Member States' **implementation of EU migration and asylum law**, in particular the Asylum Procedures Directive¹³⁵, the Reception Conditions Directive¹³⁶, the Qualification Directive¹³⁷, the Return Directive¹³⁸, the Seasonal Workers Directive¹³⁹ and the Students and Researchers Directive¹⁴⁰.

The activities under the Specific Objective *an effective asylum and migration management policy* contributes to the United Nations' **Sustainable Development Goal 10**¹⁴¹, which calls for the facilitation of orderly and safe migration and mobility of people.

For activities relating to the external dimension of migration management, see Specific Objective 4.

Specific objective 3: A fully functioning area of free movement

In the **Strategy for the future of Schengen**¹⁴² as prepared by DG HOME and adopted on 2 June 2021, the Commission outlines the tools necessary to ensure the proper functioning of the Schengen area¹⁴³, as an area of freedom, security and justice. The Strategy calls for action to sustain and compensate for the absence of border controls between Member States and to enhance its resilience to future challenges. It aims to:

- ensure effective and modern management of the EU's external borders;
- reinforce the Schengen area internally through a high level of security;
- improve governance to foster trust between Member States and better preparedness to crises.

★ Schengen includes 26 European countries and 420 million people.
★ Almost 1.7 million people reside in one Schengen country while working in another.
★ Every day around 3.5 million people cross internal borders.
★ Delays at the borders would have a substantial impact on the EU. The Commission has estimated the cost of 'non-Schengen' to range between € 5 and € 18 billion per year.

Actions in these areas should restore balance and reinforce the mutual trust between Member States so that all its citizens and residents, as well as the economy, can again fully

¹³⁴ https://ec.europa.eu/info/strategy/priorities-2019-2024/promoting-our-european-way-life/statistics-migration-europe_en

¹³⁵ Directive 2013/32/EU of 26.6.2013.

¹³⁶ Directive 2013/33/EU of 26.6.2013.

¹³⁷ Directive 2011/95/EU of 13.12.2011.

¹³⁸ Directive 2008/115/EC of 16.12.2008.

¹³⁹ Directive 2014/36/EU of 26.02.2014.

¹⁴⁰ Directive (EU) 2016/801 of 11.5.2016.

¹⁴¹ United Nations Sustainable Development Goal 10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.

¹⁴² COM(2021) 277 final of 2.6.2021.

¹⁴³ https://ec.europa.eu/home-affairs/policies/schengen-borders-and-visa/schengen-area_en

benefit from a Schengen area without internal border controls. This initiative is a key deliverable attesting to the Commission's continuous effort to make the EU's free travel space stronger and more resilient, and achieve an area of freedom, security and justice without internal frontiers, as set out in Article 3 Treaty on European Union.

The free movement within the Schengen area and the protection of the EU external borders, be it the land or sea borders, can only be accomplished with the **use of state-of-the-art technology**. Therefore, the overall Schengen Strategy presents innovative ways to speed up passenger flows through border controls at international ports of entry, while at the same time assisting border officers to identify and isolate potential threats. Such ways consist, for example, of no-gate border crossing systems, digital travel documents and more secure documents used for international travel.

The Schengen Strategy was accompanied by a legislative proposal to reform the **Schengen evaluation and monitoring mechanism**¹⁴⁴ to make it more effective and efficient.

DG HOME continued its efforts, including at the Schengen Forum, to persuade the Member States carrying out border controls (for other reasons than containing the pandemic) to lift them in the near future.

'With our proposals today, we will ensure that border controls are introduced as a last resort based on a common assessment and for only as long as needed. We are giving Member States the tools to address the challenges they face.'
Commissioner Johansson,
14 December 2021

Based on the amendment of the multiannual programme for Schengen evaluations (2020-2024)¹⁴⁵, required to mitigate the impact of **Covid-19**, DG HOME has continued implementing the **Schengen evaluation and monitoring mechanism** to verify how Member States apply the Schengen *acquis* and remedy any deficiencies. Building on the Report¹⁴⁶ on the implementation of the

previous multi-annual programme (2015-2019) as well as on the outcome of the discussions in the framework of the **Schengen Forum** of 17 May 2021 and of a comprehensive targeted consultation of all relevant stakeholders, DG HOME tabled a **proposal**¹⁴⁷ amending the **Regulation establishing an evaluation and monitoring mechanism to verify the application of the Schengen *acquis***¹⁴⁸. The proposal addresses shortcomings that have emerged and enhance the evaluation and monitoring process to make the Schengen Evaluation Mechanism a fully effective tool for evaluating the functioning of Schengen and for ensuring that improvements are effectively implemented. The overall aim of this proposal is to strengthen confidence in the good implementation of the Schengen rules, helping to restore mutual trust among Member States.

The main changes that the reform of the Schengen Evaluation Mechanism addresses are

¹⁴⁴ COM(2021) 278 final, of 2.6.2021.

¹⁴⁵ C(2020) 8045 final of 14.12.2020.

¹⁴⁶ COM(2020) 779 final of 20.11.2020.

¹⁴⁷ COM(2021) 278 final of 2.6.2021.

¹⁴⁸ Council Regulation (EU) 1053/2013 of 6.11.2013.

grouped in the following four specific objectives:

- **Increase the strategic focus** of the Mechanism and ensure a more proportionate and strategic use of the different evaluation and monitoring tools;
- **Shorten and simplify the procedures** to make the process more effective and efficient and increase peer-pressure;
- Strengthen the evaluation of the **respect for fundamental rights** under the Schengen *acquis*;
- Optimise the participation of Member State experts and the cooperation with Union bodies, offices and agencies, as well as synergies with other evaluation and monitoring mechanisms, for **more targeted, strategic and tailored evaluations**.

The adoption of the new Schengen Strategy and the reform of the Schengen evaluation and monitoring mechanism were supported through **targeted external communication campaigns**. These included press outputs, the production of visuals, social media campaign, and a video campaign with testimonials from across the EU from EU citizens whose lives depend on open internal borders and an explanatory video on the role of Schengen Evaluation for a well-functioning Schengen. Momentum was kept throughout the year, both pre- and after- adoption, through communication actions such as the public consultation on Schengen or Twitter Spaces events.

In her **September 2021 State of the Union address**¹⁴⁹, President von der Leyen announced new measures dealing with the instrumentalisation of migrants for political purposes and ensure unity in the management of the EU 's external borders. Following that, on 14 December, the Commission has adopted both the **proposal to revise the Schengen Borders Code**¹⁵⁰ and the **proposal for a Regulation addressing situations of instrumentalisation in the field of migration and asylum**¹⁵¹. The proposal amending the Schengen Borders Code reflects consultations with Members of the European Parliament and political discussions with Member States and Schengen Associated Countries within the Schengen Fora that the Commission organised in November 2020 and May 2021. In addition to the measures anticipated in the Schengen Strategy to limit the reintroduction of internal border controls between Member States, it also draws lessons learnt from the Covid-19 pandemic.

Trust in the Schengen area will be further reinforced by making the **visa procedure fully digitalised by 2025**, with a digital visa and the ability to submit visa applications online. DG HOME carried out all the preparatory work (public consultation, impact assessment) in 2021 to present in 2022 a legislative proposal with the aim to make the visa procedure largely paperless and contactless, and thereby more time-saving and cost-efficient for travellers and consulates, while at the same time ensuring the highest level of security. The

¹⁴⁹ [State of the Union 2021 | European Commission \(europa.eu\)](#)

¹⁵⁰ COM(2021) 891 final of 14.12.2021. See the accompanying impact assessment report, SWD(2021) 462 final.

¹⁵¹ COM(2021) 890 final of 14.12.2021.

proposals will build on the results of a pilot project with eu-LISA launched in September 2020 and completed in December 2021 to develop a prototype of the EU online visa application portal and a pilot project on digital visas, currently under consideration.

In July, **two Regulations**^{152 153} **amending the Visa Information System Regulation were adopted**. The main aims of the amending Regulations are to: further strengthen the security of the short-stay visa procedure; include long-stay visas and residence permits in the Visa Information System database; ensure interoperability between the System and other relevant EU systems and databases.

Protecting the integrity of the Schengen area requires a modern and effective management of the external borders, in full compliance with EU law and respect for fundamental rights. This is a priority for DG HOME. Therefore, DG HOME continued in 2021 to support the roll-out of **Frontex' new strengthened mandate**; the first teams of the European Border and Coast Guard **standing corps** were deployed in January 2021. Following the preparatory process carried out in 2021, DG HOME will in launch a **multiannual strategic policy cycle** to steer the activities of the European Border and Coast Guard in the areas of border management and return in the first quarter of 2022. The Communication establishing the **multiannual strategic policy for European Integrated Border Management** that is planned for adoption towards the end of 2022 will be the first layer of this cycle, providing political guidance for the components of the **European Integrated Border Management** and laying out the governance of the strategic cycle.

In 2021, allegations continued of illegal pushbacks involving both national border guards and **Frontex** deployed teams. While the Commission does not have the competence to investigate alleged misconduct of Member States' law enforcement authorities, **DG HOME is continuously monitoring reports on violations of fundamental rights** and is in close contact with the concerned Member States to encourage them to carry out the necessary investigations, set up independent monitoring mechanisms and to take action as appropriate. As regards Frontex, the Agency appointed an independent **Fundamental Rights Officer**, supported by a Deputy Fundamental Rights Officer and 40 Fundamental Rights Monitors. DG HOME, as a member of the Frontex Management Board, took in addition decisive action to ensure that the allegations made were examined by a dedicated working group of the Management Board.

The effects of the **Covid-19 pandemic** continued to impact on the full functioning of the Schengen area and therefore impacting free movement also in 2021. DG HOME kept working, in cooperation with other Commission services and with Member States, to ensure that the disruptive effects of the necessary containment measures are limited to the minimum concerning the functioning of the Schengen area and citizens' freedom to move in the area without internal borders. Considering the constant evolution of the

¹⁵² Regulation (EU) 2021/1133, OJ 248 of 13.7.2021, p. 1.

¹⁵³ Regulation (EU) 2021/1134, OJ 248 of 13.7.2021, p. 11.

epidemiological situation, it was difficult to plan ahead, but DG HOME remained attentive and ready to propose appropriate solutions, such as the lifting of containment measures to overcome the crisis. **In 2021, the Commission adopted three consecutive proposals in February¹⁵⁴, May¹⁵⁵ and November¹⁵⁶, to amend the Council Recommendation 2020/912** to take into account the evolving epidemiological situation, the roll-out of vaccination campaigns and the emergence of variants of concerns. Against this background, these amendments managed to further facilitate safe travels despite the continuation and the worsening of the pandemic.

The **EU Digital Covid Certificate Regulation¹⁵⁷**, the result of efficient and effective collaboration between DG HOME, JUST, SANTE, CNECT, is applicable since 1 July 2021. It allows EU citizens and residents, their respective family members, as well as third country national who have legally entered the Union, to have their Digital Covid Certificates¹⁵⁸



issued and verified across the EU. The Certificates are a digital proof that a person has either been vaccinated against Covid-19, received a negative test result or recovered from Covid-19. So far, 33 non-EU countries (and territories) joined the EU Digital Covid Certificate system,

based on EU equivalence decisions.

External communication actions continued to address the home affairs dimension of Covid-19, contributing to the corporate recovery campaign addressing also the dimension of freedom, security and justice, and on travel and transportation ensuring that travellers receive up to date information on how to travel to and from the EU during the pandemic¹⁵⁹.



In 2021, DG HOME continued cooperating with Member States and EU Agencies to monitor closely the **implementation of new EU information systems¹⁶⁰**, aiming to ensure their **interoperability** by the end of 2023. Interoperability will connect all European systems for borders, migration and security, so that national authorities have access to complete, reliable and accurate information. DG HOME has already ensured the adoption of most acts necessary for the

development and operation of the new **large-scale security information systems** and their **interoperability**.

¹⁵⁴ COM(2021)132 of 2.2.2021.

¹⁵⁵ COM(2021) 816 of 20.5.2021.

¹⁵⁶ COM(2021) 754 of 25.11.2021.

¹⁵⁷ Regulation (EU)2021/953 of 14.6.2021, OJ L 211 of 15.6.2021, p. 1.

¹⁵⁸ https://ec.europa.eu/info/live-work-travel-eu/coronavirus-response/safe-covid-19-vaccines-europeans/eu-digital-covid-certificate_en

¹⁵⁹ https://ec.europa.eu/info/live-work-travel-eu/coronavirus-response/travel-during-coronavirus-pandemic_en

¹⁶⁰ Entry/Exit System, European Travel Information and Authorisation System, European Criminal Records Information System for Third-Country Nationals.

Building on the positive experience with the European Border and Coast Guard Agency, DG HOME signed **Terms of Reference with eu-LISA** aiming to improve cooperation on research and innovation relevant for operational management of large-scale IT systems.

Targeted external communication campaigns on the new EU information systems are being prepared and will be launched throughout 2022 to ensure awareness of relevant authorities, key stakeholders and the general public.

The Internal Security Fund – Borders and Visa continued supporting actions at EU and national level. At the same time, the negotiations on the new **Instrument for financial support for Border Management and Visa** (BMVI) were concluded and the basic act (EU) 2021/1148 was adopted on 7 July, which makes it possible to support actions contributing to a strong and effective European integrated border management at the external borders, thereby helping to ensure a high level of internal security within the EU, while safeguarding the free movement of persons. These instruments will also facilitate the implementation of the recommendations stemming from the quality control mechanisms in place for verifying that the Schengen area functions effectively (Schengen evaluation mechanism and Frontex Vulnerability Assessment).

Specific objective 4: Stronger cooperation with partner countries

In line with the Pact on Migration and Asylum, DG HOME continued to strengthen its engagement and cooperation with **countries of origin and transit** using an effective range of measures on all aspects of migration management in its bilateral relations with third countries¹⁶¹, supported by tailor-made funding. It also played a key role in a variety of wider migration processes and dialogues¹⁶² as well as in international organisations.

HOME funding for cooperation with partner countries

€ 51 600 000 million relating to migration¹⁶³

€ 7 986 377 million relating to security and borders¹⁶⁴

DG HOME worked closely with the Directorate-Generals for Neighbourhood and Enlargement Negotiations (NEAR) and for International Partnerships (INTPA) to ensure that **funding under the Neighbourhood, Development and International Cooperation Instrument** and **the Instrument for Pre-Accession** correspond to the needs identified in the Pact on Migration and Asylum, as far as the external dimension is concerned.

¹⁶¹ E.g. Algeria, Afghanistan, Bangladesh, all Western Balkan partners, all Eastern Partnership countries, China, Egypt, Ethiopia, The Gambia, Ghana, Guinea, Iran, Iraq, India, Ivory Coast, Mali, Mauritania, Morocco, Niger, Nigeria, Pakistan, Senegal, Sudan, Tunisia and Turkey.

¹⁶² Such as the [Budapest Process](#), the [Khartoum Process](#), the [Rabat Process](#), and the [Prague Process](#).

¹⁶³ From AMIF.

¹⁶⁴ From ISF-P and ISF-B.

With its activities under this Specific Objective, DG HOME contributed to the Impact Indicator *third countries with migration policies to facilitate orderly, safe, regular and responsible migration and mobility of people*.

Different means are used to cooperate with partner countries, including:

- **Action Plans for EU engagement on migration**, signed in 2021 between the Commission¹⁶⁵ and Tunisia, Morocco, Libya, Nigeria, Niger, Bosnia and Herzegovina, Iraq and Afghanistan, respectively. They are a basis for dialogue and engagement on migration.
- **High-level dialogues** on migration and security matters. DG HOME held bilateral dialogues with the U.S., Turkey, the Western Balkans, Iraq, Algeria, and Egypt, as well as in international fora.
- **European Migration Network**, which Georgia and Moldova joined as observers in 2021; Member States approved the participation of Ukraine, Armenia, Montenegro, and Serbia on 28 January 2022.
- **The network of European Migration Liaison Officers**.
- **Immigration Liaison Officers**, who provide a valuable connection in the fight against irregular migration and migrant smuggling.

Cooperating with **international organisations** such as the **International Organisation for Migration (IOM)**, the **United Nations High Commissioner for Refugees (UNHCR)**, and the United Nations Office of Counter Terrorism (UNOCT) is a core task for DG HOME under the Commission's ambition to *Promote our European way of life*, and in line with the ambition for *A stronger Europe in the world*. Under the strategic cooperation frameworks with the UNHCR and the IOM, DG HOME provided key input throughout the negotiations that led to the adoption in October of a **conclusion by the UNHCR Executive Committee on International protection and durable solutions in the context of a public health emergency**¹⁶⁶.

In the EU neighbourhood, cooperation continued with **Turkey** under the **EU-Turkey Statement**, with the holding of a first High Level Dialogue in October 2021. Despite challenges related to the returns to Turkey from the Greek islands, the Statement continued to deliver results in keeping the number of overall irregular arrivals to the EU down. Between March 2016 and December 2021, over 32 000 resettlements took place from Turkey to EU Member States (around 4 000 of them in 2021).

Throughout the year, DG HOME was closely involved in the preparation of the **EU-African Union Summit** of 2022. Close cooperation with the African Union on migration and mobility

¹⁶⁵ DG HOME, together with the Directorate-Generals for Neighbourhood and Enlargement Negotiations (NEAR), International Partnerships (INTPA), European Civil Protection and Humanitarian Aid Operations (ECHO), under the coordination of the Secretariat General) and the European External Action Service.

¹⁶⁶ <https://www.refworld.org/docid/617a510e6.html>

continues, considering the political endorsement of an enhanced and reciprocal partnership at the Summit.

HOME funding launched in 2021 for migrants, hosting communities and authorities¹⁶⁷	
€ 20 million	To North Africa – to Algeria, Egypt, Libya, Mauritania, Morocco, Niger and Tunisia (led by Italy)
€ 10 million	To the Horn of Africa – to Sudan (led by the Netherlands)

To allow for members of the **EBCG standing corps** to be deployed and exercise executive powers in third countries, the Commission adopted two communications in December 2021, setting out the framework for **status agreements**^{168 169} and **working arrangements**¹⁷⁰. They will guarantee that fundamental rights are respected, and cover information exchange, risk analysis, capacity-building, technical and operational cooperation related to border control, return, etc. The first status agreement based on the new mandate was signed with Moldova¹⁷¹ which since the beginning of the war in the Ukraine received the highest number of refugees per capita in the region.

As part of the Pact on Migration and Asylum, the **Talent Partnerships**¹⁷² initiative was launched in June 2021 to strengthen relations with key partner countries on overall migration management, while matching EU labour market needs with the skills of workers from these countries. In addition to being a way of providing safe and legal pathways to migration, the Talent Partnerships will cover capacity building and investment in human capital, including skills development, vocational training and operationalisation of professional exchange schemes. Most will be financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI), with limited funding under the AMIF.

As mentioned under Specific Objective 2, the Commission adopted in 2021 a new **Strategy on voluntary returns and reintegration**¹⁷³. Based on it, the EU will among others support reintegration processes in partner countries with capacity building, providing staff with the necessary skills, and supporting governance structures to cater for the specific economic, social and psychosocial needs of returnees. Continued assistance will be provided for the voluntary return and reintegration of **migrants stranded in other countries**. DG HOME published also an **EU Framework on Return Counselling and the Reintegration Assistance Tool**¹⁷⁴ to further support Member States.

DG HOME continuously worked with key countries of origin and transit to improve **cooperation on readmission** and to ensure the implementation of the 24 instruments in

¹⁶⁷ AMIF funding provided under the umbrella of the Regional Development and Protection Programme.

¹⁶⁸ COM(2021) 829 of 21.12.2021.

¹⁶⁹ As referred to in Regulation (EU) 2019/1896 of the European Parliament and of the Council of 13 November 2019 on the European Border and Coast Guard.

¹⁷⁰ COM(2021) 830 of 21.12.2021.

¹⁷¹ 17.3.2022.

¹⁷² [Talent Partnerships \(europa.eu\)](https://europa.eu)

¹⁷³ EU strategy on voluntary return and reintegration, COM(2021) 120 final of 27.4.2021.

¹⁷⁴ SWD(2021) 121 of 27.4.2021.

place (18 Readmission Agreements¹⁷⁵ and 6 practical readmission arrangements¹⁷⁶). In February, the Commission adopted its **first assessment on third countries' cooperation on readmission in 2019**¹⁷⁷ under the revised **Visa Code**¹⁷⁸, which formally links EU visa policy to the level of cooperation on readmission. Together with the High Representative and the Member States, the Commission used the Report's findings to engage partner countries where improvements were needed, as part of the comprehensive approach on migration. Under the revised Visa Code, the Commission can also propose more restrictive or more favourable visa measures, whilst taking into account the Union's overall relations with the countries concerned.

In July 2021, the **Commission adopted three proposals for decisions under Article 25a of the Visa Code** proposing to the Council to adopt restrictive Visa measures for nationals of The Gambia¹⁷⁹, Iraq¹⁸⁰ and Bangladesh¹⁸¹. On 7 October, the Council adopted a decision imposing Visa measures for nationals of The Gambia¹⁸². On 21 December 2021, the Commission adopted its **second assessment on third countries' cooperation on readmission in 2020**¹⁸³ and shared the full assessment report with the Council.

The situation at the **external EU borders with Belarus** triggered a number of actions at EU level to contain the hybrid attack which impacted especially Lithuania, Poland and Latvia. In 2021, 8 267 (4 326 to Lithuania, 3 495 to Poland and 446 to Latvia), people arrived from **Belarus** to the EU, after being smuggled into Belarus territory from certain third countries with the active support of the Lukashenko regime. Reacting to this unacceptable instrumentalisation of migrants, the Commission took a number of actions, with the considerable contribution of DG HOME:

- i) Adopted on 29 September a **proposal to the Council to suspend certain provisions of the Visa Facilitation Agreement with Belarus**¹⁸⁴ targeting government officials and not the ordinary citizens of Belarus; the Council adopted the decision on 9 November 2021.
- ii) **Examined with Latvia, Lithuania and Poland their financial and operational needs and made a further € 200 million available**, in addition to the € 360 million foreseen for the three Member States in the Instrument for Financial Support for Border Management and Visa Policy in response to state-sponsored instrumentalisation of migrants at the EU external border.

¹⁷⁵ With Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Cape Verde, Georgia, Hong Kong, Macao, Moldova, Montenegro, North Macedonia, Pakistan, Russia, Serbia, Sri Lanka, Turkey and Ukraine.

¹⁷⁶ With Afghanistan, Bangladesh, Guinea, Ethiopia, The Gambia and Côte d'Ivoire.

¹⁷⁷ COM(2021) 56 of 10.2.2021.

¹⁷⁸ Regulation (EU) 2019/115 of 20.6.2019, OJ L 188 of 12.7.2019, p. 25.

¹⁷⁹ COM(2021) 413 of 15.7.2021.

¹⁸⁰ COM(2021) 414 of 15.7.2021.

¹⁸¹ COM(2021) 412 final of 15.7.2021.

¹⁸² Council of the European Union, Press Release 750/21, 7.10.2021.

¹⁸³ COM(2021) 828 of 21.12.2021.

¹⁸⁴ COM(2021) 612 final of 29.9.2021.

- iii) Monitored closely migration-related developments via weekly meetings of the **Migration Preparedness and Crisis Blueprint**; the resulting reports have contributed to enhance situational awareness and inform policy and decision-making.
- iv) Made available staff from **EUAA, Frontex and Europol** to be deployed in the Member States concerned.
- v) Stepped up – in close cooperation with the EEAS – dialogue with relevant **third countries**¹⁸⁵ to alert them to the situation and to ensure that they prevent their own nationals from instrumentalisation (e.g. Vice-President Schinas' five missions to Dubai, Beirut, Baghdad, Ankara/Istanbul and Tashkent in November 2021 with DG HOME participation).
- vi) Put forward the **Joint Communication on Responding to state-sponsored instrumentalisation of migrants at the EU external border**¹⁸⁶.
- vii) Proposed measures to prevent and restrict the activities of **transport operators** that engage in or facilitate smuggling or trafficking of people into the EU.
- viii) Presented a proposal to allow the most affected Member States to **temporarily adapt their asylum systems** to the new realities¹⁸⁷.
- ix) Supported voluntary return activities from Lithuania with EU funding and agreed with Latvia and Lithuania to use EU funds to support **voluntary returns in 2022**, and for Poland to join as soon as possible.

DG HOME has been closely following developments in **Afghanistan** since the Taliban takeover of power in the country. A strong and concerted response on all aspects including on migration and security is required to ensure stability in the region, prevent irregular migration and to counter the resurgence of terrorist threats. Weekly meetings of the **Migration Preparedness and Crisis Blueprint** contributed to enhance situational awareness and inform policy and decision-making. DG HOME reached out to countries neighbouring Afghanistan but also supported the continuation of programmes funded by other DGs on Afghan displacement. DG HOME substantively contributed to the outcome of the extraordinary meeting of Interior Ministers that took place on 31 August leading to a statement¹⁸⁸ which frames the EU and its Member States' actions. DG HOME also played an active role in operational **engagement with the Afghan power-holders** on the basis of the five benchmarks agreed by the EU Ministers of Foreign Affairs as reflected in the Council Conclusions adopted on 17 September 2021¹⁸⁹. On security, DG HOME has been closely following the implementation of the **Action Plan on Terrorism for**

¹⁸⁵ To date, outreach was carried out with 24 third countries and 33 EU Delegations are instructed to monitor developments and report on a weekly basis.

¹⁸⁶ JOIN(2021) 32 final of 23.11.2021.

¹⁸⁷ COM(2021) 752 of 1.12.2021.

¹⁸⁸ Council Statement of 31.8.2021, 665/21.

¹⁸⁹ Council Conclusions on Afghanistan, 11713/2/21, 15.9.2021.

Afghanistan¹⁹⁰ and the **Protocol on common procedures for enhanced security checks**¹⁹¹.

The Commission organised a **High-level Resettlement Forum** in July with the U.S., Canada and the UN Refugee agency to promote resettlement through strong global partnership. In October, the Commission and the European External Action Service convened a **High-level Forum on providing protection to Afghans at risk**. At this occasion, the Commission launched a specific, multi-annual support scheme for Afghans at risk that combines support to the Member States for evacuations and humanitarian admissions, resettlement and integration efforts of Afghans. Responding to a call, **Member States collectively pledged almost 65 000 places** for resettlement and humanitarian admission to be implemented in 2021-2022. This high number of pledges reflects the urgent needs linked to the crisis in Afghanistan and the encouraging response of the Member States was matched by the Commission, identifying sufficient funding (over € 500 million) to cover the pledges submitted. DG HOME monitors resettlement efforts based on the pledges made by Member States.

Resettlements in 2021 with DG HOME funding

€ 87.5 million¹⁹² 8780 persons **resettled** to 13 Member States (mainly from country Germany, France, UK)¹⁹³.

In 2021, DG HOME continued a diplomatic and technical dialogue with the U.S. on visa waiver reciprocity. This engagement resulted in Croatia joining U.S. Visa Waiver Program in September 2021¹⁹⁴.

In the field of **security**, DG HOME continued to be engaged in cooperation on counter-terrorism and prevention of radicalisation with the six **Western Balkan partners** within the framework of the Joint Action Plan and bilateral implementing arrangements. DG HOME started planning negotiation of possible updates of the bilateral arrangements according to the level of progress achieved by the partners. DG HOME has worked with the Directorate-General for Neighbourhood and Enlargement Negotiations (NEAR) throughout 2021 on the implementation of a project aiming **to support the prevention of radicalisation** in the region and to enhance synergies between EU and Western Balkans professionals, in line with EU Policy¹⁹⁵.

DG HOME also strengthened the cooperation with the **Eastern Partnership** countries,¹⁹⁶ in particular through the Association Committees and the Justice, Security and Freedom Subcommittees.

¹⁹⁰ Council of the European Union, 12315/21, 29.9.2021.

¹⁹¹ Council of the European Union, 13682/21, 16.11.2021.

¹⁹² Asylum, Migration and Integration Fund. Data source: Member States' 2021 Accounts for the financial year 16.10.2020–15.10.2021.

¹⁹³ Data source: The Asylum, Migration and Integration Fund Programme Statement, based on Member States' 2021 Annual Accounts for the 2021 financial year (16.10.2020–15.10.2021).

¹⁹⁴ COM (2021) 827 of 21.12.2021; Council 1007/21 Joint EU-U.S. statement following the EU-U.S. Justice and Home Affairs Ministerial Meeting Washington D.C., 16 December 2021.

¹⁹⁵ https://ec.europa.eu/home-affairs/networks/radicalisation-awareness-network-ran/ran-western-balkans_en

¹⁹⁶ With the exception of Belarus, respecting the Council Conclusions of 12 October 2020.

DG HOME led the negotiations for an international agreement on the exchange of personal data between **Europol and New Zealand**. A draft Agreement was initialled by the chief negotiators in December 2021. DG HOME held two rounds of negotiations on such an agreement between **Europol and Israel**.

As far as the fight against **organised crime** at international level is concerned, DG HOME prepared and submitted to the UN Secretary General an update of the Declaration of competences of the EU for the **United Nations Convention against Transnational Organised Crime** and two of its Protocols: the Protocols on Migrant Smuggling and the Protocol on Trafficking in Human Beings (Palermo Convention). It also developed, in cooperation with DG JUST, a Union position for the **UN Congress on Crime Prevention and Criminal Justice** in Kyoto in March 2021.

The bilateral **drug dialogues with China** was launched, as agreed by the Council in 2019 and early 2020. DG HOME also proposed the launch of a new dialogue on drugs with **Colombia**, approved by the Council in December 2021, and participated also in the EU dialogues on drugs with partner countries (e.g. US, Russia) and regions (e.g. Western Balkans), and continued supporting the work of the **United Nations Commission on Narcotic Drugs**¹⁹⁷, including by proposing a Union position on the scheduling of new psychoactive substances for its 65th session.

DG HOME continued its work on compatible rules at international level on **cross-border access to electronic evidence** for criminal investigations. DG HOME ensured the participation of the Commission, on behalf of the EU, in the negotiations of the Second Additional Protocol to the Budapest Convention on Cybercrime¹⁹⁸, aiming to enhance cooperation on cybercrime and electronic evidence. On 17 November 2021, the Committee of Ministers of the Council of Europe adopted the text of the Protocol. DG HOME prepared two proposals for Council Decisions authorising Member States to sign and to ratify the Protocol in the interest of the European Union that were adopted on 25 November 2021.¹⁹⁹ DG HOME also continued its contribution to the negotiations by the Commission, on behalf of the Union, for a bilateral **EU-U.S. agreement on cross-border access to electronic evidence** for criminal investigations.

DG HOME also continued to work with Member States and like-minded third countries to ensure that a future convention on **Countering the use of information and communications technologies for criminal purposes** pursuant to the United Nations General Assembly Resolution 74/247²⁰⁰ will not undermine the Budapest Cybercrime Convention and that the negotiating process ensures the principles of transparency, consensus, rule of law and protection of fundamental rights and freedoms. Due to

¹⁹⁷ <https://www.unodc.org/unodc/en/commissions/CND/index.html>

¹⁹⁸ <https://www.coe.int/en/web/conventions/full-list/-/conventions/treaty/185>

¹⁹⁹ COM(2021) 718 and COM(2021) 719.

²⁰⁰ <https://undocs.org/en/A/RES/74/247>.

restrictions following the Covid-19 pandemic, the UN General Assembly only set out the terms of the negotiations in May 2021. A first discussion on the scope of the Convention could only take place in 2022. As a result, DG HOME will put forward a proposal for a Commission recommendation for a Council decision authorising the participation in **negotiations on a UN cybercrime convention** in 2022.

DG HOME was also closely involved in the implementation of the **law enforcement** chapter of the **EU-UK Trade and Cooperation Agreement** and in the negotiation of the **EU-UK Agreement in respect of Gibraltar**.

DG HOME's **external communication** activity supported this objective through clear information-sharing via press, online and social media.

2. MODERN AND EFFICIENT ADMINISTRATION AND INTERNAL CONTROL

2.1. Financial management and internal control

Assurance is provided on the basis of an objective examination of evidence of the effectiveness of risk management, control and governance processes.

This examination is carried out by management, who monitors the functioning of the internal control systems on a continuous basis, and by internal and external auditors. The results are explicitly documented and reported to the Director-General. The following reports have been considered:

- the reports by Authorising Officers by Sub-Delegation in the DG;
- the reports from Authorising Officers in other DGs managing budget appropriations in cross-sub-delegation;
- the reports on control results from management/ audit authorities in Member States in shared management, as well as the result of the Commission supervisory controls on the activities of these bodies;
- the reports of the external auditors on the results of control on decentralised agencies in indirect management, as well as the result of the Commission's supervisory controls on the activities of these bodies;
- the reports received from entrusted entities (indirect management) in the framework of the delegation agreements;
- the contribution by the Deputy Director-General in charge of Risk Management and Internal Control, including the results of internal control monitoring at the DG level;
- the results of the ex post supervision and audit;
- the exceptions, non-compliance events and any cases of 'confirmation of instructions' (Article 92.3 FR);
- the limited conclusion of the internal auditor on the state of internal control, and the observations and recommendations reported by the Internal Audit Service;
- the observations and the recommendations reported by the European Court of Auditors.

These reports result from a systematic analysis of the available evidence. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Director-General of DG HOME.

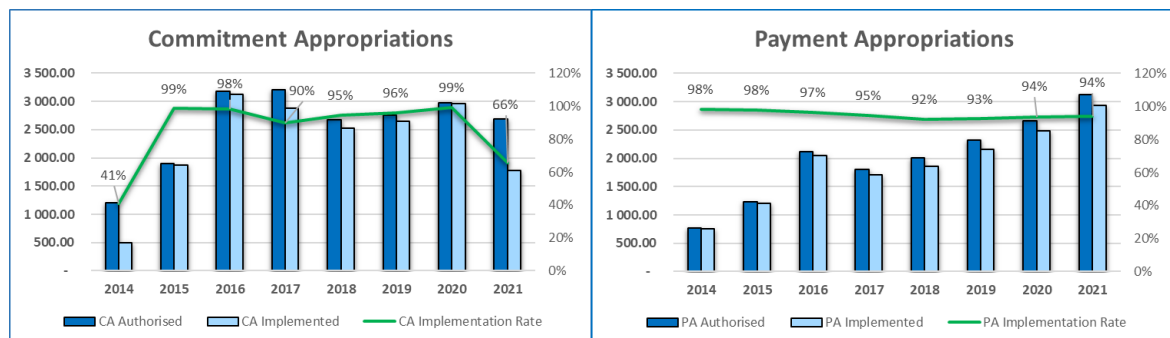
This section covers the control results and other relevant elements that support management's assurance. It is structured into 2.1.1 Control results, 2.1.2 Audit observations and recommendations, 2.1.3 Effectiveness of internal control systems, and resulting in 2.1.4 Conclusions on the assurance.

2.1.1. Control results

This section reports and assesses the elements identified by management which support the assurance on the achievement of the internal control objectives (ICO) (201). The DG's assurance building and materiality criteria are outlined in AAR Annex 5. The AAR Annex 6 outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.

In 2021, the implementation of the Multiannual Financial Framework 2014-2020 was still continuing, while the implementation of the new Multiannual Financial Framework 2021-2027 only started late in the second semester. Member States' programmes will only be adopted starting from the second quarter in 2022. DG HOME policies are part of Heading 4 *Migration and Border Management*²⁰², Heading 5 *Security and Defence* and to a smaller extent Heading 1 *Single Market, Innovation and Digital* (Title 1 *Research and Innovation*) in the financial period 2021-2027.

In 2021, DG HOME policies were supported by €2.69 billion of commitment appropriations²⁰³ representing approximately 1.6% of the EU budget²⁰⁴ ²⁰⁵, and a corresponding amount of payments appropriations equal to € 2.93 billion²⁰⁶.



Source: Annex 3 of Annual Activity Reports - Outturn on commitment and payment appropriations in 2021

In 2021, DG HOME maintained good implementation rates as regards total available payment appropriations and lower than expected implementation rates in commitment appropriations, achieving consumption rates of 66% for commitments (lower than in 2020 when it reached 99%) and 94% for payments (on the same level as last year). The achieved rate of commitment appropriations in 2021 is explained by the non-adoption of

²⁰¹ 1) Effectiveness, efficiency and economy of operations; 2) reliability of reporting; 3) safeguarding of assets and information; 4) prevention, detection, correction and follow-up of fraud and irregularities; and 5) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments (FR Article 36.2). The second and/or third Internal Control Objective(s) (ICO) only when applicable, given the DG's activities.

²⁰² This heading also includes the Instrument for financial support for customs control equipment, which is under responsibility of DG TAXUD.

²⁰³ As per the underlying figures in Annex 3 to the present Annual Activity Report.

²⁰⁴ The total EU Budget 2021 amounted to € 166.83 billion

²⁰⁵ In addition to the budget voted by the legislative authority, authorised commitment appropriations include appropriations carried over from the previous exercise, budget amendments, and miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

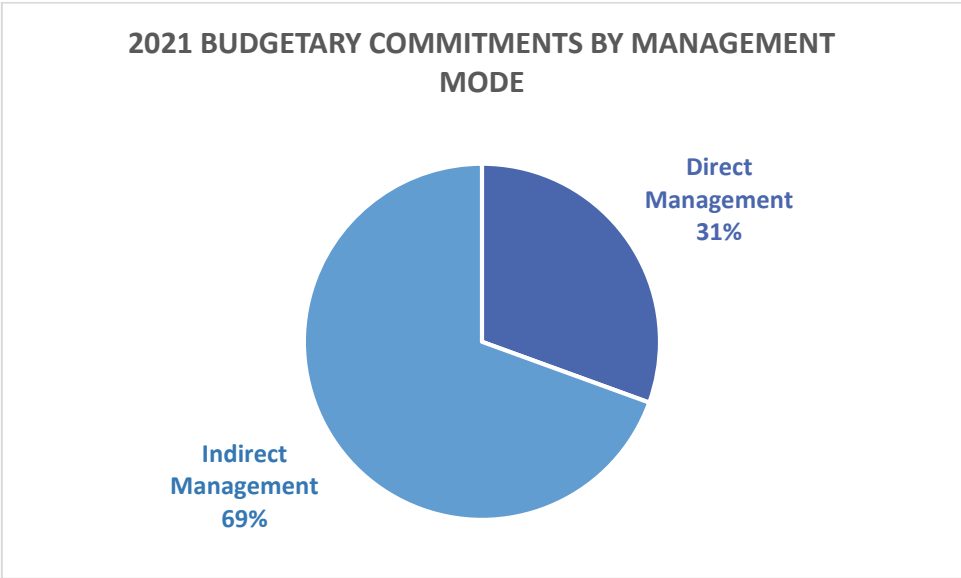
²⁰⁶ These amounts correspond to the appropriations expiring at the end of 2021 on DG HOME budget lines, excluding internal and external assigned revenues received during 2021.

the National Programmes due to the late adoption of the legal bases for the AMIF, BMVI and ISF. The un-committed amounts will be reprogrammed over period 2022-2025. The implementation of payment appropriations in 2021 was good despite the fact that the amount for payment appropriations was increased by the external assigned revenues carried over from 2020 linked to the contributions from the Schengen Associated Countries to the Internal Security Fund for Visa and Borders, which generated almost no payments in 2021.

When taking into account only appropriations expiring in 2021, the implementation of DG HOME’s budget reaches 67% in commitments and 100% in payments.

DG HOME managed to decrease significantly the open amount on commitments (RAL) by 23% from € 5.45 billion at the end of 2020 to € 4.2 billion at the end of 2021. The reduction of the amount from previous years is a good indicator, as it reflects the fact that projects are being implemented and paid. In addition, DG HOME keeps the open commitments under regular observation in order to decrease RAL further.

The graph below presents the distribution of individual commitments signed in 2021 per management mode²⁰⁷:



The highest share of the 2021 commitments for the indirect management amounting to € 1.279 billion is explained by the high budgetary commitments dedicated to six decentralised HOME agencies, in particular Frontex which has received new resource consuming tasks relating to the external border management. Remaining budgetary commitments under indirect management covered delegation and contribution agreements signed under emergency assistance and Union actions.

The share for direct management amounts to € 562 million and covers mainly Union actions and emergency assistance.

All commitment appropriations for shared management were reallocated over period 2022-2025 due to lack of adopted Member States’ programmes.

²⁰⁷ Budgetary commitments were not made in 2021 for shared management due to delayed adoption of the legal basis.

Overview table (amounts in EUR million)

Risk-type / Activities	Grants (e.g. actual costs based, or lump sums, or entitlements)	Procurement (e.g. minor or major values)	Shared mngt (MS's OPs)	Contributions and/or funds to EE (EU Agency, EA, JU)	Delegation / Contribution agreements with EE (EIB, Int-Org, etc.)	Other (describe any other expenditure not covered by the previous columns)	Total Expenditure
Shared management AMIF/ISF	-	-	1 050.66	-	-	-	1 050.66
Direct Management – Union actions and EMAS grants	414.94	-	-	-	-	-	414.94
Direct Management - Research grants	0.69	-	-	-	-	-	0.69
Direct Management - Procurement	-	22.44	-	-	-	-	22.44
Direct Management – Trust Funds	-	-	-	-	-	50.00	50.00
Indirect Management - Contribution/ Delegation agreements	0.32	-	-	-	291.05	-	291.37
Indirect Management - Decentralised agencies	-	-	-	1 101.18	-	-	1 101.18
Totals (coverage)	415.95	22.44	1 050.66	1 101.18	291.05	50.00	2 931.28

In line with the 2018 Financial Regulation, DG HOME's assessment for the new reporting requirement is as follows:

- **Cases of "Derogations from the principle of non-retroactivity [of grants] pursuant to Article 193 FR" (new FR Article 193.2): 7 grants awarded to actions that had already begun.**

None of these cases below was applicable in 2021:

- **Cases of "confirmation of instructions" (new FR Article 92.3)**
- **Cases of financing not linked to costs (new FR Article 125.3)**
- **Financial Framework Partnerships >4 years (new FR Article 130.4)**
- **Cases of flat-rates >7% for indirect costs (new FR Article 181.6)**

The activities carried out to control the execution of DG HOME appropriations are presented in this section per control system:

- 2.1.1.1 Control system 1: Shared management
- 2.1.1.2 Control system 2: Direct management of grants
- 2.1.1.3 Control system 3: Direct management of procurement
- 2.1.1.4 Control system 4: Indirect management (decentralised agencies and delegation/contribution agreements)

Each sub-section is structured in two parts (ex- ante control and ex post controls) and a conclusion on the assessment of the functioning of the management and control system.

To assess the effectiveness, efficiency and economy of the control systems put in place, indicators have been formulated in a management tool used by all the Authorising Officers by Sub-delegation in DG HOME: the Relevant Control Systems for budget implementation.

Based on the identified risks, the Authorising Officers have described in their reports the mitigating controls, the coverage and depth of these controls, their costs and benefits, as well as effectiveness, efficiency and economy.

The overview of the results of this assessment is provided in Annex 6, whilst the set of management and financial indicators used to measure performance is provided in Annex 7.

2.1.1.1 Control system 1: Shared management

SOLID (2007-2013)

The SOLID Funds were: European Fund for the Integration of third-country nationals (EIF), European Refugee Fund (ERF), Return Fund (RF), and External Borders Fund (EBF).

Step 1 – ex ante controls

This control system was not anymore applicable in 2021 as it concerns financial framework 2007-2013.

Step 2 – ex post controls

In 2021, all pending audit work for the audit for Cyprus (EBF) was completed.

Assessment of the functioning of the management and control systems (including best estimate of error)

The overall results of amount at risk per annual programme and the residual error rate is provided in Annex 9 together with a detailed table on the Member States and programmes for which the cumulative residual error rate is above 2%. **The average residual error rate for all closed annual programmes across all four SOLID funds is 1.11%, hence below the materiality threshold of 2%.**

At Member States level, there are still one Annual Programme in two Member States for which the recovery process is very advanced but not yet finalized: External Border Fund in Slovakia and Cyprus.

Lifting of reservation included in DG HOME 2020 Annual Activity Report

Due to the fact that:

- the average residual error rate for all closed annual programmes across all four SOLID funds is 1.11%, well below the materiality threshold;
- the implementation of corrective actions for almost all Member States under reservation is finalised (with the exception of one fund in two Member States where the recovery process is very advanced);
- the reason for the reservation in 2020 AAR was for transparency reasons related to the corrective actions taken;
- and no relevant payments were made in 2021.

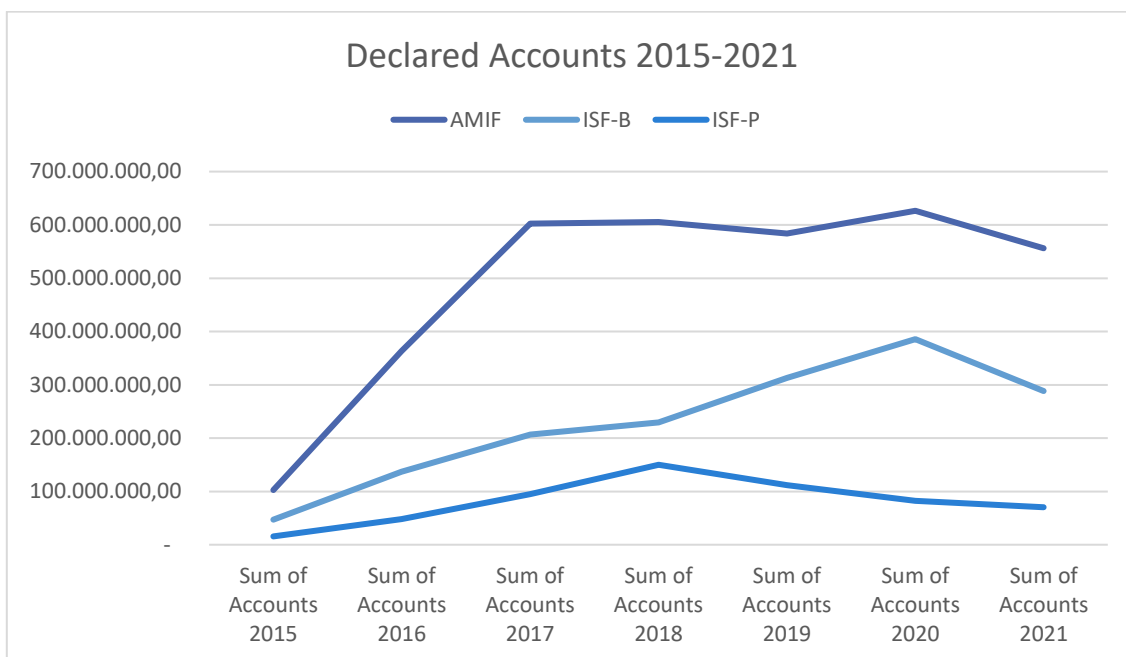
Therefore, the reservation related to the shared management SOLID can be lifted in this 2021 report.

Asylum, Migration and Integration Fund and Internal Security Fund (2014-2020)

In 2021, commitments were not made any more since the AMIF and ISF cover the programming period 2014-2020.

At the end of 2021, the **cumulative absorption rate** of AMIF and ISF under shared management is equal to **72.54%**, up from 60.75% by the end of 2020. This figure reflects the consumption from 2014 to 2021 financial years whose cumulative value is equal to € 5.62 billion out of a total allocation to the national programmes of € 7.48 billion.

The graph below reflect the evolution of AMIF and ISF accounts from 2014 to 2021



Implementation of the 58 multiannual AMIF and ISF national programmes continues and figures confirm a **decreasing trend in annual absorption**, which is expected considering that we are approaching the end of implementation period.

Step 1 – ex ante controls

In 2021, there were no revisions of the Member States' programmes, since the programming period of the 2014-2020 programmes finished on 31 December 2020.

At the beginning of 2022, DG HOME had to mitigate risk of losing unused commitment appropriations (risk of de-commitment). Due to the change in Horizontal Regulation, the accounts submitted in February and March of 2022 will count against the risk of decommitment. Overall, the risk of decommitment in the reporting period was significantly reduced thanks to close monitoring and actions plans (guidance etc.) as well as the revision of the Horizontal Regulation allowing more time for implementation.

Whereas the national programmes of AMIF/ISF are multiannual, the Member States submit annually (by 15/02/N+1 or exceptionally 1/03/N+1) a request for annual payment (supported by an annual 'assurance package') which results in an annual clearance decision by the Commission²⁰⁸ (by 31/05/N+1). In 2021, the accounts submitted for clearance by the Member States for the 2020 financial year concerned 58 cost claims (cumulated value of € 1 094.25 million). Overall, clearance decisions adopted in 2021, covering both 2020 accounts as well as any outstanding accounts from previous year, led to payments for a value of **€ 696.81 million accepted in the clearance**²⁰⁹ (compared to the corresponding amount of € 548.01 million accepted in the clearance decisions adopted in 2020).

²⁰⁸ i.e. the (annual) clearance of accounts procedure.

²⁰⁹ Commission Decision C(2021)9733 of 15 December 2021 and Commission Decision C(2021) 3986 of 27 May 2021.

In eighteen cases (16 linked to 2020 accounts and 2 linked to 2019 accounts), only partial clearance could be made, due to the need for the Member State to carry out additional controls or audits, or due to insufficient assurance provided by Member States. In line with DG HOME assurance process (Annex 7), the audit opinions and detailed annual control reports, in which the national audit authorities document the audit work to underpin the audit opinions issued as part of the annual payment is assessed as part of the ex- ante controls.

During the reporting period, eight **monitoring visits** were carried out by DG HOME in Member States. Beyond field visits, constructive dialogue with Member States competent authorities proved to be crucial to support the implementation, management and control of AMIF and ISF at national level, thus Member States are on a regular basis provided with guidance. This takes place in various forms to suit best the needs of Member States: meetings of the AMIF/ISF Committee, documents clarifying specific topics (e.g. performance framework), and workshops, which are organised on specific issues, e.g. on performance measurement. Due to the continued Covid mobility restrictions ongoing audits continued to be implemented remotely and guidance to audit authorities provided in dedicated communications or bilateral feedback e.g. after the completion of the clearance of accounts exercise.

The internal structure of DG HOME, having funding Units composed of country desks in a financial Directorate with weekly discussions on FAQs, facilitates the delivery of consistent and sound guidance and support to Member States in the implementation of AMIF and ISF.

In the case of **Greece**, the **financial plan** agreed with the Greek authorities in mid- 2021 constitutes an additional control mechanism.

Step 2 – ex post controls

In addition to the annual clearance procedure, conformity clearance²¹⁰ and financial corrections by the Commission are possible up to 3 years after the expenditure has been reported in the annual accounts by the Responsible Authority. Conformity clearance procedures are also launched following ECA audits in the context of the Statement of the annual assurance (DAS), where irregularities are confirmed. As a result of the conformity clearance procedures, the Commission imposes net financial corrections on the Member States by which they reimburse to the EU budget the amounts corresponding to those corrections. During 2021, DG HOME opened two conformity clearance procedures.

Assessment of the functioning of the management and control systems (including best estimate of error)

In 2021, DG HOME completed the audit process for the ISF/AMIF compliance system audit for Estonia that was implemented via remote means. Furthermore, the follow up audit in Finland (AMIF/ISF) to verify the corrective measures introduced by the Member State progressed despite difficulties stemming from remote audits and exchange of audit

²¹⁰ Commission Implementing Regulation (Eu) 2015/378 Article 2

When the Commission considers that expenditure was not in compliance with Union and national rules, it launches a **conformity clearance** procedure. During this procedure, should expenditure and/or system deficiencies be confirmed, the findings are notified to the MS specifying the corrective measures needed in order to ensure future compliance, and indicating the level of financial correction the purpose to exclude from Union financing any expenditure affected by the non-compliance with Union rules.

evidence linked to projects subject to national security considerations.

In addition, DG HOME auditors accompanied the Court of Auditors on the audits for the 2021 Statement of Assurance in a number of Member States.

The methodology to determine reservations and to estimate the net amount at risk is provided in Annex 5. The cumulative outcome of the assessment is presented below (more detailed information per Member State is provided in Annex 7):

Activity/Fund	Cumulative amount at risk (EUR) (31 Dec 2021) in Mio. EUR	Cumulative EU payments (EUR) (31 Dec 2021) in Mio. EUR	Cumulative residual error rate
AMIF	33.18	2 800.43	1.18%
ISF	17.79	1 743.52	1.02%
Total	50.98	4 543.96	1.12%

The **average residual error rate across AMIF and ISF is 1.12%, well below 2%**. At Member States level, six Member States present a cumulative residual error rate higher than 2%. In these cases, reservations have been issued as presented in section 2.1.5

IMPACT on Declaration of Assurance			AMIF			ISF		
				% of MCS	% of EU payments		% of MCS	% of EU payments
1	Reasonable assurance	Number of MCS	0	0%	0.0%	0	0%	0.00%
		Cumulative EU payments	-			-		
2	Reasonable assurance with low risk	Number of MCS	23	85%	84.7%	24	77%	82.94%
		Cumulative EU payments	2 372 095 060.61			1 446 078 276.43		
3	Limited assurance with medium risk	Number of MCS	4	15%	15.3%	7	23%	17.06%
		Cumulative EU payments	428 337 209.49			297 445 571.65		
4	Limited assurance with high risk	Number of MCS	0	0%	0.0%	0	0%	0.00%
		Cumulative EU payments	-			-		

Asylum, Migration and Integration Fund, Border Management and Visa Instrument and Internal Security Fund (2021-2027)

In 2021, the monitoring and control systems were not yet implemented in shared management, since the first Member States' programmes will be adopted only in 2022. Since the intervention logic and management systems remain to large extent similar as in the 2014-2020 period, DG HOME does not foresee any significant changes in the control and audit systems. Some fine tuning may be done due to the fact that the Common Provision Regulation concerns this time the Home Funds.

Consequently, no commitments were made in 2021 and the respective amounts will be re-programmed over the period 2022-2025.

2.1.1.2 Control system 2. Direct management – Grants

In 2021, DG HOME committed a total amount of € 514.81 million (direct management only):

- € 135.08 million for Union actions grants
- € 371.27 million for emergency assistance grants and
- € 0.01213 million for research grants

Step 1 – ex ante controls of Union actions and emergency assistance grants

Union actions and emergency assistance grants under direct management represented 14% (€ 414.94 million) of total DG HOME payments in 2021.

‘Union actions’ are transnational actions or actions of particular interest to the Union covering the objectives under AMIF, BMVI and ISF. These often complex and long-term projects support EU-wide networks, new ways of working, testing of tools or methods throughout the Union and cooperation activities between Member States and third countries. In addition, emergency assistance under AMIF, BMVI and ISF supported Member States facing urgent needs on the ground in the areas of migration, border management and security, by means of projects run by national authorities and International Organisations.

The Anti-Drugs strand under the Justice Programme²¹¹ was also implemented through grants under direct management, but it will not be continued in the 2021-2027 financial period under DG HOME’s responsibility.

Control activities include preparation and adoption of the annual/multi-annual work programmes, the calls for and evaluation of proposals.

In 2021, the number of signed grants for **Union actions and drugs** (Justice Programme) reached 111²¹² (73 in 2020,) for a total awarded budget equal to € 135.08 million (€ 90.16 million in 2020,).

As concerns **emergency assistance**, DG HOME awarded 12²¹³ grants (23 grants in 2020), to address urgent and specific needs to improve migration and border management. In terms of grant agreements signed, DG HOME signed 7 new agreements, of which 2 grants worth € 56.17 million were linked to the programming period 2021-2027. Including 5 amendments to existing grants awarded. 5 Member States²¹⁴ (Croatia, Cyprus, Greece, Lithuania and Spain) benefitted from emergency assistance grants under direct

²¹² Not taking into account 4 minor complementary commitments for grants signed in previous years included in ABAC statistics.

²¹³ Under EMAS 8 grants were awarded in 2021 through a Contribution Agreement or amendments to already ongoing Contribution Agreements hence reported under the specific section on indirect management.

²¹⁴ For example, emergency funding for Greece covered, among others, a significant part of the reception needs in the mainland and in the islands, the protection of the unaccompanied minors through the provision of accommodation, guardianship and foster care services, access to the Greek Asylum Service and the Assisted Voluntary Return scheme. Emergency assistance supported urgent response to disproportionate influx of third-country nationals to Lithuania from Belarus or Spain, during the massive influx of migrants in Ceuta. In the framework of ISF Borders and Visa, emergency assistance was provided to Croatia and Lithuania to reinforce their border control activities.

management. More information on these grants is provided in Annex 7.

Information on the derogation from the principle of non-retroactivity of grants pursuant to Article 193 Financial Regulation applicable to the general budget of the Union: in 2021 DG HOME awarded 7 Emergency Assistance grants under AMIF and ISF Border and Visa to actions that had already begun, as the applicants demonstrated the need for starting the action prior to signature of the grant agreement. More information on these awarded grants is provided in Annex 7.

To illustrate the diverse nature of grants, the average value of a grant in 2021 is around € 1.2 million for Union Actions and € 19 million for emergency assistance.

The number of payments made in 2021 increased significantly (255 versus 166 in 2020) mostly as a result of payments in Union Actions. Indeed in 2021 many projects from abundant 2017 and 2018 Work Programmes were finalised, also with the impact of the pandemic which resulted in numerous non-cost extensions. The total value of payments remained stable (€ 414.94 million in 2021 versus € 425.37 million in 2020), but the composition changed – in Union Actions value tripled, whereas in EMAS decreased by some € 90 million (approximately 25%). **The percentage of ineligible amounts found by the ex ante controls performed over these claims represented 0.47% of their value (1% in 2020).**

Step 2 – ex post controls of Union actions and emergency assistance grants

In addition to the main control objective, the ex post controls serve other purposes:

- ✓ Detection and correction of any errors remaining undetected after the implementation of ex ante controls;
- ✓ Report to OLAF on any suspicions of fraud observed during the ex post control;
- ✓ Measuring the effectiveness of ex ante controls;
- ✓ Addressing systematic 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).

In 2021, DG HOME launched 43 ex post controls²¹⁵, all being part of the annual audit work programme 2021. Taking into account the audits launched in previous annual audit work programmes, DG HOME's auditors finalised 15²¹⁶ audit reports in 2021 (1 from the 2019 Annual Work Programme, 10 from the 2020 Annual Work Programme, and 4 from the 2021 Annual Work Programme). The audit coverage²¹⁷ for 2014-2020 programming period was 14.40%.

For audits closed in 2021, the main audit findings related to ineligible VAT amounts and costs incurred before the start date of the projects:

²¹⁵ Out of the 43 ex post controls, 23 were on grants implemented by the Directorate-General for Justice and Consumers and 20 implemented by DG HOME.

²¹⁶ Finalised meaning that the final audit reports were signed and sent to the Authorising Officer by Sub-Delegation by end-2021.

²¹⁷ Based on the finalised audits at 31 December 2021.

Ineligible VAT/Other financial findings	58.05%
Expenditure incurred outside the eligibility period	31.70%
Incorrect staff cost rate	3.60%
Missing/inadequate documentation	2.23%
Incorrect procurement procedures	0.36%
	100%

Overall, for the current programming period 2014-2020, the table below presents an overview of the type of errors detected till 31 December 2021:

Incorrect procurement procedure	48.05%
Other financial findings (Ineligible VAT, lack of audit trail, budget overruns, incorrect exchange rate)	19.62%
Missing/inadequate documentation	17.28%
Cost not budgeted or not for project purposes	4.51%
Indirect costs impact of ineligible direct costs	3.23%
	100%

Assessment of the functioning of the management and control systems (including best estimate of error)

Based on additional audits closed by end-2021, corporate guidance on the treatment applicable to procedural procurement errors (more details in Annex 5) and the assessment of the functioning of the management and control system for direct management grants (Union actions and emergency assistance), the financial reservation reported in the 2020 Annual Activity Report is maintained in the 2021 AAR, as presented in section 2.1.5. This is due to a cumulative Detected Error Rate for the 2021 Annual Activity Report exceeding 2% resulting from both procedural and financial errors²¹⁸ and to the fact that the cumulative Residual Error Rate of 2.85% (excluding procedural procurement errors not having a financial impact) exceeds materiality of 2%.

Audit coverage and error rate for direct management 2014-2020 funds (multiannual)	2021	2020
<i>Cumulative Auditable Population (in € million)</i>	916.75	673.24
<i>Cumulative Audited Population (in € million)</i>	132.00	109.55
<i>Cumulative Audit coverage (%)</i>	14.4%	16%
<i>Cumulative detected error rate (%)</i>	8.76%	9.39%
<i>Cumulative residual error rate (%)</i>	2.85%	2.23% ²¹⁹

²¹⁸ Following the corporate guidance provided for the calculation of the detected and residual error rates, while such procedural procurement errors may be excluded from the residual error rate, they should be included and quantified at 100% for the determination of the detected error rate.

²¹⁹ The Residual Error Rate (RER) excludes Public Procurement Procedural Errors. Up to the 2019 AAR, procedural and financial errors were taken into consideration for the cumulative error rate. As from the 2020 AAR, in line with the above-mentioned corporate guidance, the calculation of the RER excludes procedural errors having no financial impact.

The assessment of the Residual Error Rate and amount at risk not detected by the supervisory and ex ante elements of the internal control is carried out through analysis of the results of ex post audits. The table above summarises the results of this analysis done according to the four steps detailed in Annex 5. It gives the cumulative coverage rates for grants under direct management (research excluded) and the related Residual Error Rates.

Step 1 – ex ante controls of research grants (7th Framework Programme and Horizon 2020)

Many internal controls are integrated into specific IT tools for the management of the research funds which is shared between DG HOME and the Research Executive Agency (REA)²²⁰. DG HOME is responsible for the work programme²²¹ and security appraisal procedure. Transition of the projects from HOME to REA was finalized with the last payment performed early 2022. The implementation is then monitored by both DG HOME and the Agency.²²²

Step 2 – ex post controls of research grants (7th Framework Programme and Horizon 2020)

7th Framework Programme

The audits were performed by the Common Audit Service (CAS). The error rates for DG HOME²²³ resulting from FP7 audit work are:

Common Representative Error Rate: based on 481 costs statements selected from the entire R&I family, this error rate is 5.44%.

Residual Error Rate: at the end of 2021, this error rate amounts to 3.13% for GROW/HOME.

Horizon 2020

For Horizon 2020, the Common Audit Service (CAS) undertakes all audits and when relevant, the CAS executed audits jointly with the European Court of Auditors (ECA). The error rates resulting from Horizon 2020 audit work decreased as compared to 2020 (2.43%):

Overall Detected Error Rate: 2.29%

Residual Error Rate for DG HOME: 1.82%.

The percentages include the ECA re-performance adjustments and the top-up calculated with new methodology.²²⁴

²²⁰ Evaluation of proposals, preparation and management of grants are currently carried out by both entities. The share of budget and projects was initially set to 1/3 to DG HOME and 2/3 to REA. Following the update of the delegation agreement with REA in 2017, the ratio was foreseen evolve to 80% REA to 20% HOME.

²²¹ The coherence of the Work Programme is guaranteed by the close co-operation of DG HOME, a security Research interservice group and the Horizon 2020/SC7 programme committee.

²²² Projects managed by REA are not being reported for in DG HOME's Annual Activity Report.

²²³ The results include the audits previously launched for DG GROW.

²²⁴ Under the new methodology the calculations of the error rates are based on the amounts actually covered by the audit (included in the audit sample).

The methodology for Horizon 2020 audits is described in detail in Annex 5.

As a conclusion on the assessment with reference to grants research (FP7 and Horizon 2020), DG HOME applied the de minimis rules for FP7 as indicated by central services, while the residual error rate for H2020 is below 2%. (payments for research grants represented 0.02% (€ 0.7 million) of 2021 total payments and the exposure amounts to € 0.1 million, below the threshold of 5% / € 5 million). Therefore no reservation is issued by DG HOME on FP7 and Horizon 2020.

2.1.1.3 Control system 3. Direct management - Procurement

The control system for direct management – procurement builds on three main processes: procurement procedures, financial operations and supervisory measures.

Step 1 – ex ante controls

In 2021, 21 tenders (open tenders + reopening of competitions under framework contracts) were published, leading to the signature of 161 contracts for a total value of **€ 45.70 million**. The calls for tender launched in 2021 included two open procedures for services and studies; and 14 re-opening of competition under the DG HOME Framework contract for evaluation and impact assessment.

As compared to 2020, these indicators represent a significant increase in both the number of contracts signed and their financial value. Number of tenders remained stable. Globally, the number of commitments and payments remained high and echo the intensive political framework of DG HOME where procurement and contract activities reinforce policy development in the field of migration, borders and internal security.

The contract management includes payments and monitoring of the delivery of the expected results while complying with regulatory and contractual provisions. To this end, DG HOME carries out ex ante checks of cost claims before processing transactions.

The amount of payments made in 2021 was equal to € 21.32 million, slightly lower than in 2020 (€ 23.08 million).

Based on the methodology described in Annex 6, no ex post controls were performed for contracts. The audit findings signalled by the other internal or external auditors are taken into account for the assessment of assurance and the residual error is estimated at 0.50%, as per error rate computed by the European Court of Auditors on administrative expenditure, below the 2% materiality threshold.

Step 2 – ex post controls

This control system is limited to Step 1, as DG HOME does not carry out ex post audit on its own procurement, this being done by external auditors (IAS, ECA) as appropriate.

2.1.1.4 Control system 4. Indirect management - Entrusted Entities and Decentralised Agencies

Entrusted Entities

Delegation agreements

In 2021, DG HOME managed two delegation agreements under AMIF and ISF annual work programmes. Payments made in 2021 were equal to € 38.14 million (1.3% of the total

payments made) compared to € 189.61 million in 2020. In 2021, DG HOME did not sign any new delegation agreements.²²⁵

Contribution agreements

In 2021, DG HOME made 13 new commitments in relation to contribution agreements under the AMIF and ISF annual work programmes (8 for EMAS²²⁶ and 5 for Union Actions) for a total amount of € 190.28 million. Payments made in 2021 were equal to € 252.90 million (9% of the total payments made) compared to € 188.05 million in 2020.

Grant agreements

In 2021, DG HOME signed two grant agreements under the AMIF annual work programme for a total amount of € 0.4 million. Payments made in 2021 were equal to € 0.32 million.

The delegation/contribution/grant agreements operating under the indirect management throughout 2021 can be found in Annex 11.

Step 1 – ex ante controls

Delegation and contribution agreements were monitored during the year through progress reports, regular meetings (including participation of DG HOME in Steering committees), online monitoring missions and on the spot visits, continuing despite Covid-19 restrictions with local staff.

Step 2 – ex post controls

Contribution agreements are subject to ex post verifications carried out by DG HOME. In 2021 no verifications were implemented on contribution agreements that were signed under the EU-UN Financial and Administrative Framework Agreement and for which final payments were made in the reporting period. However verifications based on FAFA principles were done on 1 grant awarded under direct management and for which an international organisation (UNHCR) was a co-beneficiary – the control conclusions are taken into consideration for the ex post controls under Direct Management.

Decentralised Agencies

HOME is partner DG to six agencies: European Border and Coast Guard Agency (Frontex), Agency for Law Enforcement Training (CEPOL), Agency for Law Enforcement Cooperation (Europol), European Union Asylum Agency/European Asylum Support Office²²⁷ (EUAA), European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), and European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA).

DG HOME pays annual EU contributions to these agencies as authorised by the Budgetary Authority. In 2021, the total commitment appropriations were slightly higher than the previous year and amounted to € 1.05 billion, out of which 100% was implemented. The budgeted payment appropriations were equal to € 1.10 billion, out of which 100% was

²²⁵ One complementary commitment was made to enable a final payment to a delegation agreement dating back to 2016.

²²⁶ They have been subject to the same control strategy as all emergency assistance grant agreements. This is due to the particular characteristics of emergency assistance, whereby the nature of the applicant is not known in advance in the financing decision. Following the entry into force of the 2018 Financial Regulation, the contract type differs depending on the nature of the applicant (pillar assessed entity or non-pillar assessed entity).

²²⁷ EASO Replaced by EUAA from 2022 onwards.

consumed. Total payments made to the six agencies in 2021 represented 38% of all payments made by DG HOME. A table summarising the amounts of commitment and payments appropriations budgeted and implemented in 2021 can be found in Annex 13.

Step 1 – ex ante controls

The overall objective is to ensure that HOME is duly and timely informed of any governance-related issues in agencies that could have an impact on the assurance of the agencies and/or represent a reputational risk for DG HOME. Decentralised agencies have full responsibility for the implementation of their budget, while HOME is responsible for regular payment of annual contributions established by the Budgetary Authority.

DG HOME closely monitors Agencies' activities in policy implementation, budget planning and implementation and internal control, including follow up on recommendations issued by the Internal Audit Service and the European Court of Auditors²²⁸. DG HOME exercises its oversight role directly through membership (with voting rights) in agencies' Management Boards, where the Commission is represented by HOME Director-General and Deputy Director-General in most cases. In addition, DG HOME participates at preparatory meetings organised at technical level before Management Board meetings. Three agencies, eu-LISA, Frontex and EMCDDA, have set up specialised working groups on budget, staff and audit, while in Europol and EUAA these matters are discussed as part of broader working groups. In March 2021 the Commission asked CEPOL to set up a dedicated Expert Group on corporate matters. In November 2021, the Management Board of the Agency approved the establishment of the Expert Group. As of 2021, the working group for EUAA (ex-EASO) features a sub-formation dedicated to budget, audit and other financial matters. HOME actively participates in all of these working/ preparatory groups.

The agencies have not notified of any significant events with possible impact on DG HOME's assurance for 2021.

Step 2 – ex post control

The centralised IAS of the Commission acts as the internal auditor for the agencies, while the European Court of Auditors gives a statement of assurance as to the reliability of the annual accounts and the legality and regularity of the underlying transactions. Based on these, the European Parliament grants discharge directly to the agencies. DG HOME, therefore, does not carry out ex post audits of its decentralised agencies' expenditure, but ensures follow-up of IAS and ECA audit recommendations, as well as of the discharge.

In 2021, the European Court of Auditors issued an unqualified opinions on the reliability of all HOME decentralised agencies' accounts for 2020, an unqualified opinion on the legality and regularity of the revenue underlying all HOME agencies' accounts, and an unqualified opinion on the legality and regularity of the payments underlying the accounts, except for eu-LISA. The qualified opinion for eu-LISA is based on two irregular procurement procedures. The total amount of payments considered not to be compliant with the provisions of the framework contracts amounted to 4.1% of all payment appropriations available in the 2020 financial year.

For Frontex, the European Court of Auditors no longer reports on the financial impact of the

²²⁸ In 2019, DG HOME revised its Control Strategy on decentralised agencies.

illegal procurement procedure identified in 2017, which was the basis for HOME's reservation in last year's Annual Activity Report, and which was replaced with a new procurement procedure in 2019. However, the European Court of Auditors finds weaknesses in ex ante verification of costs for deployment of equipment claimed by cooperating countries. In addition, the Agency had established that the new simplified financing scheme based on unit costs for deployment of personnel generates extra profit for the beneficiaries (personnel deployed from Member States), which constitutes breach of the Financial Regulation. Since the Management Board has so far refused to reduce the unit costs and the European Court of Auditors is expected to scrutinize this issue further, DG HOME considers this as a reputational event, bearing reputational risk for HOME as parent DG. DG HOME has taken the following actions:

- Formally supported the reduction of the unit costs in 77th Management Board meeting of 21 November 2019.
- Made oral intervention and a note in the minutes of the Working Group on Budget and Accounts to the Management Board of Frontex of 17 December 2019.
- Sent a formal letter to the Agency Executive Director and the Chair of the Management Board asking for corrective measures.²²⁹

Assessment of the functioning of the management and control system

The agencies have not notified any significant events with possible impact on DG HOME's assurance for 2021.

The relevant information provided by the agencies in relation to the issues identified as a result of the Commission's involvement in the agencies' Management Board is and the results of DG HOME's supervision arrangements are deemed reliable and assessed as sufficient to draw reasonable assurance conclusion. Details on IAS audits will be given by the agencies directly in their Annual Activity Reports, in the framework of their separate discharge procedure.

As regards Frontex, many actions and developments took place during 2021:

- Following the European Parliament decision of 21 October 2021, Frontex was granted discharge for the 2019 financial year.
- Progress has been made in the implementation of the Agency's new mandate and the assessment of the reputational impact of the weaknesses identified needs to be re-performed in the framework of the 2021 AAR.
 - The Agency's new administrative structure was adopted in December 2020.
 - The 3 deputy Executive Directors were appointed in the Management Board meeting of 21 October 2021.
 - The Agency has also made progress in the establishment of the Fundamental rights monitoring framework. The new Fundamental Rights Officer took up his duties on 1 June 2021, the deputy Fundamental Officer was appointed in January 2022 and the first 20 fundamental rights monitors were recruited and trained by September 2021.

²²⁹ Ares(2020)1444972 of 9 March 2020.

- By the end of 2021, the Agency has recruited 632 out of 700 planned officers for the Standing Corps category 1 and it has launched in summer 2021 a call for the recruitment of additional 300 guards to be recruited in 2022.

Despite the fact that progress has been made in the implementation of the Agency's new mandate, the reservation on reputational grounds issued in the 2020 AAR will be maintained in the 2021 AAR based on prevailing concerns regarding: several questions in relation to the implementation of the standing corps which are still open, as for example the current rate of the open vacancies, as well as several ongoing OLAF investigations. Some of these factors were also considered by the European Parliament's Budgetary Control committee when proposing to postpone the 2020 discharge for the Agency.

As concerns delegation agreements with entrusted entities, DG HOME also considers that the level of information received as well as the supervision arrangements are sufficient to provide reasonable assurance.

A table summarising the payments made by DG HOME in 2021, in terms of activities per control system, as well as the key indicators (Residual error rates and cost-efficiency) available for each layer can be found in Annex 7.

The analysis of the results of the control activities implemented by DG HOME in 2021 which are described under each Control Systems in sections 2.1.1.1 to 2.1.1.4 allows DG HOME to state that overall reliable and complete control results are available for each Control System. The second part of section 2.1.1 aims at concluding on the cost-effectiveness of these controls and is structured in four sub-sections:

1. Effectiveness of the controls through the analysis of legality and regularity of transactions; fraud prevention, detection and prevention
2. Efficiency of controls
3. Economy of controls
4. Conclusion on cost-effectiveness of controls

1. Effectiveness of controls

a) Legality and regularity of the transactions

DG HOME uses internal control processes to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions it is responsible for, taking into account the multiannual character of programmes and the nature of the payments concerned.

DG HOME's portfolio consists of low risk segments with a relatively low error rate (below the 2% threshold for segments representing 87% of relevant expenditure and close to 2% (2.85%) for 13% of relevant expenditure (direct management grants Emergency assistance and Union actions)).

This is, respectively, thanks to the inherent risk profile of the programme/beneficiaries/funding modalities and the performance of the related control systems.

For the latter sub-segments with control weaknesses, the main (root) causes of the issues are errors in public procurement, ineligible VAT amounts. It should be noted that the implementation rules for direct management of grants have been greatly simplified with progressing departure from programme level specific eligibility conditions and alignment at the corporate level. Management actions taken to address these weaknesses are kick-off meetings organised at the inception of the project to inform about the rules of the grant management as well as ad-hoc monitoring meetings with the participants. For the MFF 2021-2027 generation of grants, DG HOME will apply to a large extent decisions on unit costs concerning volunteers, travel, subsistence and accommodation. Implementation of these simplified eligibility rules will start with the signature of the first grants in 2022.

Through recoveries and financial corrections, DG HOME has in place an effective mechanism for correcting errors. During the reporting year the executed corrective capacity amounted in total to € 17.05 million representing 0.67% of the relevant expenditure. The benefit at ex ante level control amounts to € 7.92 million, whilst recoveries and financial corrections following the results of ex post controls amounted to € 9.10 million.

DG HOME's relevant expenditure, its estimated overall risk at payment, estimated future corrections and risk at closure are set out in Table X: Estimated risk at payment and at closure.

The estimated overall risk at payment for 2021 expenditure amounts to € 48.03 million, representing 1.91% of the DG's total relevant expenditure for 2021. This is the AOD's best, conservative estimate of the amount of relevant expenditure during the year not in conformity with the contractual and regulatory provisions applicable at the time the payment was made.

This expenditure will subsequently be subject to ex post controls and a proportion of the underlying errors will be detected and corrected in subsequent years. The conservatively estimated future corrections for 2021 expenditure amount to € 15.88 million.

The difference between those two amounts results in the estimated overall risk at closure of € 32.15 million, representing 1.28% of the DG's total relevant

expenditure for 2021. This is an increase of 17.46% mainly due to a decrease in the average recovery capacity.

For an overview at Commission level, the DGs' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated in the AMPR.

Table X: Estimated risk at payment and at closure (amounts in EUR million)

The full detailed version of the table is provided in Annex 9.

DG HOME ²³⁰	Relevant expenditure	Estimated risk (error rate %) at payment		Estimated future corrections and deductions		Estimated risk (error rate %) at closure	
		(1)	(2)	(3)	(4)	(5)	(6)
	m EUR	m EUR	%	m EUR	%	m EUR	%
shared management AMIF/ISF	1 110.00	12.43	1.12	8.90	0.8	3.42	0.3
Direct Management – Union actions and EMAS grants	344.96	30.22	8.76	2.77	0.8	27.45	7.96
Direct Management - Research grants	5.36	0.13	2.36	0.04	0.8	0.08	1.55
Direct Management - Procurement	22.19	0.11	0.5	0.00	0.0	0.11	0.5
Indirect Management - Contribution/ Delegation agreements	196.14	0.98	0.5	0.00	0.0	0.98	0.5
Indirect Management - Decentralised agencies	832.12	4.16	0.5	4.16	0.5	0.00	0.00
DG total	2 510.78	48.03	1.91%	15.88	0.63%	32.15	1.28%
In addition EU Emergency Trust Fund for Africa	50.00 ²³¹						

b) Fraud prevention, detection and correction

DG HOME has developed and implemented its own anti-fraud strategy since 2013 on the basis of the methodology provided by OLAF. In October 2021, DG HOME adopted a new Anti-Fraud Strategy together with an accompanying Action Plan, replacing the 2018 version. Building on its predecessor, the new strategy aims at further strengthening the DG's anti-fraud capacities and adapting them to a constantly evolving environment. The

²³⁰ As regards shared management SOLID funds, there were no payments in 2021.

²³¹ The amount represents DG HOME's payments in 2021 to the EU Emergency Trust Fund for Africa.

new Strategy takes into account the novelties introduced by the 2019 Commission Anti-Fraud Strategy and the adjustments required by the MFF 2021-2027.

DG HOME also contributed to the Commission anti-fraud strategy and the implementation of the accompanying action plan.

In 2021, 100% of OLAF's financial recommendations were followed up. Of the total amount for which recovery was recommended by OLAF in 2021, 69.5% was fully implemented, 3% is under implementation, and 27.5% is under evaluation. On the basis of the available information, DG HOME has reasonable assurance that the anti-fraud measures in place are effective.

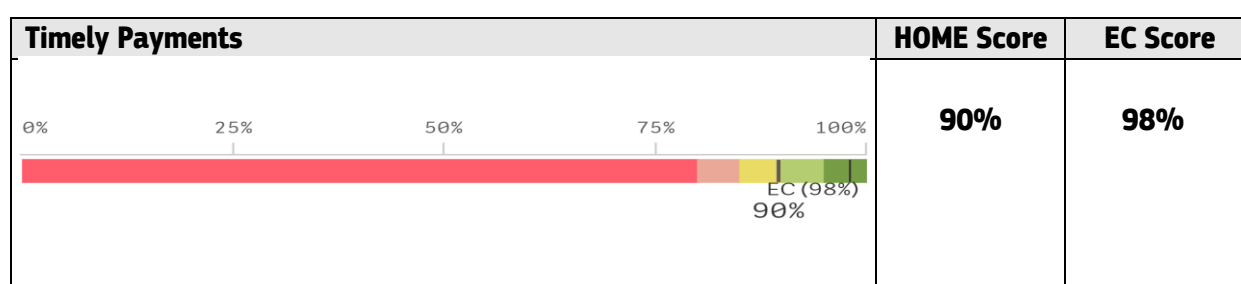
The results of anti-fraud measures achieved during the year can be summarised as follows:

- DG HOME updated its Anti-Fraud strategy and action plan in October 2021, with an aim to strengthen its anti-fraud capacities and adapt to the evolving situation.
- DG HOME continued its fraud awareness-raising efforts for its staff, first, by organising two training sessions: one on OLAF's Irregularity Management System (IMS) and one on ARACHNE. Additionally, there was an update of the DG HOME Anti-Fraud page on the Intracomm focusing on the latest developments in the area, as well as a dedicated article on the newly adopted Anti-Fraud Strategy in the October newsletter of the DG.
- DG HOME continued to analyse and monitor Member States' general anti-corruption policies, in particular through the Annual Rule of Law report, the European Semester and Recovery and Resilience plans. Precisely, DG HOME led the work on the anti-corruption pillar of the 27 country chapters of the second Annual Rule of Law report published in July 2021. This pillar analyses significant developments and challenges as regards the anti-corruption frameworks of Member States across the European Union.
- DG HOME continued its close collaboration with OLAF and the EC anti-fraud networks, like the Fraud Prevention and Detection Network (FPDnet), including the sub-groups on shared management, fraud risk management and EPPO matters.
- Finally, DG HOME continued to provide information and administrative support and to collaborate with OLAF selectors and investigators, upon their request.

On the basis of the available information, DG HOME has reasonable assurance that the anti-fraud measures in place are effective overall. Additional measures will be taken in order to work towards the achievement of the objectives of the DG's new anti-fraud strategy, in an effort to tackle the risks identified in the updated DG HOME fraud risk assessment.

2. Efficiency of controls = the timely payment indicators and other efficiency indicators

DG HOME assessed the efficiency of controls on the basis of "time-to" indicators, which measure the time needed to complete specific procedures. The statistics based on all payments covering all management modes made by DG HOME in 2021 show that 90% of all payments were timely in terms of value, meaning that the average **late payment rate** was equal to **10%**, which is slightly higher than the 2020 level (6%). Only three payments: two high-value payments to decentralized agencies and one under Emergency Assistance (EMAS), accounted for 99% of late payments in 2021. **These payments were only few days late and did not generate any late payment interest.**



The total amount of payments made by DG HOME in 2021 were around 15% higher than in 2020 (€ 2.93 billion vs € 2.48 billion) while the efficiency indicators show positive results as presented in this section, which proves that in general DG HOME managed its resources and processes efficiently. A closer look at the control systems allows seizing the areas where major improvements were achieved, and where additional efforts will be needed.

In 2021, four non-compliance events occurred in direct management (two in procurement related to dates of budgetary and legal commitments and two in grants for payments of interest without specific commitment). In addition, there were four exception events recorded in direct management (two in grants and two in procurement). As concerning shared management, no such above events occurred.

During 2021, 2079 ex ante verifications took place (2 420 in 2020), of which 16% were sent back for correction (13% in 2020).

Control system 1 – shared management

The indicators on efficiency remained steady in 2021: all payments were made on time. Other efficiency indicators are not relevant in shared management.

Control system 2 – direct management grants

The individual efficiency indicators as regards "timely payment" remained stable for Union Actions (97% in 2021 compared to 98% in 2020) and deteriorated for EMAS (86% in 2021 compared to 96% in 2020). Still a high proportion of pre-financing payments pertains, which due to their automatic nature do not bear any risk of delay. Nonetheless the overall situation worsened in view of EMAS due to one exceptionally high payment, which was paid few days late. As concerns the time-to-grant and time-to-inform indicators, there is a remarkable improvement as compared to 2020. In the case of Union actions, despite a

record number of proposals received and evaluated in 2021 (655 compared to 520 in 2020 and 327 in 2019) at equal human resources, time-to-inform improved by 64 days (34%) and time-to-grant was also slightly shorter. In the case of EMAS results were also very good: time-to-inform improved almost 40% by 36 days and time-to-grant improved around 40% by 71 days.

Control system 3 – Procurement and Control system 4 – Indirect management

The timely payment indicator improved compared to 2020 for delegation and contribution agreements under indirect management, it increased from 94% in 2020 to 100% in 2021. As regards procurement, an improvement was also recorded, from 85% to 89% reflecting stable personnel structure and adaptation to virtual working conditions.

Overall, the evolution over time has been positive in all management modes. The time-to indicators have shown better results almost in all cases than in 2020. As regards direct management and Union Actions, results were better in 2019 than in 2020, but in 2021 time-to indicators have returned to level achieved in 2019. In case of EMAS, time-to indicators show better results than in 2019-2020 except slight decrease with regard to timely payment.

Based on the above information, DG HOME could reach a positive conclusion with regard to the efficiency of its entire control system, taking into consideration the continuously high volume of the transactions processed and their higher total value in 2021 as compared to previous years, and stable results of the indicators.

DG HOME did not have any cases that should have been reported under article 93.2 of the Financial Regulation in 2021.

For further details on payment indicators with details on (time-to) indicators per control system is available in Annex 7.

3. Economy of controls – the estimated cost of controls

The cost of controls has been estimated at DG HOME level and, separately, at the level of Member States and entrusted entities, for shared and indirect management respectively. The costs at DG HOME level are reported in absolute values and as a percentage of the payments made, globally and broken down by relevant control system and step (as described in Annex 6).

The assessment of the economy of the cost of controls has been carried out through analysis of the evolution over time and in relation to the volume of resources managed.

Cost of controls at DG HOME level

DG HOME has analysed the estimation of the cost of control in relation with the value of the payments made in 2021 per control system (Annex 6) and over the last 3 reporting years, to draw conclusions also on the trend. As a basis for the calculation, DG HOME has quantified the full-time equivalents allocated to the control activities, whilst “other direct costs” are mainly represented by externalised audit work and dedicated IT tools for

financial management and control.

As a result, the **total estimated cost of the controls** performed in 2021 by DG HOME has been estimated at **€ 17 127 724.50**.

This confirms a stable and positive trend in terms of cost of controls per payments (below table). The slight increase in the cost of controls comes with an increase in the volume of payments made as compared to 2020 and updated annual average FTE costs. In addition, the year 2021 started a new programming period 2021-2027, which increased the amount ex ante controls related to the programming process.

The performance of cost of the controls continued improving (from 0.70% in 2019 to 0.59% in 2021). This is explained by the efforts made to provide always appropriate guidance on time to Member States, to decentralised agencies and implementing partners. Furthermore, the internal reorganisation of September 2019 in DG HOME contributed to maximizing efficiency and improving the internal procedures for management and control.

The below table provides exhaustive information on the data analysed by DG HOME to draw this conclusion.

Control system	2021			2020			2019		
	Costs (M€)	Payments (M€)	Costs/ payments (%)	Costs (M€)	Payments (M€)	Costs/ payments (%)	Costs (M€)	Payments (M€)	Costs/ payments (%)
Shared management	5.20	1 050.66	0.49%	4.87	913.74	0.53%	5.73	799.63	0.72%
Direct management-grants	5.16	415.63	1.24%	5.07	436.56	1.16%	5.28	401.98	1.31%
Direct management - public procurement	1.84	22.44	8.20%	1.74	23.8	7.31%	1.47	24.29	6.05%
Indirect management - Entrusted Entities and Decentralised Agencies	1.13	1 392.55	0.08%	2.2	1 059.5	0.21%	2.58	926.32	0.28%
Other	3.79	0	N/A	2.24	0	N/A	0.00	2.23	0.00%
Total	17.12	2 881.28	0.59%	16.12	2 433.60	0.66%	15.06	2 154.45	0.70%

Costs of controls at Member State level

DG HOME collected the cost of the controls incurred for the implementation of AMIF and ISF for the 2021 financial year by responsible and audit authorities (and delegated authorities when applicable) based on the following types of expenditure:

- Supervision to ensure compliance with the designation criteria (Body referred to in Article 26 Regulation 514/2014)
- Audit Authority staff costs and other costs (such as overheads, training courses, travel)
- Responsible Authority (and Delegated Authority) staff costs and other costs (such as overheads, training courses, travel).

The cumulative cost of control estimated by the Member States is equal to € 32.25 million (€ 29.07 million in 2020). The total amount of the payments requested by the Member States for the financial year was equal to € 915 million (€ 1.01 billion in 2020). The ratio of

estimated cost of control over the amount of funds Member States managed is equal to 3.52% (2.87% in 2020).

Although the total amount of costs of controls and percentage compared to the payments requested by the Member States have increased from 2020 to 2021, the increase is still not significant and the cost of controls incurred by Member States could be considered stable.

Cost of controls at the level of Entrusted Entities

DG HOME signed thirteen new grants in relation to contribution agreements in 2021. DG HOME reports on the cost of control borne by the entrusted entities at the start of each contribution agreement.

4. Conclusion on the cost-effectiveness of controls

Based on the most relevant key indicators and control results, DG HOME has assessed the effectiveness, efficiency and economy of the control system and reached a positive conclusion on the cost-effectiveness of controls for which it is responsible.

The positive conclusion was reached on the basis of an estimation of costs of control over the value of the related funds, in the form of indicators and their evolution over time for each distinct control system (Annex 6) using the management indicators reported in detail in Annex 7.

DG HOME has managed to ensure an adequate balance of the following components:

- low error rates (overall risk at closure: 1.28%)
- payments made within applicable time limits (acceptable)
- low costs of controls (cost-efficiency indicator of 0.59%, in 2020: 0.66%)

Moreover, as reported under 'economy', the implementation pace and amounts paid increased over the last years, but this did not correspond to any significant increase in the cost of controls, and better cost-efficiency was recorded despite of higher volume of payments. DG HOME's control environment and control strategy remained stable during the reporting year and the conclusion on the cost-effectiveness of controls remains unchanged.

As we are approaching the end of the 2014-2020 programming period, DG HOME as well as the Member States and implementing partners are well equipped to manage and control the funds received from DG HOME.

Based on the results of its control activities carried out in 2021 DG HOME has decided to issue some reservations, which are described in section 2.1.4.

Due to the fact that administrative arrangements, cross sub-delegations and contributions to executive agencies are immaterial (total less than 1% of the total payments of DG HOME), these activities are not detailed further in this report.

2.1.2. Audit observations and recommendations

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance.

2.1.2.1 Audits on DG HOME by the Internal Audit Service in 2021

The IAS performed two audits during 2021 (*Audit on Preparation for the 2021-2027 programming period of DG HOME funds* and *Audit on governance, stakeholder management and external communication in the European Border and Coast Guard Agency*), both finalised at the beginning of 2022.

The IAS issued two very important recommendations in the framework of the Audit on the Preparation for the 2021-2027 programming period of DG HOME funds as well as four important recommendations (two for each of the two audits above). The recommendations have been accepted and addressed in DG HOME's action plans.

In its contribution to the 2021 Annual Activity Report process, the Internal Audit Service concluded that the internal control systems in place for the audited processes are effective, except for the observations giving rise to the 'very important' recommendations under the audit on the preparation for the 2021-2027 programming period of DG HOME funds.

With regard to these two "very important" recommendations (audit finalised in January 2022), DG HOME presented to the auditor the actions already taken and the proposed actions for finalizing the implementation. For one "very important recommendation" (*Delays in work programmes of the Thematic Facility*) DG HOME implemented already the actions related to the adoption of work programmes and financing decisions for the Thematic Facility 2021-2022 and will fully implement the remaining action to provide guidance by June 2022. In relation to the second recommendation (*Monitoring of progress in the programming 2021-27 period and reporting to senior management*) DG HOME already took actions in relation to the effective monitoring of the programming process in the Member States by developing a Dashboard and also by reporting weekly to senior management. The full implementation of this recommendation is foreseen by June 2022.

DG HOME has carried out a detailed analysis of the possible impact of the identified issues on the effectiveness of the DG's internal control system, also taking into account the actions already taken to mitigate the related risks. On the basis of this, DG HOME considers that the residual risk related to the above-mentioned recommendations does not affect in a material way the achievement of the internal control objectives, and therefore the assurance provided in this report.

2.1.2.2 Audits on DG HOME by the European Court of Auditors (ECA) in 2021

1. Annual discharge

Regarding the results of the Court of Auditors (ECA) reports, the 2020 Statement of Assurance (DAS) report did not identify any major problems with the implementation of HOME funds, namely AMIF and ISF; nor with the procedures and audit programmes developed and implemented by the Member States' audit authorities. The impact of certain shortcomings identified was not material enough to detract from the Audit Authorities' conclusions. The report includes one recommendation addressed to DG HOME, which focuses on the provision of guidance to the Member States on documentation where funding is based on standard unit costs. The recommendation is being implemented with a deadline of end of 2022.

2. Annual Performance Report

The 2020 ECA report on the Performance of the EU budget concludes that ISF has provided substantial support to help Member States establish and run an integrated border management framework and a common visa policy. The auditors did not identify major issues related to the performance of the Fund. Few shortcomings mentioned relate to: some gaps in ISF–BV performance information; publication of performance indicators in the AMPR, which give an optimistic picture; insufficient contribution to training related to visa and borders.

In conclusion, the findings presented by IAS and ECA do not have any impact on the assurance provided in this Annual Activity Report.

2.1.3. Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on international good practice, to ensure the achievement of its policy and management objectives. Compliance with the internal control framework is a compulsory requirement.

DG HOME uses the organisational structure and the internal control system suited to achieving its policy and internal control objectives in accordance with the internal control principles and has due regard to the risks associated with the environment in which it operates.

The effectiveness of its internal control system has been assessed by DG HOME following the methodology established in the "Implementation Guide of the Internal Control Framework of the Commission".

The assessment has relied on a number of monitoring tools and sources of information including:

- an evaluation of the internal control monitoring criteria for the reference year developed in the context of the Annual Management Plan for 2021 and consisting of

quantitative and qualitative indicators in conjunction with pre-set targets and existing baseline values;

- the reported exceptions and non-compliance events;
- the results of the internal control self-assessment (iCAT-survey), which referred to 13 Internal Control Principles, targeted all DG HOME staff and for which the participation was judged sufficient to be representative;
- the results of the monitoring of the implementation of control and anti-fraud strategies;
- the results of the audits performed or followed up by the Internal Audit Service, which concluded that the audited internal control systems are effective, except for the observations giving rise to 'very important' recommendations, which remain to be addressed, in line with the agreed action plans;
- The European Court of Auditors' findings do not undermine the effectiveness of the internal control system in place (more information is provided in section 2.1.2.2);
- the annual risk management exercise;
- the reports of the Authorising Officers by Sub-Delegation submitted by each Directorate to the Director-General.

DG HOME has assessed its internal control system during the reporting year and has concluded that it is effective and the components and principles are present and functioning well overall, but some improvements are needed as minor deficiencies were identified related to authorities and responsibilities, competence framework and professional development, and separate communication lines.

The improvements and/ or remedial measures implemented or envisaged are mainly based on the Development Plan for DG HOME; in addition, they target providing guidance to staff on whistleblowing.

2.1.4. Conclusions on the assurance

The information reported in Section 2.1 stems from the results of management and auditor monitoring contained in the reports listed. These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a comprehensive coverage of the budget delegated to the Director-General of DG HOME.

This section reviews the assessment of the elements already reported above (in sections 2.1.1, 2.1.2 and 2.1.3), and the sub-conclusions already reached. It draws an overall conclusion to support the declaration of assurance and whether it should be qualified with reservations.

Overall conclusion

In conclusion, based on the elements reported above, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Director General, in her capacity as Authorising Officer by Delegation has signed the Declaration of Assurance albeit qualified by reservations concerning:

- 1) Shared management – Reservation concerning AMIF and ISF 2014-2020 in several Member States
- 2) Centralised Direct Management AMIF/ISF
- 3) Decentralised agencies – Frontex: Reservation on reputational grounds

With reference to research grants/FP7, DG HOME applied the de minimis rules. Based on the fact that payments for research grants represented 0.02% of 2021 payments and the exposure amounts to € 0.1 million (thus below the threshold of 5%/€ 5 million), no reservation is issued by DG HOME on FP7.

Reservation Title	Financial Impact (in million EUR)		Residual error rate 2021*	Evolution
	2020	2021		
Shared management – Reservation concerning SOLID funds 2007-2013 in several Member States	Non-quantifiable	N/A	See details for NPs/MSs Annex 9	Lifted
Shared management – Reservation concerning AMIF and ISF 2014-2020 in several Member States	€ 0.8	0.43	See individual OPs Annex 9	Maintained

Reservation Title	Financial Impact (in million EUR)		Residual error rate 2021*	Evolution
	2020	2021		
Centralised Direct Management	€ 4.67	9.83	2.85%	Maintained
Decentralised agencies – Frontex: Reservation on reputational grounds	reputational	reputational	N/A	Maintained

2.1.5. Declaration of Assurance and reservations

I, the undersigned,

Director-General of DG Migration and Home Affairs

In my capacity as authorising officer by delegation

Declare that the information contained in this report gives a true and fair view²³².

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the institution.

However the following reservations should be noted, as below. More details are provided in Annex 9.

1) Shared management – Reservation concerning AMIF and ISF 2014-2020 in several Member States

2) Centralised Direct Management AMIF/ISF

3) Decentralised agencies – Frontex: Reservation on reputational grounds

Brussels, 2 May 2022

(e-signed)

Monique Pariat

²³² True and fair in this context means a reliable, complete and correct view on the state of affairs in the DG/Executive Agency.

2.2. Modern and efficient administration – other aspects

In 2021, DG HOME continued its ambition to become an even more attractive workplace. With the Covid-19 pandemic continuing to influence working methods it was crucial to have **well-functioning digital solutions** in place to support staff to function as a team when working remotely. Deliverables relating to this section are detailed in Annex 10.

2.2.1. Human resource management

In 2021, DG HOME worked towards reaching the objectives set in the 2020–2024 Strategic Plan of employing a competent and engaged workforce, and contributing to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business. The focus was on measures to move from crisis-working mode to a **more balanced structured and sustainable approach** and thereby modernising the administration and ensuring its efficiency.

At the end of 2021, DG HOME had 618 **staff members** (including officials, temporary agents, Contract Agents, Seconded National Experts and Blue Book Trainees) compared to 597 in 2020. 63.6% of the middle management positions were held by women, which is well above the Commission average of 46%.

The **workload remained high** due to the high political interest in security, borders and migration. In 2021, DG HOME had more than 230 legislative/non-legislative initiatives adopted and prepared 1 138 briefings for DG HOME management and College members. The Covid-19 pandemic further increased the workload and added pressure on staff. Therefore DG HOME continuously **monitored and matched workload and resources and internal working procedures and methods.**

With regard to staff engagement and staff wellbeing, the implementation of the development plan set up following the last staff survey of 2018 is continuing. Actions taken in 2021 include: supporting staff to communicate in a professional and respectful manner while teleworking, by adopting a **Virtual Office Etiquette**; staff consultations on the new corporate HR Strategy; supporting young talents by an internal call for expression of interest for future deputy Heads of Unit; the intensification of exchanges within DG HOME Heads of Unit and deputy Heads of Unit network; further refurbishing actions in the building to promote conviviality and wellbeing. As the DG welcomed 161 new colleagues in 2021, while being under the teleworking regime, a focus was put on the on-boarding actions for newcomers.

The annual **Learning Needs Analysis** is the basis on which DG HOME is building targeted learning paths for its staff, be it in for teams or for individuals. In this context, DG HOME offered 12 **individual coaching packages** to middle managers and other promising talented colleagues, and organised ad-hoc training sessions on developing resilience for DG HOME staff and on burnout prevention for senior and middle managers.

Internal communication work focused on supporting staff during telework through a wide array of initiatives ranging from **18 online lunchtime** seminars, to a Staff Assembly, to up to date MyHOME Intranet, and initiatives encouraging colleagues to return to the office whenever the health and safety rules permitted it.

2.2.2. Digital transformation and information management

In 2021, DG HOME worked towards reaching the objectives set in the 2020-2024 Strategic Plan of using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission.



Digital Transformation: The degree of implementation of the digital strategy principles by the most important IT solution is one of the indicators for digital transformation set in the Strategic Plan. DG HOME participates to the corporate effort in the framework of Coldfusion transformation and Drupal 8 migration.

In 2021, DG HOME **maintained and further developed its IT systems** in the areas of Migration and Home Affairs.

The migration of some systems to Drupal 8/9 technology that started in 2019, reached its 100% completion target in 2021: Together Against Trafficking in Human Beings website²³³ and the European Union Immigration Portal²³⁴ were migrated to Drupal 8, while the European Website on Integration²³⁵ was migrated to Drupal 9. In addition, for the latter a new technology is set to be employed in 2022 as its search functionality. Thereby DG HOME will reach its objectives in the framework of Coldfusion transformation and Drupal 8/9 migration.

Old versions of such systems/websites, have been fully decommissioned in 2021. In this way, DG HOME addresses its technical debt on legacy systems and contributes to corporate IT and Web rationalisation initiatives.

The European Migration Network Information Exchange System, used for collaboration and exchange of information in a secure way across national competent authorities and various networks in the migration domain, was prepared in 2021 to be re-platformed on cloud infrastructure, with the goal of achieving an even more secure infrastructure.

²³³ https://ec.europa.eu/anti-trafficking/index_en

²³⁴ https://ec.europa.eu/immigration/index_en

²³⁵ https://ec.europa.eu/migrant-integration/home_en

Interoperability features have been developed to exchange information with Member States' systems.

Existing systems and newly initiated ones will contribute to the gradual achievement of the objectives under the **Commission's Digital Strategy**²³⁶ as they aim to reduce the burden on citizens, and increase the efficiency of national and European institutions and bodies, including closer cooperation and collaboration in the domains of Migration and Home Affairs.

Following the new corporate methodology on Information Systems Security, security plans for all IT systems have been further updated and submitted for approval to the system owners.

On **cybersecurity**, staff continued to be encouraged to attend corporate awareness initiatives, while IT security knowledge and expertise was maintained and further improved by embedding cybersecurity elements into the IT specific working methods. New releases of IT systems have benefitted from improved EC central security services and compliance benchmarks.

In 2021, Teams – one of the components of M365 – became the mainstream collaboration tool, with Cisco WebEx being gradually phased out in the Commission at the end of 2020.

Data, information and knowledge management: The list of key data assets held by DG HOME has been reviewed in 2021 and the related metadata updated in the Commission's Data Catalogue. For each key data asset, a data steward (in charge of the day-to-day management of the data asset) has been identified. DG HOME is following the development of data-related services like the Data Advisory and the country knowledge portal, attends relevant trainings, and intends to benefit from these services once they become fully operational.

In collaboration with the Document Management Officer, all filing plans for document management have been updated. Furthermore, the Qualified Electronic Signature has been rolled out in the DG, replacing blue ink signatures mainly for contracts.

The Secure Area (classified up to EU-Secret) continued to be a critical asset of which DG HOME ensured the business continuity and its operation throughout the year.

As for **data protection compliance**, DG HOME's personal data processing operations are fully covered in the Data Protection Management System (DPMS). The existing data protection records were reviewed and updated as necessary in the context of a review exercise initiated by the Data Protection Officer in 2021. In terms of awareness raising, the planned information sessions for units on data protection, targeted at the practical needs

²³⁶ In particular relating to Digital by default, Once Only, User-centric, Cross-border Data-driven and Interoperability.

for colleagues in their everyday work, were postponed due to the pandemic and the high workload. Staff is nevertheless encouraged to participate in the data protection trainings organised by the office of the Data Protection Officer.

2.2.3. Sound environmental management

In 2021, DG HOME contributed to the objective of the Eco-Management and Audit Scheme, by which the Commission aims to *lead by example through the reduction of the direct environmental impact of its own activities.*

As in 2020, DG HOME's actions to reduce its environmental footprint continued **throughout 2021** to be very much influenced by the Covid-19 pandemic:

- Teleworking being the default mode for most colleagues, DG HOME made extensive use of distance communication and teleworking tools. Hybrid meeting rooms were installed to allow remote participation in onsite meetings. As a result, the need for transport to and from the workplace and meeting points was considerably reduced, leading to corresponding reduction in emissions.
- By better acquainting staff with teleworking tools, it is likely that the reduction in carbon footprint will remain at least to some extent also when the pandemic is over.
- Similarly, reduced presence in the office meant reduced waste in the DG HOME building (LX46).

The visual shows the **downward trend in energy consumption**, water consumption and waste production from 2019 to 2020 for the building LX46-M059²³⁷.

²³⁷ Statistics from the EMAS page; no possibility for disaggregated data mirroring only LX 46 results; https://myintracomm.ec.europa.eu/staff/Documents/buildings-transport/environment/emas/ES_2021_Results_2020_Annex_A_Brussels.pdf; no disaggregated statistics available only for LX 46. Statistics for 2021 not available yet.

EMASENVIRONMENTAL
BUILDING PROFILEPROFIL ENVIRONNEMENTAL
DU BÂTIMENTBRUSSELS COMMISSION
BUILDINGS BENCHMARK
BENCHMARK DES BÂTIMENTS DE LA
COMMISSION À BRUXELLES

2.2.4. Examples of initiatives to improve economy and efficiency of financial and non-financial activities

In relation to **shared management**, DG HOME engaged Member States in the discussion to identify areas where simplified cost can bring the most added value. DG HOME launched in July 2020 a **study on simplified cost options** covering the three future Migration and Home Affairs funds²³⁸. The study is advanced and will be finalised in 2022 aiming to develop simplified cost options in a number of areas across Member States.

For the New Generation EU Funds, in relation to direct management: DG HOME is committed to make full use of the simplified cost options established by DG BUDG in relation to costs of the owners of the Small and Medium-sized enterprises as well as travel and accommodation.

²³⁸ The Asylum, Migration and Integration Fund (AMIF), the Instrument for Financial Support for Border Management and Visa (BMVI) and the Internal Security Fund (ISF).